



STATE OF THE INDUSTRY

Supporting the decarbonisation of developing, producing
and running advertising in Aotearoa

If you can't measure it, you can't manage it.

In August 2023, the Advertising Industry announced their collective response to the climate crisis, with the establishment of [Ad Net Zero New Zealand](#). Shortly following launch, Supporters published a [decarbonisation roadmap](#) detailing the programme's ambitions and initiatives.

The State of the Industry report complements the Industry Roadmap by adding another layer of transparency, rigour and accountability to the programme's ambitions. The report is our best effort to set a baseline for the programme and measure where our industry is today, so that we may track our progress year over year. It is a commitment to the decarbonisation journey and the transparency that is so important in any earnest effort to address the climate crisis.

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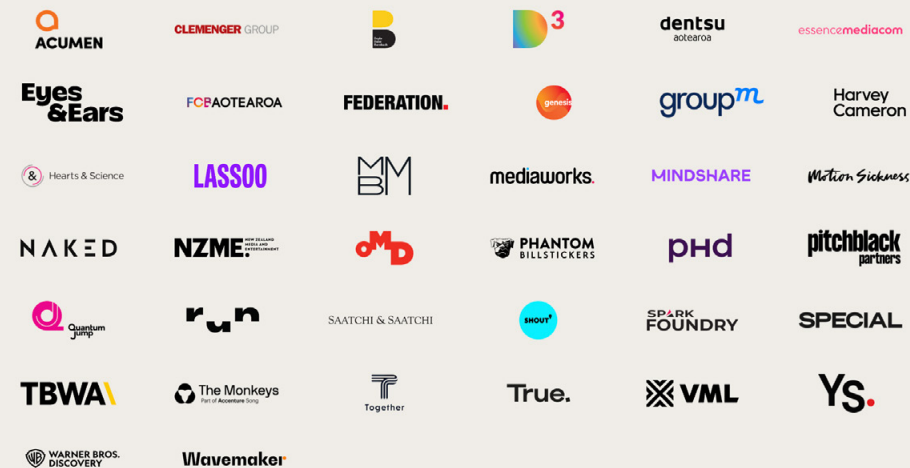
95% OF AGENCY SUPPORTERS PARTICIPATED

Findings shared within this report were collected via an online survey between March-April 2024. Responses were amalgamated to represent Industry averages and maintain the confidentiality of respondents. Data was self-reported and analysis has not been third party audited, therefore insights should be considered accordingly.

FOUNDATION SUPPORTERS:



SUPPORTERS:



INDUSTRY SUPPORTERS:



THE CARBON IMPACT OF ADVERTISING

The most recent estimates indicate that advertising and marketing operations may represent 2-3% of global greenhouse gas emissions. Industries receiving significant attention for their impact on climate change, such as aviation, represent a similar share of global emissions.

Despite our industry encompassing some of the world's largest businesses, awareness of the scale of emissions generated across the advertising supply chain is relatively new. The practice of measuring emissions from the production, distribution, and consumption of ads at scale is one of the notable short-term focuses of Ad Net Zero.

01 https://www.allianz.com/en/economic_research/insights/publications/specials_fm0/decarbonizing-information-technologies.html | <https://www.sciencedirect.com/science/article/pii/S2666389921001884>



Operational

EMISSIONS GENERATED FROM OPERATING THE BUSINESS

e.g., business travel
computers
office supplies
paid services
office electricity usage
office waste generation
employee commuting



Production

DEVELOPING THE AD

e.g., transportation
accommodations
materials
disposal
storage



Distribution

DISSEMINATING THE AD TO CONSUMERS

e.g., digital programmatic
broadcasting
streaming
infrastructure
printing
shipping



Consumption

CONSUMER EXPERIENCING THE AD

e.g., use of device
purchase of product/service

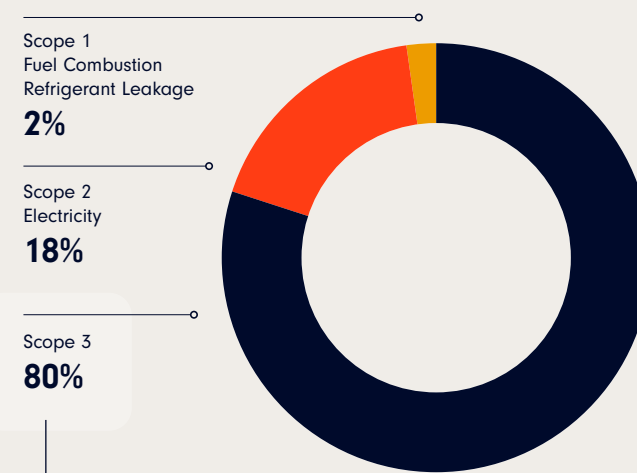
OPERATIONS

Emissions generated from operating the business

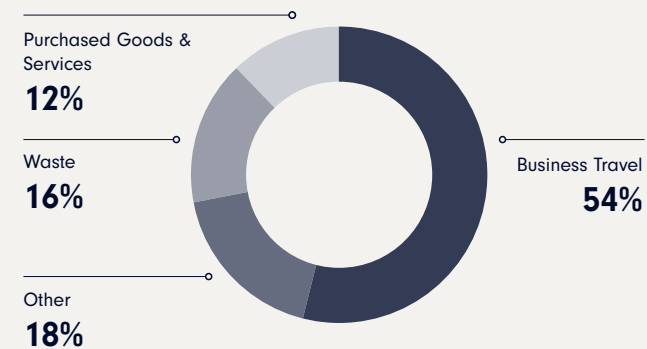
Whether an activity falls within the scope of an operational emission is sometimes difficult to distinguish. In the context of this report, Operational Emissions are emissions generated from the running of a business (e.g., operating the office building, purchasing office supplies, employee commuting, business travel for sales or training) and do not extend to the creation, distribution, or consumption of an ad. Service offerings or an activity that is charged back to a client is likely not an operational emission.

Business travel is the advertising industry's largest source of operational emissions in New Zealand, followed by electricity.

Average Operational Emission Breakdown of an Ad Net Zero (NZ) Media and Agency Supporter



Scope 3 (emissions breakdown)



Range of Operational Emission Budgets in Agency

Operational emissions scale with organisational size, given the need for additional inputs like office space, consumables, and business travel as a business grows.

SMALLEST INVENTORY:

32 tCO₂e

LARGEST INVENTORY:

472 tCO₂e

AVERAGE TOTAL AGENCY EMISSIONS, BY NUMBER OF EMPLOYEES

Fewer than 20	39 tCO₂e
21-50	63 tCO₂e
51-150	84 tCO₂e
151-500	307 tCO₂e

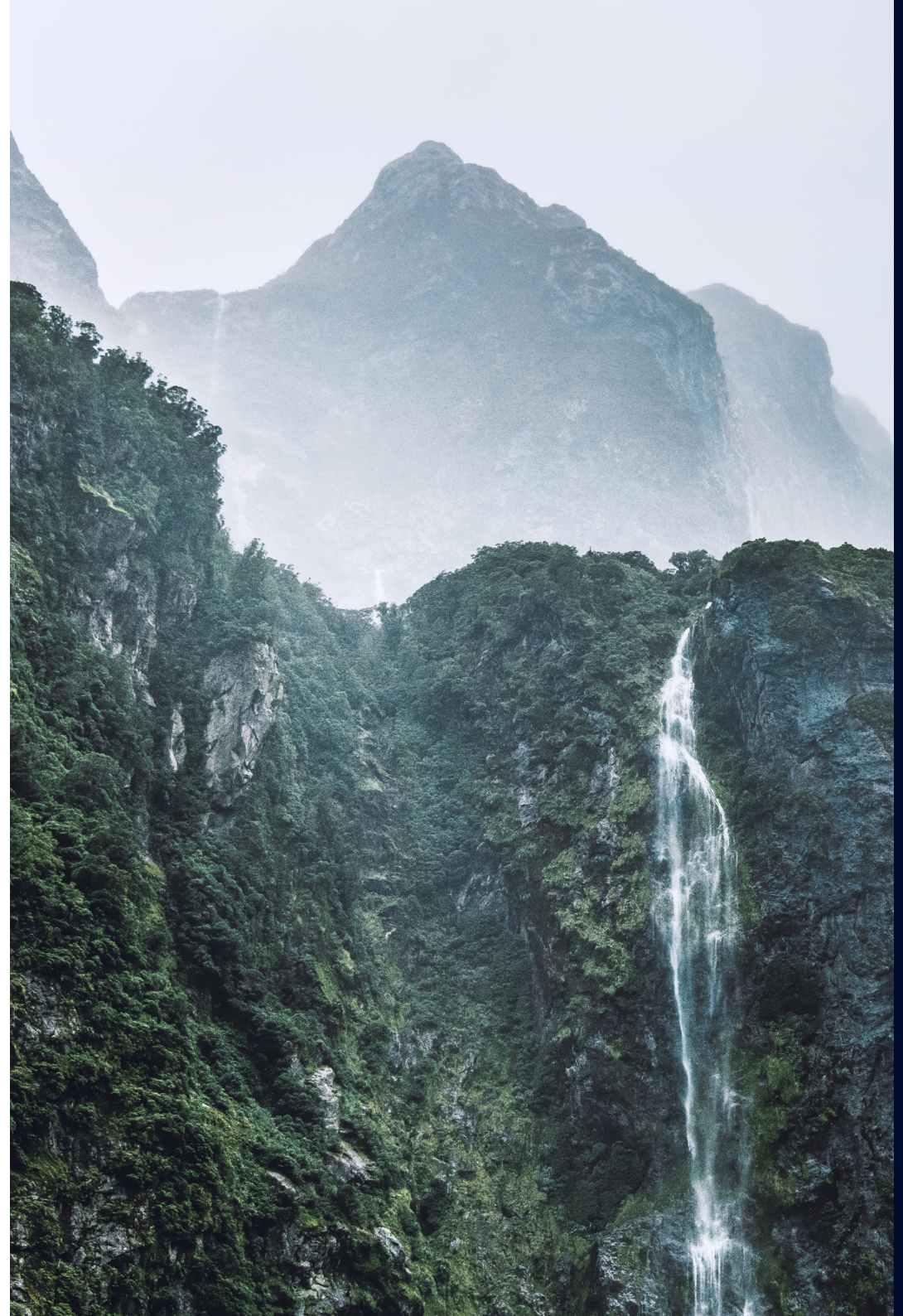
PRODUCTION

Emissions generated from developing an ad

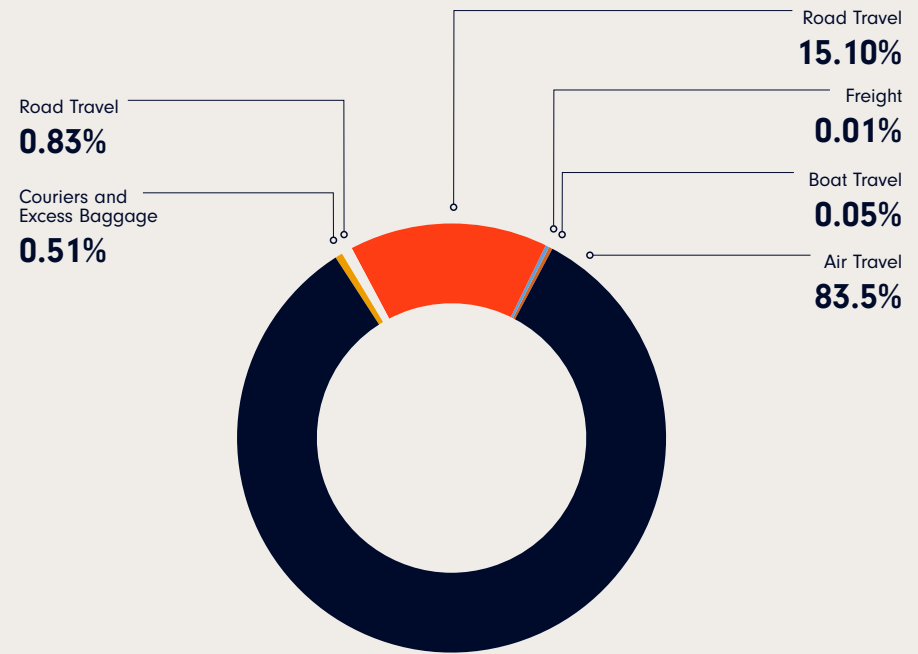
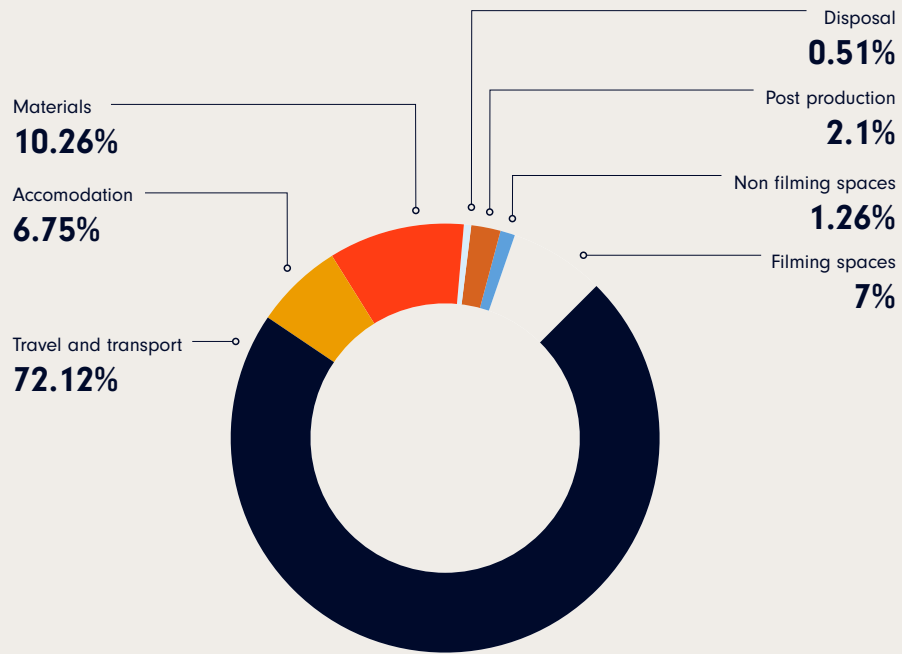
An ad comes to life during the production process. Capturing the visuals and audio of an ad can be material and personnel intensive and, as with all activities, comes at a carbon cost.

In April 2024, Supporters of Ad Net Zero New Zealand began trialling carbon measurement practices during ad productions, with support from tools such as [Ad Green](#) and [GreenLit](#). We intend to provide an accurate estimate of New Zealand specific GhG emissions for Ad Production in 2025.

The best estimates today are provided by Ad Green who have collated global data from their production emissions calculator and shared within their 2023 Annual Review. Their data indicates that air travel is the largest average source of production emissions, followed by materials.



Average Emission Breakdown of an [AdGreen User's production](#)



6.2 tc02e

was the average size of a completed project



13.9 tc02e

was the average project size for productions with a budget over £50k per shoot day

DISTRIBUTION AND CONSUMPTION

Emissions generated from the distribution and consumption of an ad through specific media channels

Ad Net Zero Global has been working diligently on a universal voluntary framework to consistently measure emissions from the delivery of advertisement.

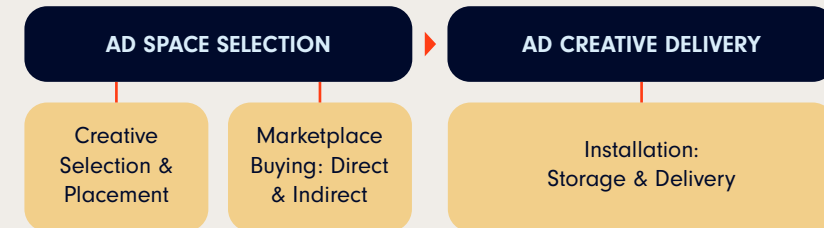
The methodology identifies six media channels with unique emission factors that take over where Production Emission Calculators leave off to address emissions from the distribution and consumption of ads.

Ad Net Zero Supporters have been introduced to the [Global Media Sustainability Framework](#), and are actively following its continuing development, with intentions to adopt.

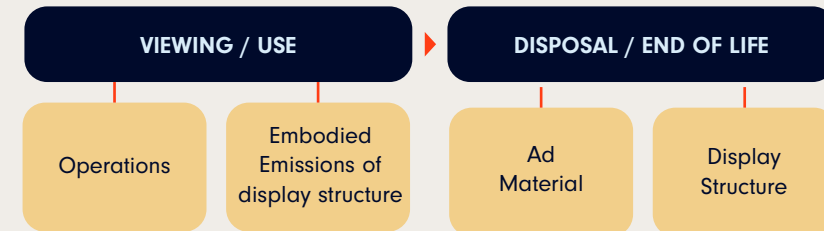
Example of Media Emission Factors (Out-of-Home)

The Global Media Sustainability Framework

DISTRIBUTION



CONSUMPTION



**BENCHMARKING FIVE KEY
ACTIVITIES IN A CARBON
REDUCTION PROGRAMME**

76% of Sustainability programmes in our Industry are less than 4 years old, with 27% having just launched within the last year.

Our industry's efforts are nascent. Many organisations feel daunted by where to start and what the roadmap to net-zero looks like. The following pages outline five key activities that make up any successful carbon reduction programme, as well as industry data to support internal benchmarking activities and track our industry's progress year over year.

REDUCTION TARGET

Understand the amount of emissions you need to reduce.

A reduction target is a specific goal set by a business that demonstrates how much and how quickly a business is committed to reducing their greenhouse gas emissions. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement - limiting global warming to 1.5°C above pre-industrial levels.

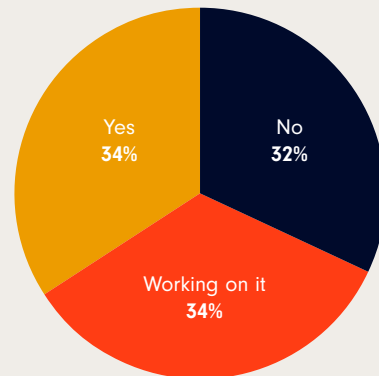
Ad Net Zero Supporters are expected to set a science based reduction target by the end of Year Two. In 2025 Ad Net Zero NZ will be running reduction target learning groups to help guide Supporters through the process.

SURVEY QUESTION:

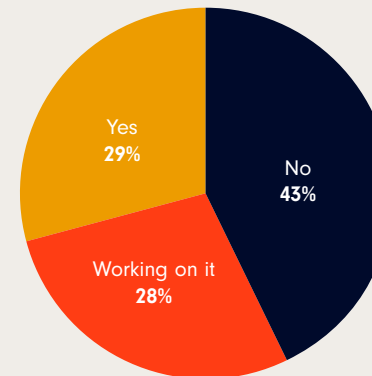
Has your organisation set a short-term (e.g., 2030) science-based-emissions reduction target?

SUPPORTER ADOPTION BY TOTAL RESPONDENTS

SHORT-TERM REDUCTION TARGET



NET-ZERO REDUCTION TARGET



REDUCTION STRATEGY

Understand how you're going to meet your target.

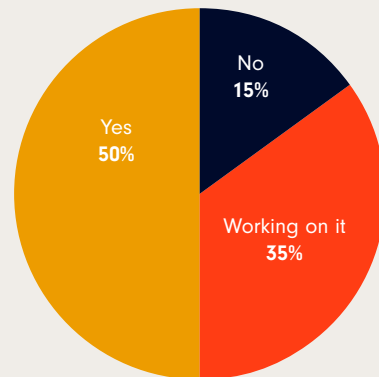
A carbon reduction strategy is a comprehensive plan or set of actions that outline how your business will meet their reduction target. It is often organised by risk, business materiality, or high-impact/low-disruption reduction opportunities. Initiatives often include policies that incentivise or mandate emission efficiencies, employee engagement activities, thoughtful supplier selection, and infrastructure upgrades.

In 2025 Ad Net Zero NZ will be running reduction strategy learning group sessions to help guide Supporters through the process.

SURVEY QUESTION:

Do you have an emissions reduction strategy?

SUPPORTER ADOPTION BY TOTAL RESPONDENTS



RESOURCING

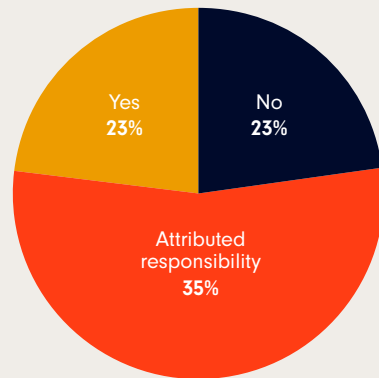
**Put resources behind your strategy.
Be clear on who is responsible for
its success.**

Assigning responsibility for emissions reduction initiatives is crucial to ensure that reduction efforts are prioritised. The role may be singularly dedicated to implementing and monitoring emission reduction strategies or attributed responsibility integrated across departments.

SURVEY QUESTION:

Do you have a role(s) dedicated to sustainability within your organisation?

SUPPORTER ADOPTION BY TOTAL RESPONDENTS



GREEN TEAM

Enhance corporate culture and support a reduction mindset across all teams.

A corporate Green Team is a group of employees who meet regularly to ideate, promote, and implement environmental initiatives. They play a crucial role in advocating for sustainable practices across a business and enhancing a corporate culture that values sustainability.

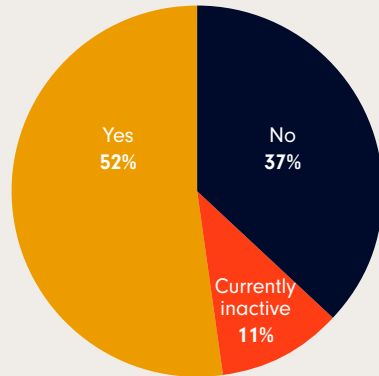
Being a part of a green team can be tied to talent retention and attraction efforts, as it provides employees with an opportunity to learn, contribute meaningfully, and align personal values with organisational values.

In 2024, Ad Net Zero NZ will be launching a Supporter-wide Green Team Initiative.

SURVEY QUESTION:

Do you have a green team in your organisation?

SUPPORTER ADOPTION BY TOTAL RESPONDENTS



**CASE STUDIES :
OUR INDUSTRY IN ACTION**

MEASURING OPERATIONAL EMISSIONS

CASE STUDY

NAKED

In 2024, Naked conducted their first operational emissions inventory.

“When we committed to being an Ad Net Zero Supporter, we committed to measuring our operational emissions. We see the value in understanding how carbon-intensive our business is in light of today’s business landscape that is putting more emphasis on climate change mitigation through regulation, pressure from clients, and employee interest. We also recognise that measurement is the first step in highlighting what the opportunities are for reduction, so we can ensure our operations align with our ethical values.”

To measure their operational emissions, Naked used Toitū’s online e-manage calculator that is offered to all Supporters of Ad Net Zero. They participated in Ad Net Zero’s inaugural Emission Inventory Learning Group cohort to learn alongside other Supporters what an emission inventory is, what’s included, how to gather data, and what is material to the business.

“It was helpful to learn alongside a group of our peers, and have the steps broken down in to manageable tasks. We met with the Emissions Inventory Learning Group approximately every 3-6 weeks. Each meeting we were given a new task, such as “bring your electricity bills to the next meeting” and Toitū would demonstrate how to enter the data in to the e-manage platform and troubleshoot any questions together”

Key emission areas measured included business travel, electricity, and suppliers that support the running of an office such as technology, cleaning, furniture etc.

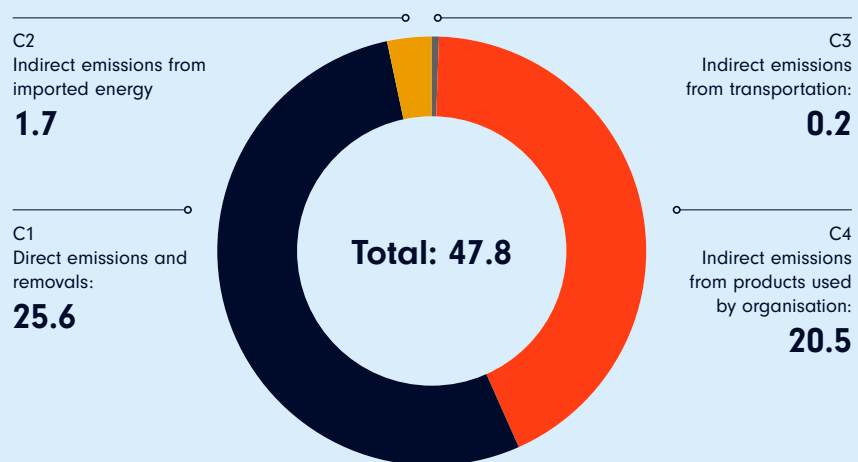
“At first the process of creating an emissions inventory felt daunting because we didn’t have a good sense of how much and what data we would have to collect. We were coached that business travel, electricity, waste were the primary categories for a basic Operational Emission Inventory. The biggest challenge was tracking down down the disposal of solid waste and office waste as well as mobile combustion.”



Total emissions from Naked's Operations were calculated to be 47.8 tonnes of CO₂e, **equivalent to** driving roughly 195,000 kms in a gas-fueled car. The results showed that transportation was the largest emission area.

TCO₂E BY CATEGORY (1 APRIL 2023 TO 31 MARCH 2024)

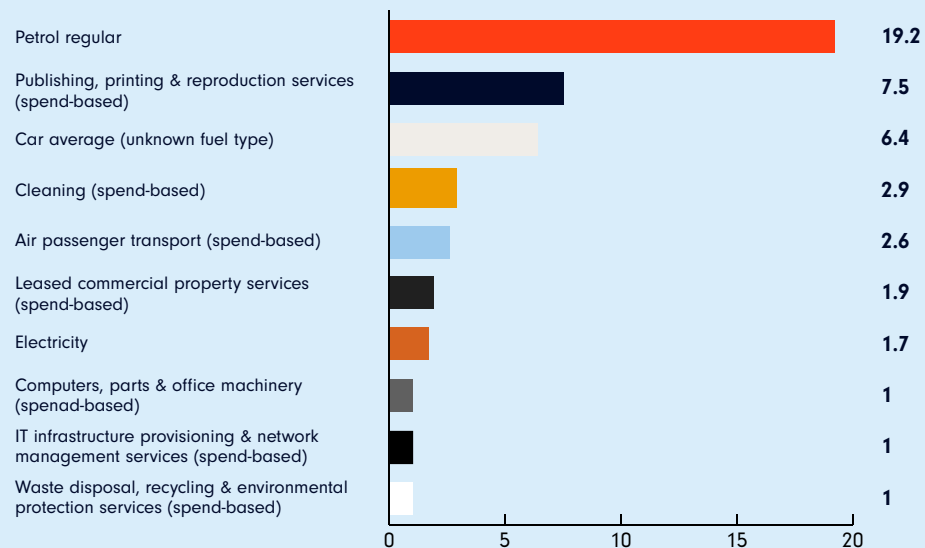
location-based method



Naked will be measuring their emissions annually, and improving on the data collection process. They will join the next Learning Group on Setting a Science Based Target and Emissions Reduction Plan.

TCO₂E BY SOURCES (1 APRIL 2023 TO 31 MARCH 2024)

location-based method



"We see this as just the beginning. Measuring our emissions has been an eye-opener, and it's clear that our business can play a role in addressing climate change. As we move forward, we'll be making conscious choices in our day-to-day operations, ensuring that sustainability is at the heart of our decision-making. From working with clients to reduce their environmental impact to continuing our internal journey of emission reduction, we are committed to campaigns that not only drive creativity and innovation but also care for our planet. We owe it to future generations to take bold steps today."

MEASURING PRODUCTION EMISSIONS

CASE STUDY



In One NZ's new ad campaign [Finding Jade](#), Ad Net Zero Supporter's One NZ and FCB partnered to trial emission measurement tools throughout the campaign's production.

"When One NZ committed to being a founding Ad Net Zero Supporter, we committed to emission measurement and reduction across our advertising efforts. We're keen to understand the emission-cost of our advertising, so that we can identify the most impactful reduction opportunities in the future. Measuring the production emissions of our latest campaign was the first step in an ongoing journey to reduce our overall outputs as a business.". says Kam Kazalbash, Brand Lead at One NZ.

"Because of [FCB's](#) involvement in Ad Net Zero and conversations with our clients, we expect more and more Clients will start asking for emissions data. We wanted to have the expertise to respond efficiently and maintain industry best-practice, and were thrilled when One NZ asked to trial this tool together"

To measure the shoot FCB used [AdGreen's Emissions Calculator](#). Specifically designed for use in Advertising Production, the calculator was designed with input from leading organisations in the ad industry, including brands, agency holding companies, creative agencies, production companies and suppliers to meet the production processes' unique needs. For example, projects are arranged by production stage, with each stage including unique activities relevant to pre-production, production, or post-production.

"The shoot for our Finding Jade campaign was one of the largest One NZ had ever done. It involved an extensive crew, cast and was shot over about two weeks. All locations were in New Zealand, both North and South Islands. We shot a large amount of content which was designed to air for about a year, across a range of channels, so whilst it was a big shoot, we certainly got some economies of scale."

FCB shares "Once we got past the initial set-up, use of the calculator was easy. We collaborated across departments to gather data and inputted it into the online platform. We expect to develop efficiencies as we become more familiar with this process"



Total emissions from the shoot were calculated to be 67.3 tonnes CO2e. The results showed that travel and transport was the largest emission area, followed by accommodations.

“The focus of this exercise wasn’t on reduction, though we were mindful of certain choices, it was an exercise in getting familiar with the tool, process, and making note of opportunities that arose.”

“The Finding Jade campaign is a multi-year campaign, which will involve more large-scale shoots. For us at One NZ, having an emissions baseline will be very valuable as we look to consciously reduce our emissions going forwards. It’s early days as far as setting production emissions targets, but we now know the impact of our production choices.

In the future, in addition to measuring emissions, we’ll be making more decisions with emissions in mind, we’ll be more mindful of our location decisions, crew numbers and look to work towards assigning a carbon-budget to the project”

FCB is open to trialing AdGreen on other Client Productions.

“We’re keen to measure another project and continue creating efficiencies. One of the questions we have is: what does setting emission expectations for a production look like? In the future is there a voluntary industry-accepted carbon budget per shoot size that becomes a best practice for New Zealand?”

We’d also like clarity on who the best person to shepherd Sustainability on set is, and how much time should be allocated in a budget to support this role.

Finally, we’re looking forward to having a better understanding of lower-emission practices that we can encourage across all projects in the future.”

REDUCING MEDIA EMISSIONS

CASE STUDY

The JCDecaux logo consists of the company name in a bold, black, sans-serif font. The text is positioned to the right of a thin black L-shaped line that forms a partial frame around the top and left sides of the text.

Due to unique client pressures and the physical nature of the Out-of-Home format, this media channel is often viewed as more advanced in addressing sustainability than other channels.

[JCDecaux](#) has been working on Sustainability for over 7 years and is an example of a media company who has advanced the five key activities of a carbon reduction programme.

Resourcing & Green Team

Sustainability programmes are most effective with a resource dedicated to the oversight of sustainability progress, and active buy-in and participation from the executive team.

“We have a dedicated senior resource to address ESG in Australia/New Zealand who leads our ESG Steering Committee. This committee made up of senior leaders, such as the CEO, Chief People Officer, Chief Financial Officer, and Head of Operations, is responsible for implementing our sustainability strategy and 2030 goals. Sustainability is viewed as integral to the business for us.”

Emissions Inventory

Third-party auditing your emissions footprint encourages transparency and excellence in data quality and provides confidence to share measurements to clients for accountability and transparency.

JCDecaux NZ participates in Toitū’s Carbon Reduce program, which is a leading emissions auditor, to verify their emission inventory. This is an annual effort to understand the carbon impact of their business, the success of their efforts in reducing year over year, and to be transparent with our clients.

The company also has a partnership with [Scope3](#) to work towards accurate measurement of often overlooked emissions embedded within the media supply chain, working collaboratively on how to supply the data and making the platform more robust.



Reduction Target

Accounting for emissions means you're able to address how much reduction in your business is required to support the Paris Accord objectives of limiting global temperature rise to 1.5 degrees, via a Science Based Target.

Globally, JCDecaux has a target of net-zero by 2050 across Scope 1, 2, and 3, which means a commitment to reducing emissions across operations, purchased energy, and supply chain by 90 per cent versus 2019 figures. Their 2030 ambition is to reduce Scopes 1 and 2 by at least 60 per cent, and Scope 3 emissions by 46 per cent compared to 2019.

Reduction Strategy

Naturally, what follows is setting a strategy to get you to your desired target.

JCDecaux has invested in several strategies to reduce energy use and associated carbon emissions, as well as reduce waste.

For example, JCDecaux NZ was the first Out-of-Home organisation to join [RE100](#), a global initiative committed to 100% renewable energy. In addition to renewable energy, the company prioritises energy reduction initiatives, including using energy-efficient LED illumination on all new sites developed and having a retrofit replacement programme for legacy sites to be completed by 2025. The company also runs several energy saving initiatives in their displays by working with screen providers to choose the right pixel size, density, power saving LED screens/power supply units, and LED ambient lighting controls optimised for each location at different times of day and with varying weather conditions.

On the waste front, JC Decaux have a global goal that by 2035 there will be zero waste to landfill. In 2020 they launched a PVC free banner across static large format billboards. These alternatives can reduce plastic waste and have a smaller environmental footprint.

TRACKING SUCCESS AGAINST AD NET ZERO'S 2030 ROADMAP

AD NET ZERO FRAMEWORK		INDUSTRY ROADMAP AMBITION By 2030 Ad Net Zero Supporters -	STATE OF THE INDUSTRY SURVEY	YES	WORKING ON IT	NO
ACTION 1	Reduce operational carbon emissions	Measure their emissions	Are you calculating and reporting emissions annually?	54%	40%	6%
		Have set a science-based target and reduction plan	Has your organisation set a short-term (eg., 2030) science based emissions reduction target?	34%	34%	31%
			Has your organisation set a net zero science-based emissions reduction target?	29%	29%	43%
		Are confident identifying and acting on operational reduction opportunities.	Do you have an emissions reduction strategy?	50%	35%	15%
ACTION 2	Reduce emissions from advertising production	Measure the emissions from the production of ads	Does your organisation use/mandate use of a carbon calculator to measure, manage and reduce emissions from advertising production?	0%	22%	78%
		Are confident identifying and acting on reduction opportunities throughout the production process	Do you have a decarbonisation plan for measuring, managing, and reducing the emissions that come from advertising production?	11%	28%	61%
		Incorporate sustainability considerations throughout the life of each project.	Do you make any sustainability asks to your suppliers?	29%	42%	29%
ACTION 3	Reduce emissions from media planning & buying	Measure the emissions attributed to media distribution	Does your organisation use/mandate use of a carbon calculator to measure, manage and reduce emissions from media?	0%	39%	61%
		Are confident identifying and acting on reduction opportunities	Do you have a decarbonisation plan for measuring, managing, and reducing the emissions that come from media planning and buying?	11%	28%	61%
		Incorporate sustainability considerations within decision making.	Do you make any sustainability asks to your suppliers?	50%	28%	22%
ACTION 4	Reduce emissions through awards and from events	Measure the emissions attributed to marketing related events and activations	Does your organisation use/mandate use of a carbon calculator to measure, manage and reduce emissions from events and activations?	0%	0%	100%
		Are confident identifying and acting on reduction opportunities	Do you have a decarbonisation plan for measuring, managing, and reducing the emissions that come from events and activations?	0%	71%	29%
		Incorporate sustainability considerations within decision making.	Do you make any sustainability asks to your suppliers?	29%	14%	57%
		Industry Awards leverage their influence to encourage environmental responsibility considerations throughout their judging criteria, categories and eligibility criteria				
ACTION 5	Harness advertising's power to support behaviour change	Advertisers have clear reference points for responsible environmental claims and recognise the danger of misrepresenting their current state.	Does your organisation have a process in place to ensure authentic sustainability claims and avoidance of greenwashing?	17%	22%	61%
		Advertisers have clear reference points for harnessing the power of marketing communications to support a sustainable economic transition.	Are employees regularly trained on appropriate sustainability claims and avoidance of greenwashing?	17%	22%	61%
			Do you actively consider how your creative could contribute to positively influence consumers to make more sustainable choices in their daily lives?	74%	17%	9%

AD NET ZERO 
ALL FOR NONE

BECOME A SUPPORTER
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