

essence

# Carbon Calculator

## Calculating the Environmental Impact of Media Investments

Sustainability took a back seat for many businesses in 2020 as the overwhelming urgency of the Coronavirus pandemic, Black Lives Matter protests and concerns such as Brexit came to the fore. Employee wellbeing, diversity and inclusion, operational effectiveness and - for some - simply survival became paramount.

Yet sustainability remains a vital long-term concern. Many companies have made high-profile, time-sensitive commitments and attention is now refocusing on these. With, for example, 80% of UK consumers agreeing that “companies should be doing more to be sustainable” (Kantar) it’s clear that sustainability is critical for growth. With this in mind, GroupM and Essence have been preparing to support.

Every day, brands partner with their media agencies to generate billions of audience impacts, often with little consideration of how this activity contributes to environmental harm or impacts their sustainability commitments.

Our aim is to help brands understand the environmental impact of their media plans, make informed choices with regards to media investment, and mitigate against the impact in line with carbon neutral sustainability initiatives.

### Introducing our Carbon Calculator Offering

Our Carbon Calculator has three modular functions, to be used independently or together, according to each brand’s business and planning needs:

#### Calculate

Provides an estimate of the carbon generated by a media plan based on the channels, formats and devices to be used. Provides the opportunity to compare scenarios to understand the carbon impact of different iterations of a plan. The impact is measured in metric tonnes of Carbon Dioxide Equivalent (tCO<sub>2</sub>e).

#### Evaluate

Calculates the monetary cost of providing a carbon neutral offset of each plan.

#### Mitigate

Provides options for partnering with different organisations to offset the carbon footprint of the chosen plan. Select the partner(s) whose initiatives most closely align with brand values and business priorities.

## How it works

Using the 2019\* electricity emission factors for each medium in each market, the Carbon Calculator applies an algorithm to compute both the carbon footprint of a live campaign and the positive impacts different offset options offer. These factors take into account an average of emissions across suppliers in each channel.

Variables considered include desktop versus mobile consumption, file sizes, view time, screen type, power consumptions and run cycles.

This provides brands the opportunity to measure the relationship of spend and efficiency to environmental impact.

\*Updated annually

## Media impact headlines

A ranking of channels by tCO<sub>2</sub>e generated per £1 of media investment reveals their relative environmental impact. On this basis, it's the cost-efficient channels that appear most exposed - the result of increased carbon loads as more audience impacts are generated for each unit of spend.

As ever, our prioritisation of channels will need to hit the right bend of efficiency and effectiveness, with sustainability considerations overlaid according to business need:

Online Video and Display generate the most tCO<sub>2</sub>e per £1 of media spend due mainly, as mentioned above, to the high volume of impacts generated.

Magazines rank third, driven by glossy paper and high production intensity.

Social Media is ranked as fourth most carbon intensive, lower than other digital channels due to higher consumption on mobile versus desktop.

Ranked fifth, with a significant reduction in tCO<sub>2</sub>e generated, is Digital Out of Home. Despite high energy use, this is offset or often 100% renewable, making DOOH sites more carbon efficient than individual user devices.

Broadcaster VoD comes a close sixth Linear TV and Static Out of Home come next, grouped very close together. Traditional OOH has long been a sustainable channel, with the industry generating close to zero waste across both paper and vinyl panels.

Cinema, Digital Audio and PPC are grouped closely together, representing another significant dip in levels of tCO<sub>2</sub>e generated.

Newspapers and Radio are the lowest ranking channels, due to high recyclability of the former and low device energy consumption for the latter.

## Final thoughts

To contextualise the carbon cost of media in human terms, consider that for £1m invested, TV advertising produces 84 tCO<sub>2</sub>e. Comparatively, the an average ad agency employee produces 3.4 per year (Ad Net Zero).

There is no doubt that brands must acknowledge media investment as a major contributor to their total carbon footprint, and account for it accordingly.

**For more information, please speak to your Client Services Lead.**