

# COUNTING CARBON:

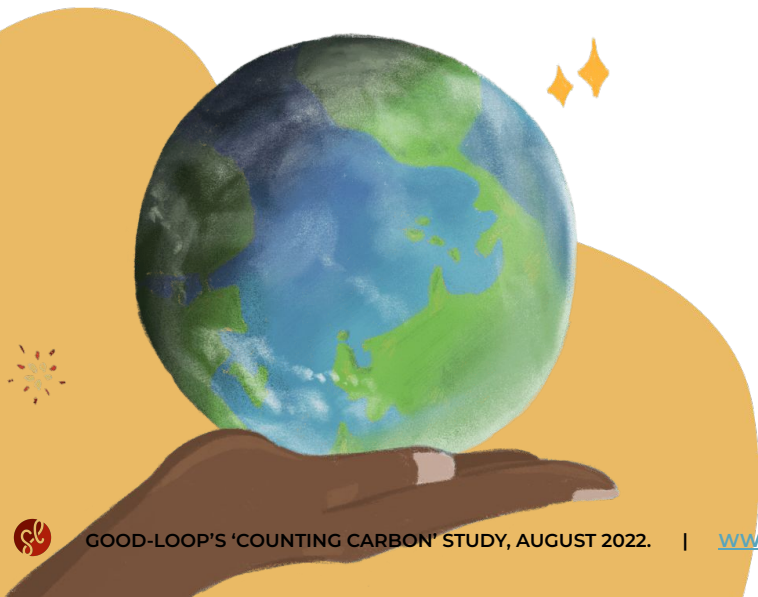
## HOW U.S. MARKETERS ARE TACKLING ADLAND'S CLIMATE CRISIS

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)** – around a third of what a U.S. consumer generates every year (source: Good-Loop), while **1M video impressions has 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.S. FINDINGS



Nine in every 10 (87%) U.S. marketers believe the digital advertising industry has a **responsibility to reduce carbon emissions**



Almost two-thirds (61%) of U.S. marketers say they're **tracking the carbon emissions generated by their digital advertising campaigns**



76% of U.S. marketers believe the **digital advertising industry needs to do more** to help reduce carbon emissions



56% of U.S. agency marketers and 46% of brand marketers believe **"sustainability is more important than the cost of media"**



Seven in 10 (69%) U.S. brand marketers and more than half (54%) of agency marketers believe there are **not enough education/training programs on sustainable media**



51% of U.S. marketers say their organization **plans to reach net zero in digital advertising** at some point in the future but only 24% have been set targets



# MARKETERS KNOW THEY NEED TO DO MORE TO REDUCE CARBON EMISSIONS

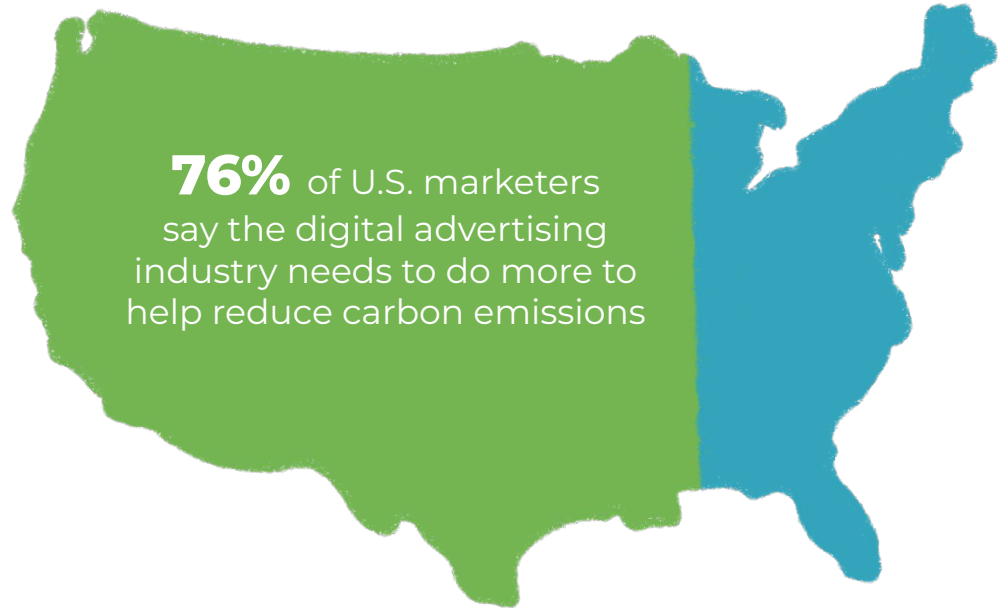


There is a near universal understanding that marketers need to take action to improve the sustainability of their campaigns.

**Nine in every 10 (87%) of U.S. marketers** agree that the digital advertising industry has a responsibility to reduce carbon emissions.

There is also a desire to do more, with three-quarters **(76%) of brand and agency marketers supporting the view the industry needs to do more to reduce carbon emissions.**

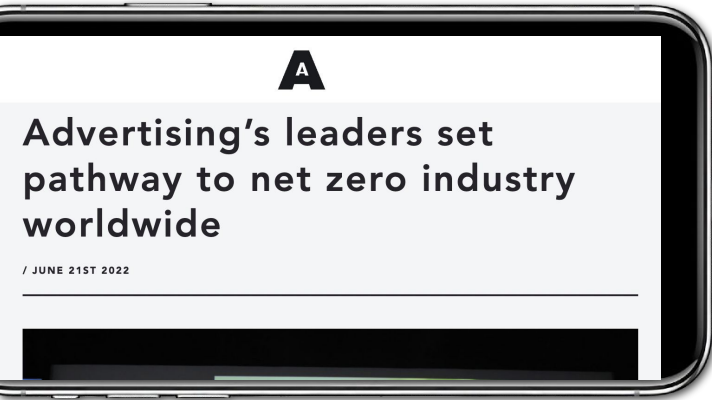
This shows that while understanding the carbon cost of digital advertising is a relatively new concept, marketers understand the importance of the issue at hand.





# 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”.



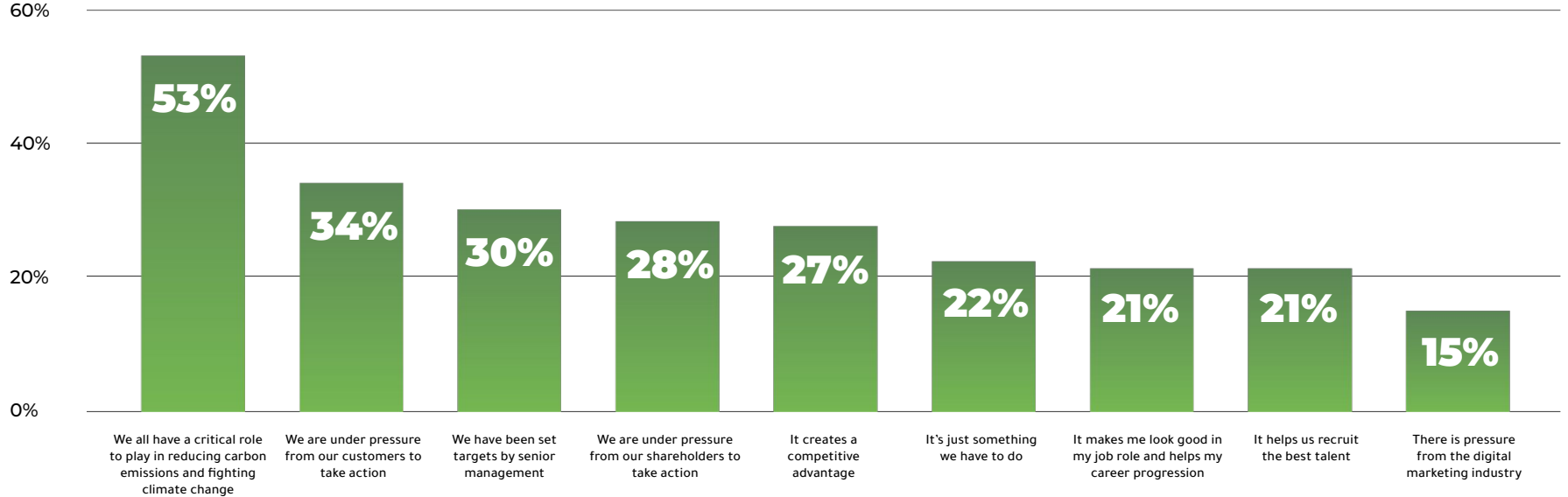
In fact, 56% of agency marketers in the U.S. and 46% of U.S. brand marketers believe “sustainability is more important than the cost of media”.





# WHAT'S DRIVING MARKETERS' DESIRE TO REDUCE CARBON EMISSIONS?

## WHY IS MAKING YOUR DIGITAL ADVERTISING ACTIVITY CARBON NEUTRAL IMPORTANT?

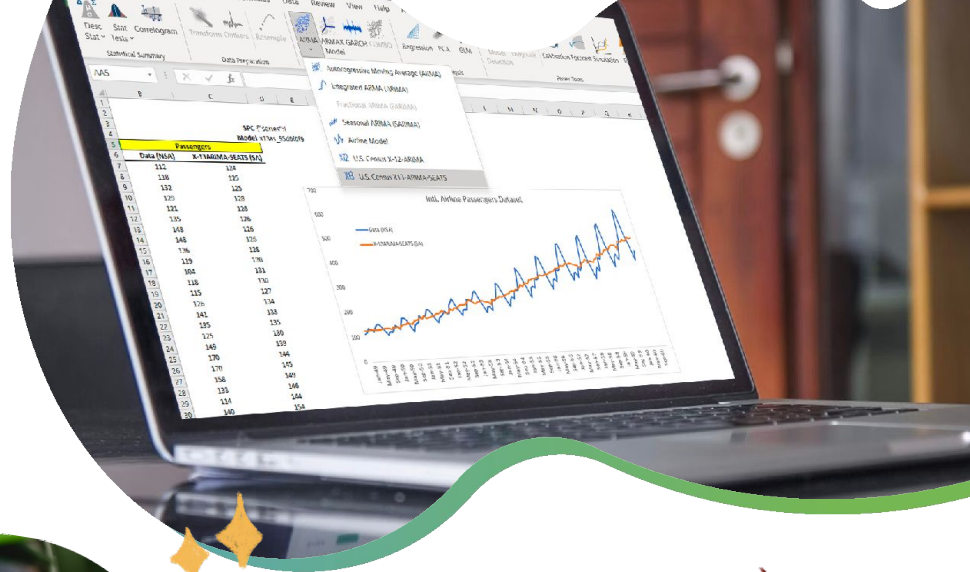
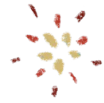


External factors are playing a key role in driving change, with **U.S. marketers most likely to be influenced by customers (34%), senior management (30%), and shareholders (28%).** Meanwhile, **“pressure from the industry” is the least influential driver of behavior (15%).** There is also a growing belief that **reducing carbon emissions is good for career development (21%)** and **helps recruit the best talent (21%).**



# COUNTING CARBON

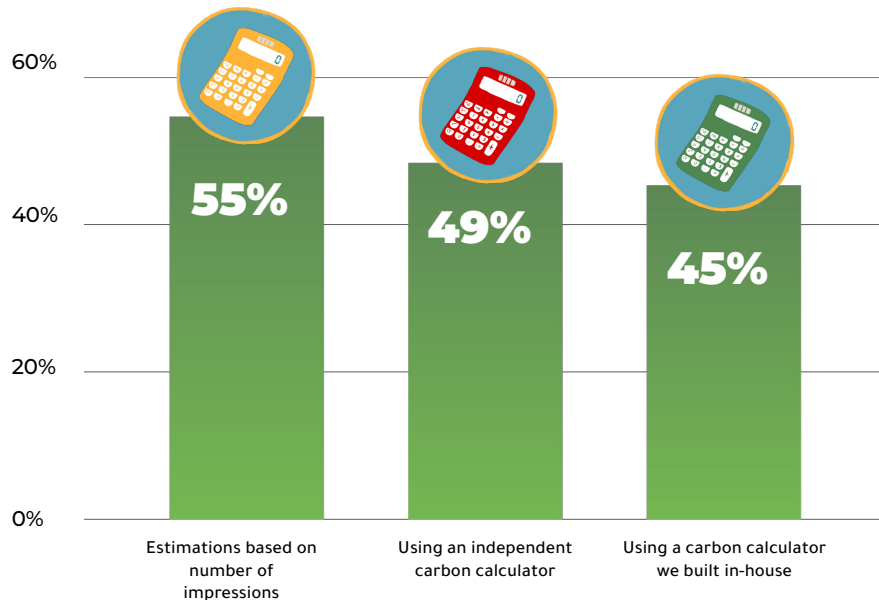
Almost two-thirds (61%) of U.S. marketers are tracking the carbon cost of their digital marketing campaigns. However, the tech currently used to track emissions is still quite nascent, with 56% still relying on estimated figures or calculations. Furthermore, there is a lack of standardization, with both 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 STANDARDIZATION



## 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 standardization 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.







66%

of U.S. marketers believe minimizing  
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 24% have been set targets**, but two-thirds (**66%**) **believe minimizing carbon emissions should be an objective for every marketer**.

## WHY IS THIS IMPORTANT?

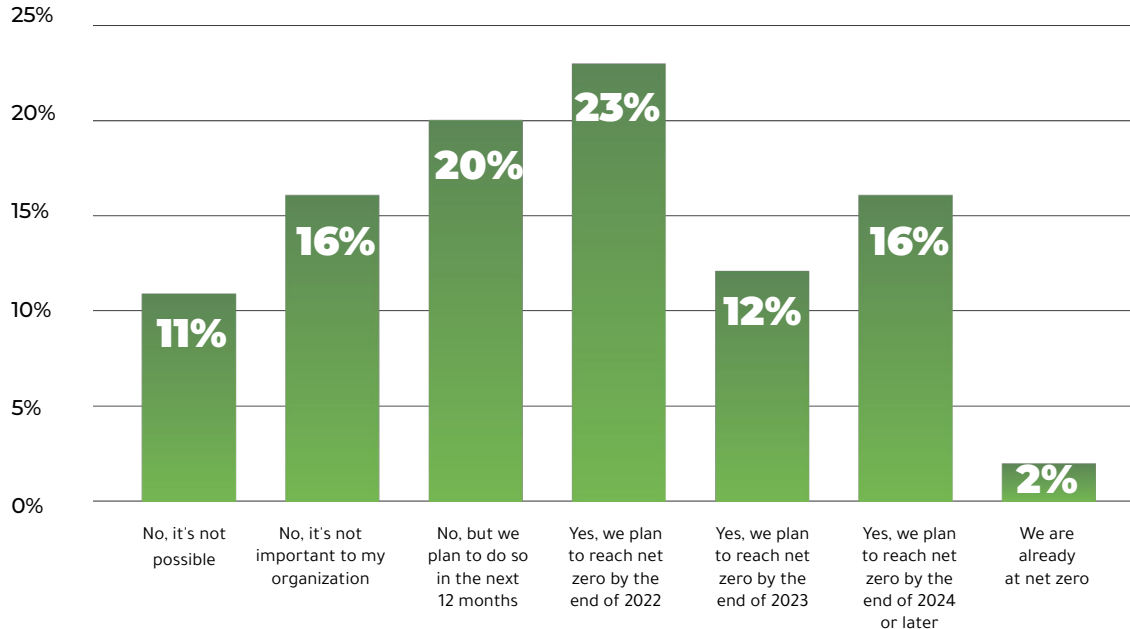
Setting targets alone, without a plan doesn't facilitate maximal performance and can even be counter-productive.

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



With the [U.S. Government committing itself to becoming a net zero economy by 2050](#) and many [major ad agencies adopting Ad Net Zero globally](#), more than half (51%) of U.S. marketers say their organization plans to reach net zero in digital advertising at some point in the future.

In fact, 23% plan to do so by the end of this year. However, one in every 10 (11%) do not think it is possible to ever reach net zero, while 16% say it's not important — which points to a lack of education in this space.

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 by running campaigns are high” - 37% of brand marketers and 26% of agency marketers agree.



# EDUCATION AND DIRECTION

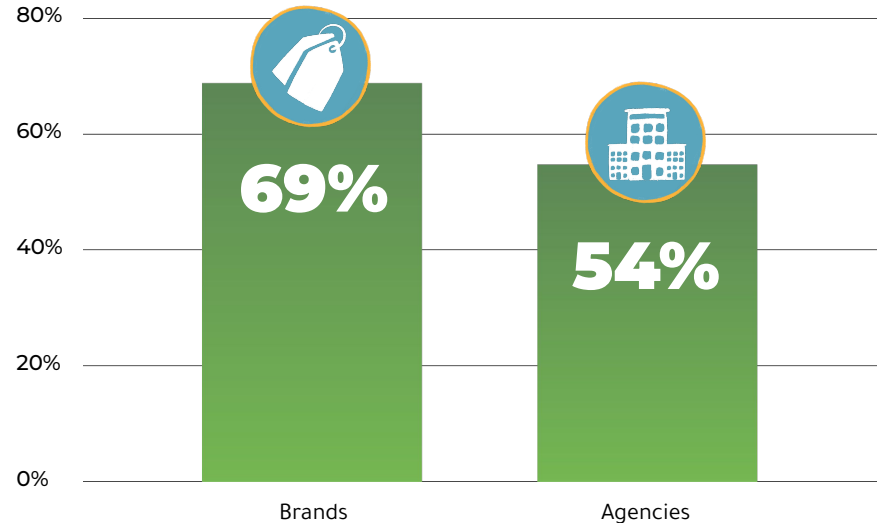


## A lack of training is holding marketers back.

Seven in every 10 (69%) brand marketers and more than half (54%) of agency marketers believe there are not enough sustainability education/training programs to give marketers the skills and confidence to effectively understand and reduce the impact digital marketing has on the environment.

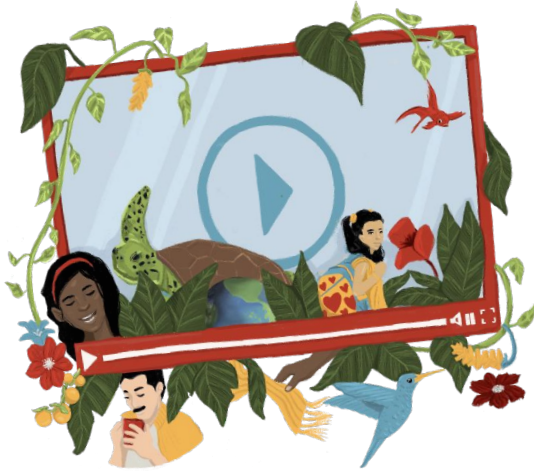


THERE ARE NOT ENOUGH SUSTAINABILITY EDUCATION/TRAINING PROGRAMMES TO GIVE MARKETERS THE SKILLS AND CONFIDENCE TO EFFECTIVELY UNDERSTAND AND REDUCE THE IMPACT DIGITAL MARKETING HAS ON THE ENVIRONMENT



## WHY IS THIS IMPORTANT?

The more normalized 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 decarbonize 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 / 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 SIGN UP (LINK TO COURSE PAGE)  
OR EMAIL [MARKETING@GOOD-LOOP.COM](mailto:MARKETING@GOOD-LOOP.COM) TO FIND OUT MORE.

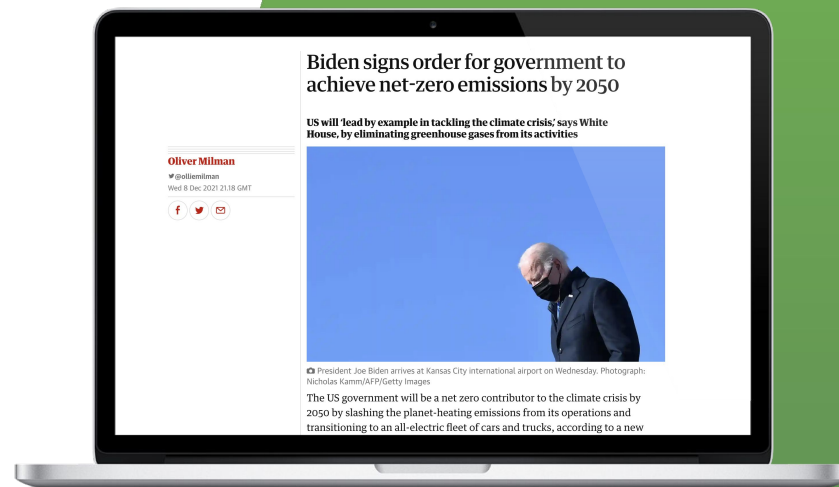


## SUMMARY

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. Even the [U.S. Government has committed to becoming a net zero economy by 2050](#)

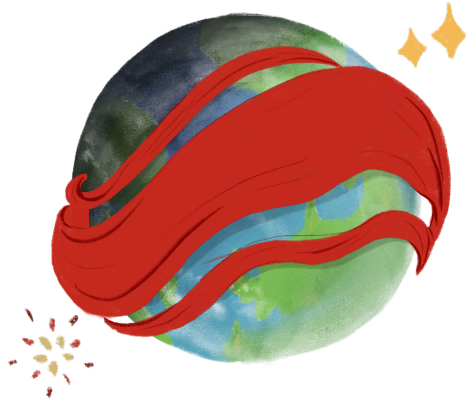
Meanwhile, [Ad Net Zero](#) was launched by a trio of trade bodies in the UK in November 2020, with a mission to get the ad industry to net zero carbon emissions within the next decade. It has since signed up hundreds of advertisers including WPP, Publicis, Dentsu and Omnicom.



**U.S. 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, 71% of marketers report that their organisations will have initiatives in place to reach net zero. However, there is a lack of standardization, education, and urgency which must be addressed if we are to turn the digital advertising industry into a force for good for the planet.

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





# GOOD-LOOP'S GREEN MEDIA TECHNOLOGY

Good-Loop has developed our 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.



## Decarbonizing Digital Media in 4 Simple Steps:





TO LEARN MORE ABOUT GOOD-LOOP'S  
GREEN ADVERTISING SOLUTIONS, VISIT  
[WWW.GOOD-LOOP@GREENMEDIA.COM](mailto:WWW.GOOD-LOOP@GREENMEDIA.COM)  
OR CONTACT [HELLO@GOOD-LOOP.COM](mailto:HELLO@GOOD-LOOP.COM)