

COUNTING CARBON:

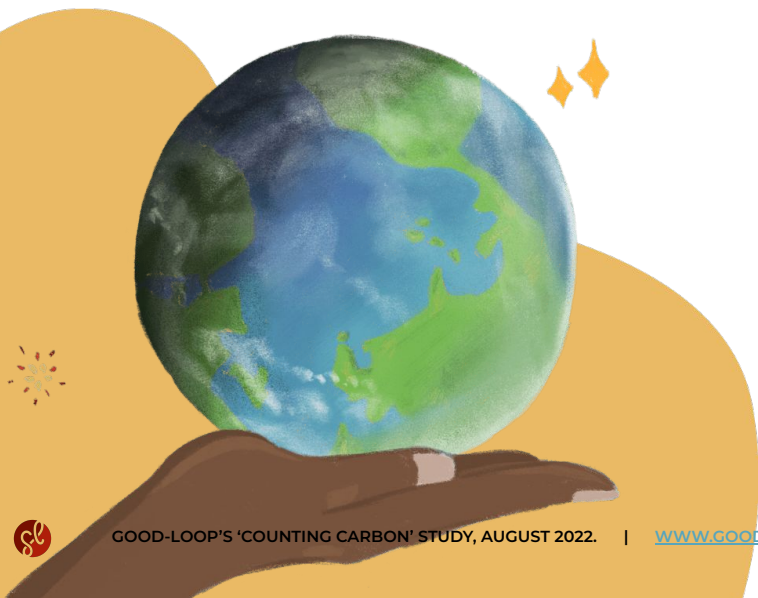
HOW U.K. MARKETERS ARE TACKLING ADLAND'S CLIMATE CRISIS

AUGUST 2022



TAKING THE TEMPERATURE OF ADLAND'S CARBON PROBLEM

Online advertising has a carbon problem. As the digital ad ecosystem has become more complex and fragmented – fuelled primarily by the energy required to support the rise in programmatic advertising – the negative impact it has on the environment has also increased.



To put it into context, **the internet represents almost 4% of global emissions, and is on track to double by 2025 (source: BBC)** – a hefty chunk of which is caused by digital advertising.

A typical online ad campaign emits 5.4 tons of carbon (source: Good-Loop) – almost a half of what a U.K. consumer generates every year (source: Good-Loop), while **1M video impressions have the same carbon footprint as someone flying from Boston to London and back (source: Scope3)**.

As a significant driving force within the global economy, and an important point of influence and engagement for the public, the advertising industry can play a key part in supporting the charge to a net carbon zero future.

In order to better understand marketers' perceptions of the impact digital advertising has on the environment and the actions being taken to reduce carbon emissions, Good-Loop conducted a survey of more than 400 digital marketers in the U.S. and U.K., mainly from media agencies and brands. This report reveals how brands and agencies are tackling the problem, the challenges faced and plans for future action.





KEY U.K. FINDINGS



Nine in every 10 (90%) U.K. marketers believe the digital advertising industry has a **responsibility to reduce carbon emissions**



71% of U.K. marketers are **tracking the carbon cost of their digital advertising campaigns**



84% of U.K. marketers believe the **digital advertising industry needs to do more** to help reduce carbon emissions



87% of agency marketers in the U.K. and 61% of U.K. brand marketers believe **"sustainability is more important than the cost of media"**



Seven in 10 (70%) U.K. agency marketers and more than half (63%) of brand marketers believe there are **not enough education/training programmes on sustainable media**



38% say their organisation **plans to reach Net Zero in digital advertising** at some point in the future, but only 15% have been set targets

MARKETERS KNOW THEY NEED TO DO MORE TO REDUCE CARBON EMISSIONS



There is a near universal understanding that marketers need to take action to improve the sustainability of their campaigns.

Nine in every 10 (90%) of U.K. marketers agree that the digital advertising industry has a responsibility to reduce carbon emissions.

There is also a desire to do more, with **84% of brand and agency marketers supporting the view the industry needs to do more to reduce carbon emissions.**

This shows that while understanding the carbon cost of digital advertising is a relatively new concept, marketers understand the importance of the issue at hand.



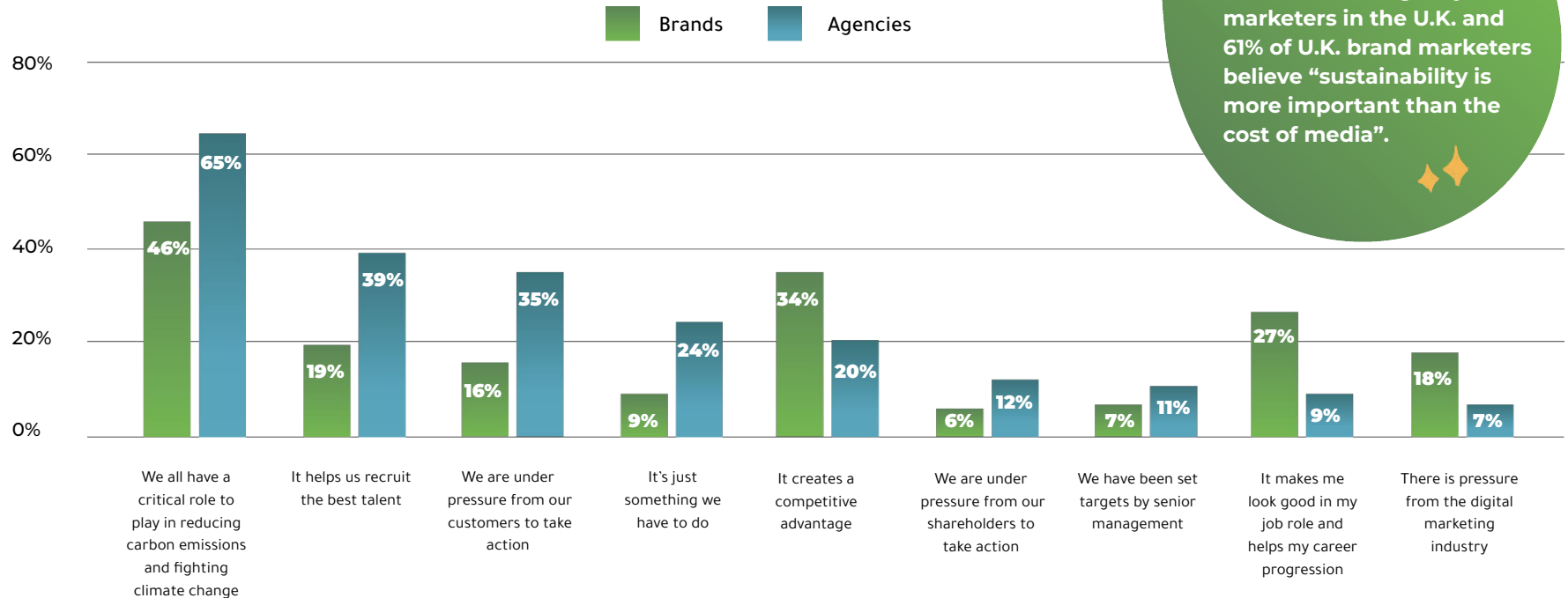
84% of U.K. marketers say the digital advertising industry needs to do more to help reduce carbon emissions





WHY DO MARKETERS FEEL IT IS IMPORTANT TO REDUCE THEIR CARBON EMISSIONS?

When looking at why marketers believe it is important to reduce carbon emissions, there is a widespread belief (53% of respondents) that “we all have a critical role to play in reducing carbon emissions and fighting climate change”.

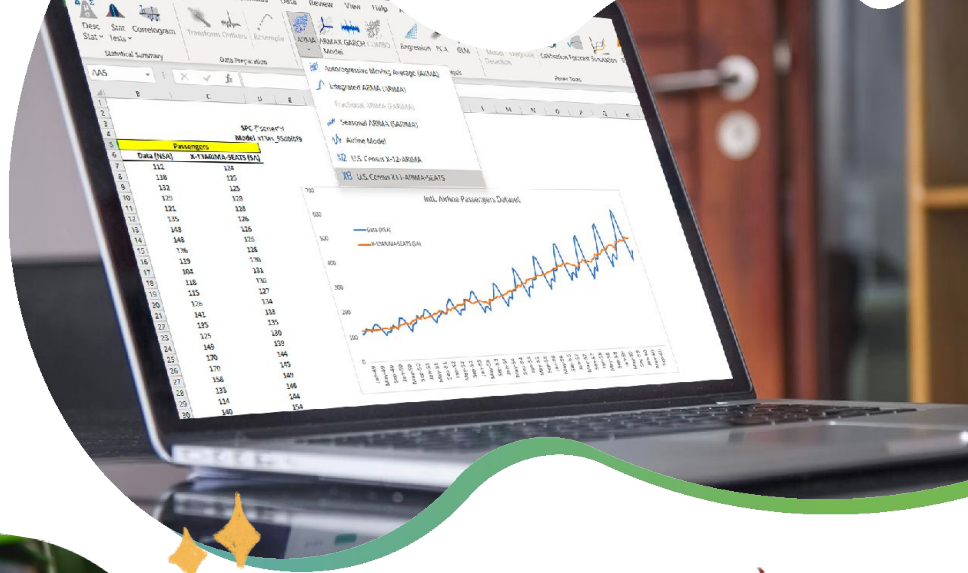
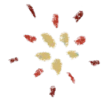


In fact, 87% of agency marketers in the U.K. and 61% of U.K. brand marketers believe “sustainability is more important than the cost of media”.



COUNTING CARBON

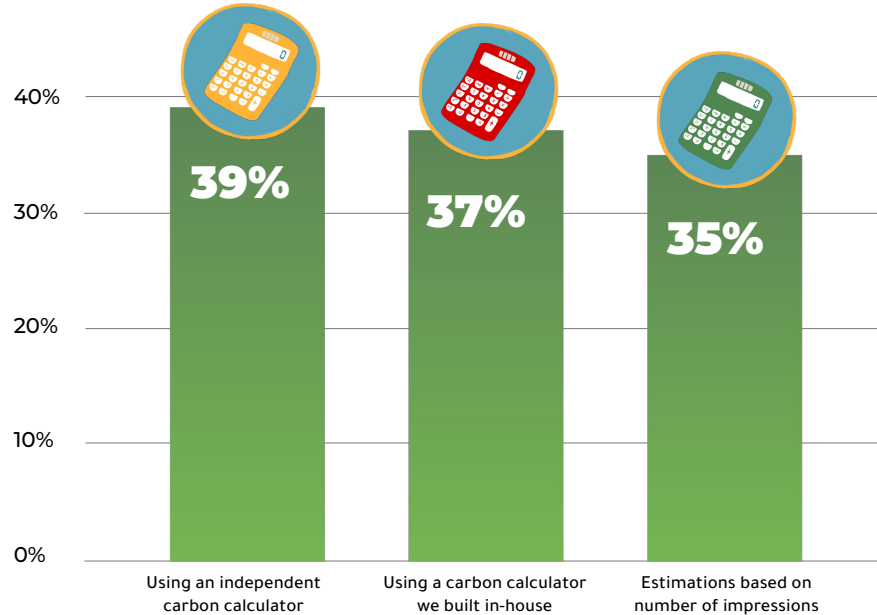
Seven in every 10 (71%) of U.K. marketers are tracking the carbon cost of their digital marketing campaigns. However, the tech currently used to track emissions is still quite nascent, with 83% still relying on estimated figures or calculations. Furthermore, there is a lack of standardisation, with both independent and in-house solutions widely used.





HOW DO YOU TRACK THE CARBON FOOTPRINT OF YOUR DIGITAL ADVERTISING?

CARBON TRACKING IS AT A NASCENT STAGE AND LACKS STANDARDISATION



WHY IS THIS IMPORTANT?

Research has shown carbon calculators from leading companies/projects produce different results for the same ads.

This is to be expected, as work on this project has existed to date in siloes – with many reluctant to share methodology or working practices for fear of eroding competitive advantage.

For example, some calculators will factor for the weight of the creative but won't consider the programmatic supply chain.

The risk we face is that without standardisation there will be a leaning towards calculators that report the lowest emissions and misaligned calculations could result in loss of buy-in from key stakeholders.





56%

of U.K. marketers believe minimising
carbon emissions should be a target
for every marketer



TARGETS = ACCOUNTABILITY + TRANSPARENCY



When setting targets the first goal should be establishing accurate measurement, followed by the creation of realistic targets for reducing carbon emissions with realistic plans of how to do so.

There is a mismatch between the targets set by senior management and marketers' belief that targets should be set. On average, **only 15% have been set targets**, but over half (**56%**) **believe minimising carbon emissions should be an objective for every marketer**.

WHY IS THIS IMPORTANT?

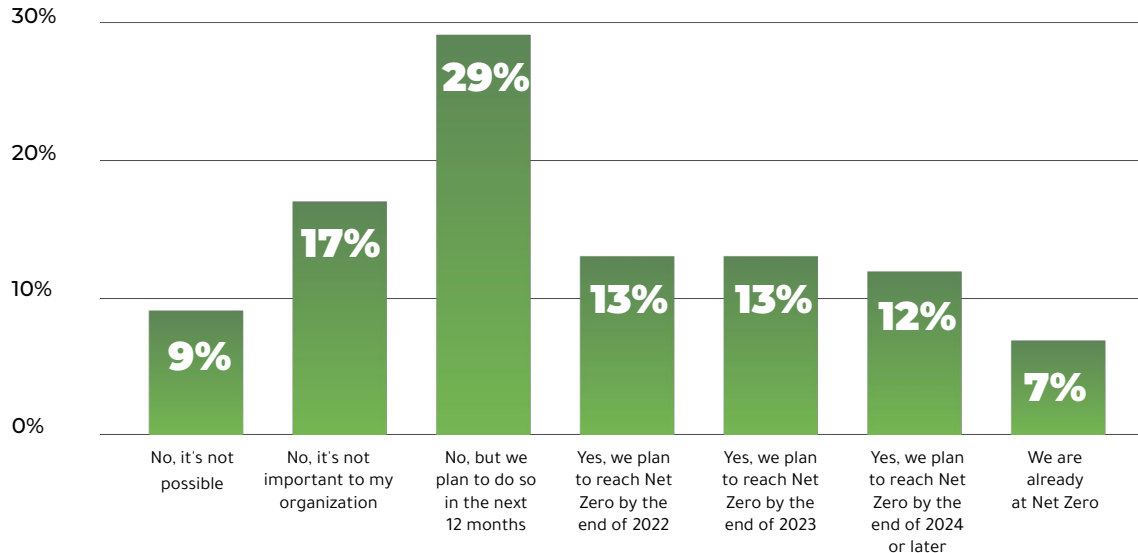
Setting targets alone, without a plan doesn't facilitate maximal performance and can even be counter-productive.

With a good plan in place, you create transparency and accountability. However, goals without an independent/collective body to oversee them risk falling victim to Goodhart's Law – when a measure becomes a target, it ceases to be useful as a measure because all the focus is on the what not the why.

LOOKING TO THE FUTURE: REACHING NET ZERO IN DIGITAL ADVERTISING



DOES YOUR ORGANISATION HAVE INITIATIVES IN PLACE TO REDUCE THE CARBON EMISSIONS GENERATED BY DIGITAL CAMPAIGNS TO NET ZERO?



With the [U.K. Government committing itself to becoming a Net Zero economy by 2050](#) and many [major ad agencies adopting Ad Net Zero globally](#), **38% of U.K. marketers** say their organisation have initiatives in place to reach Net Zero in digital advertising at some point in the future. A further **29% say initiatives will be in place by the end of 2022**. Education remains a barrier, with **9% believing it's not possible to reach Net Zero in digital advertising**.

Despite these good intentions, some marketers believe performance outweighs sustainability. "As long as digital marketing generates results it doesn't matter if carbon emissions generated running campaigns are high" **36% of brand marketers and 48% of agency marketers agree.**



EDUCATION AND DIRECTION

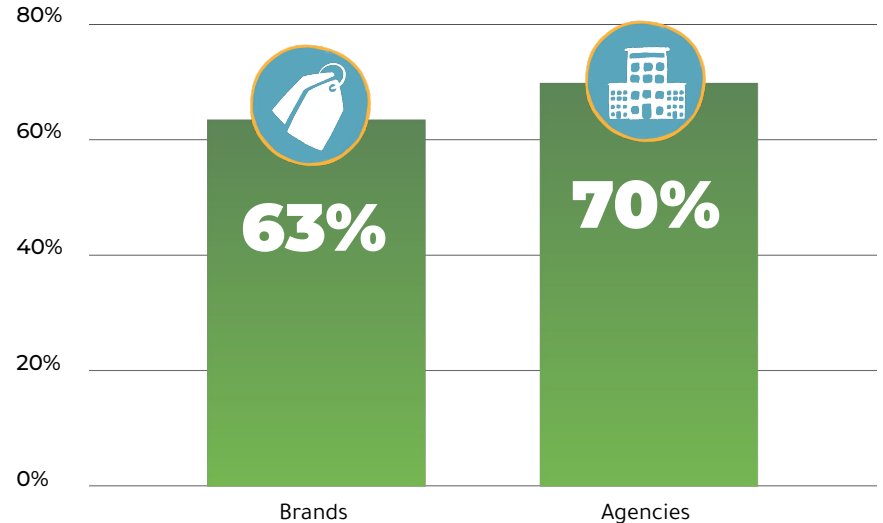


A lack of training is holding marketers back.

Almost two-thirds (63%) of U.K. brand marketers and 7 in every 10 (70%) of U.K. media agency marketers believe there are not enough sustainability education/training programmes to give marketers the skills and confidence to effectively understand and reduce the impact digital marketing has on the environment.

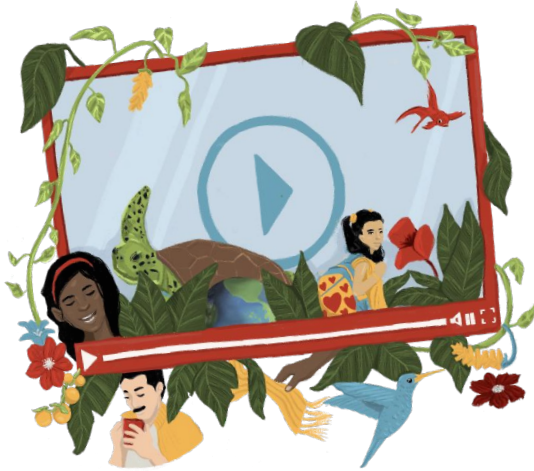


THERE ARE NOT ENOUGH SUSTAINABILITY EDUCATION/TRAINING PROGRAMMES TO GIVE MARKETERS THE SKILLS AND CONFIDENCE TO EFFECTIVELY UNDERSTAND AND REDUCE THE IMPACT DIGITAL MARKETING HAS ON THE ENVIRONMENT



WHY IS THIS IMPORTANT?

The more normalised the behaviour of measuring and reducing the carbon impact of advertising activity becomes, the faster we can solve the problem and drive our industry towards a clear Net Zero outcome. However, for us to get there, it's time to agree on the rules of engagement and define a shared standard for measuring carbon in our industry. Otherwise, we run the risk of doing more harm than good.





JOIN OUR ONLINE COURSE TO LEARN MORE ABOUT SUSTAINABLE MEDIA



With so many marketers keen to learn more about how they can decarbonise their digital media, Good-Loop is launching a virtual training course to help.



KEY TOPICS FROM THE THREE-PART ONLINE PROGRAM INCLUDE:

- What are scope 1, 2 and 3 emissions
- Carbon neutral and net carbon negative - what's the difference?
- What is greenwashing? And how to avoid it
- What does carbon offsetting actually mean?
- How to measure and reduce the carbon footprint of your digital media



CLICK [HERE](#) TO PRE-REGISTER

OR EMAIL MARKETING@GOOD-LOOP.COM TO FIND OUT MORE.



SUMMARY

Global temperatures are already 1.9° Fahrenheit warmer than before the Industrial Revolution, melting 110 trillion tonnes of the Greenland ice cap. Left unchecked, the problem will cause untold, irreversible damage to the planet.

The good news is that the past 18 months have seen a flurry of activity as global businesses commit to taking action. [Apple has committed](#) to be 100% carbon neutral by 2030, [Unilever's Climate Transition Action Plan](#) sets out a pathway to Net Zero emissions across their supply chain by 2039 and [Volvo intends to](#) become Net Zero by 2040. Both the [U.K.](#) and [U.S. governments have committed to becoming Net Zero economies by 2050](#)

Meanwhile, [Ad Net Zero](#) was launched by a trio of trade bodies in the U.K. in November 2020, with a mission to get the ad industry to Net Zero carbon emissions within the next decade. It has since signed up hundreds of advertisers, including WPP, Publicis, Dentsu and Omnicom.



GOOD-LOOP'S GREEN MEDIA TECHNOLOGY

Good-Loop has developed Green Media Technology, focused specifically on digital display and video. Using a robust, open-source methodology, our goal is to provide a clear, transparent understanding of advertising's digital carbon footprint. Empowering agencies and clients to offset their impact in the short term and to implement positive climate action in the long term.



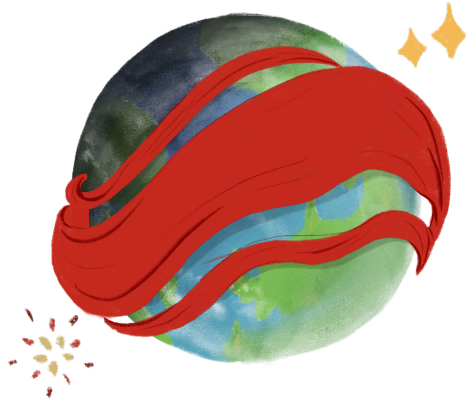
Decarbonising Digital Media in 4 Simple Steps:



U.K. marketers are aware of the need for change in the form of measuring and reducing carbon emissions generated from digital campaigns. That's where we can help.

As we approach 2023, 38% of marketers report that their organisations will have initiatives in place to reach Net Zero. However, there is a lack of standardisation, education, and urgency which must be addressed if we are to transform the digital advertising industry into a force for good for our planet.

Thankfully, more and more companies, including Good-Loop, are developing green advertising solutions to help brands and businesses move towards Net Zero.





TO LEARN MORE ABOUT GOOD-LOOP'S
GREEN ADVERTISING SOLUTIONS, VISIT
WWW.GOOD-LOOP.COM/GREENMEDIA
OR CONTACT HELLO@GOOD-LOOP.COM