Response to Reviewers

General Statement

We thank the Editor and the reviewers for their continued engagement with this work. The paper proposes a reusable algorithmic framework for systematic literature reviews and demonstrates it through a case study on financial narratives.

This revision addresses three categories of feedback: (1) consistency corrections between research questions, screening criteria, and manuscript text; (2) the addition of a concept-centric synthesis using the Theory–Context–Method framework; and (3) explicit scoping of the framework's current implementation choices, in particular the use of Scopus as the bibliographic source and the role of researcher-defined screening statements.

All points are addressed below.

Response to Reviewer 2

Comment 1: Grossman–Stiglitz (1980) inconsistency

Comment. The rebuttal claims that the Grossman–Stiglitz (1980) reference and interpretation were corrected, but the manuscript still cites Grossman (1980) and the reference list remains incorrect.

Response. We thank the reviewer for identifying this oversight. The reference has now been corrected throughout: the SSRN entry citing only Grossman (1980) has been replaced with the original published article by Grossman and Stiglitz (1980) in *The American Economic Review*. Both the in-text citation and the bibliography entry have been updated accordingly.

Comment 2: Residual inconsistency in Research Question 2

Comment. Although the manuscript reframes RQ2 as a conceptual synthesis question, remnants of the original formulation ("financial market dynamics") remain in the screening statements and parts of the manuscript.

Response. We thank the reviewer for this careful reading. To ensure full consistency with the revised formulation of RQ2, we reviewed and corrected all remaining references that reflected the previous focus on financial market dynamics.

In particular, screening statements that previously referred to "understanding" or "enhancing" market dynamics have been reformulated to align with the current objective: the conceptualization and modeling of financial narratives. We also clarified the role of search terms related to market dynamics in the screening procedure. These terms were initially included to ensure broad coverage of the financial literature in which narratives are studied. We now explicitly state that their inclusion does not reflect the objective of the review, which is focused on how narratives are defined, represented, and modeled.

Finally, the keywords and remaining minor inconsistencies have been updated to reflect this conceptual focus. These changes ensure that the research question, screening procedure, and manuscript content are now fully aligned.

Comment 3: Single-source limitation (Scopus)

Comment. The manuscript remains based solely on Scopus, which excludes SSRN, NBER, and arXiv.

Response. We agree that single-source reliance is a limitation of the current implementation, and this is acknowledged in the manuscript. Scopus was chosen for this case study because its standardized metadata enables reproducible algorithmic screening. The framework itself is source-agnostic; extending it to additional databases or unified APIs such as OpenAlex is a direction we discuss in the paper. For the present work, Scopus provides a controlled baseline for demonstrating the selection pipeline.

Comment 4: Subjectivity in inclusion criteria

Comment. The study relies on researcher-defined statements without validation or a ground-truth benchmark.

Response. We acknowledge that researcher-defined screening statements introduce subjectivity, as is inherent in any semantic retrieval approach without a predefined benchmark. The framework mitigates this through the use of a general-purpose embedding model, automatic LLM-based rephrasing of statements into multiple semantic variants, and the use of broad, complementary statements that function as structured semantic filters rather than rigid rules. These design choices and the limitation itself are discussed in the manuscript.

Comment 5: Exclusion of medium-relevance papers

Comment. Potentially relevant studies are excluded by design, which may introduce bias.

Response. We appreciate the reviewer's observation. In our implementation, we conducted a manual inspection of papers near the decision boundary between high- and medium-relevance clusters. This inspection confirmed that a large share of these boundary papers did not directly address the research questions, but rather mentioned related concepts peripherally.

More importantly, the relevance threshold is a configurable parameter of the framework rather than a fixed constraint. Users may choose binary classification (high vs. low) for maximum coverage, or three-tier classification (high, medium, low) for stricter filtering. The appropriate choice depends on the breadth and density of the literature under review. We have clarified this flexibility in the manuscript.

Response to Reviewer 5

Major Comment: Strengthening concept-centric synthesis and gap identification

Comment. The manuscript under-develops the synthesis and gap-identification component. A concept-centric framework (e.g., TCM, concept matrix) should be introduced to structure the review and explicitly derive research gaps.

Response. We thank the reviewer for this suggestion, which directly improved the structure and clarity of the manuscript.

To address this point, we introduced a dedicated subsection titled *Concept-centric synthesis and gap identification*, where the literature is now structured using the Theory–Context–Method (TCM) framework proposed by Paul and Criado (2020). After the descriptive review of individual papers, the synthesis is organized along three explicit dimensions: (i) the theoretical conceptualization of narratives, (ii) the empirical context in which they are studied, and (iii) the methodological approaches used for their extraction and integration into financial models. We constructed the corresponding concept matrix that maps all selected papers across these three dimensions, providing a compact and systematic representation of the literature.

Building on this structure, the identification of research gaps is now derived directly from the absence of specific combinations within the matrix. In particular, the revised manuscript highlights the lack of studies combining structured narrative representations, advanced semantic methods, and integrated financial modeling, as well as the limited transfer of recent NLP advances to financial applications and the narrow empirical scope of existing work.

This revision strengthens the synthesis by complementing the descriptive aggregation of studies with a concept-centric analysis, and ensures that the research gaps are derived in a transparent and systematic manner.

Minor Comment 1: Role of AI in the synthesis stage

Comment. The manuscript does not clearly explain how AI supports data extraction and reduces manual effort in the synthesis stage.

Response. We thank the reviewer for raising this point. The present work is intentionally focused on the search, filtering, and reranking stages of a systematic literature review. The proposed framework is designed as an AI-enhanced selection pipeline, and its contribution lies in improving how relevant papers are identified and prioritized.

In this scope, AI is not used in the synthesis stage. Extending the framework to support automated or semi-automated synthesis would require a different class of methods, such as structured information extraction, topic modeling, or large language models applied to full-text analysis. These approaches introduce additional methodological challenges, including sensitivity to prompting and the risk of hallucination or confirmation bias in gap identification.

Addressing these issues would require a dedicated research effort beyond the scope of the current paper. The objective here is deliberately restricted to demonstrating how embedding-based retrieval and reranking can improve the upstream stages of the review process.

Minor Comment 2: Editorial issues

Comment. Typographical issues remain (e.g., "Section ??", "words presences").

Response. We thank the reviewer for pointing out these issues. The incorrect section reference previously displayed as "Section ??" has been corrected, and the phrasing "words presences" has been revised for clarity and correctness. In addition, we conducted a careful review of the manuscript to improve language quality, consistency, and overall academic style.

Additional Consistency Corrections

Consistency of Research Questions and Methodology

We performed a full consistency check across the manuscript to ensure alignment between research questions, methodology, screening criteria, and discussion. The year filter is now uniformly expressed as "2011 or later" in both the selection criteria table and the results section. The sixth screening statement has been updated to reflect the revised RQ2, replacing the previous reference to "financial market dynamics understanding" with the current formulation focused on how narratives are defined and applied. A clarifying sentence has been added in Section 2.1 to make explicit that search terms related to market dynamics were included solely to ensure broad coverage of the financial literature, and do not reflect the conceptual objective of the review.

Conclusion

This revision addresses the reviewers' comments through targeted corrections, a strengthened synthesis component, and explicit scoping of the framework's current implementation boundaries. The manuscript has been corrected for consistency, enriched with a concept-centric synthesis using the TCM framework, and revised to clearly delineate the scope of the present case-study implementation.

We thank the reviewers for their valuable feedback throughout the review process.