

PAN-EUROPEAN CASE STUDY: DECARBONISING THE DIGITAL ADVERTISING SUPPLY CHAIN



About the Initiative

The collaboration between Impact Plus and L'Oréal aimed to measure and reduce greenhouse gas (GHG) emissions from digital ad delivery by leveraging Impact Plus's technological solutions and getting support from their Sustainable Media Analysts.

Relevance

Together, the following structured approach was developed to effectively reduce carbon emissions:

- **Evaluate:** Measure GHG emissions from digital campaigns and establish benchmarks.
- **Reduce:** Identify opportunities to reduce emissions, assist L'Oréal's media teams and agencies in implementing these measures, and assess their effectiveness.
- **Expand:** Scale sustainable digital media practices across countries, brands, and divisions, empowering L'Oréal's media teams and agencies to use Impact Plus's solutions and pilot their own reduction strategies.
- **Integrate:** Incorporate environmental data into existing media key performance indicators (KPIs), enabling a comprehensive view and a standardised global measurement plan across all L'Oréal brands and countries.

- **Deploy:** Implement an international plan for standardised measurement of environmental impact across the L'Oréal Group, resulting in verifiable and significant GHG emissions reductions.

Quantifiable Results

Impact Plus identified key levers to reduce GHG emissions. One of the first implemented was the Creative Optimiser solution, which optimised the size of creative assets - a major contributor to digital media campaign carbon footprints. A/B tests as well as Brandlift studies were run with the optimised vs non-optimised assets (on YouTube, Meta, TikTok), showing that consumer perception and key media performance indicators (CPM and VTR) remained the same.

Here are some concrete results of GHG emissions (CO₂eq) reductions achieved through Creative Optimiser on the optimised perimeter across various countries:

- USA: -78% for a luxury brand on TikTok, -30% for a dermatological beauty brand on YouTube
- France: -18% for a dermatological beauty brand on Meta
- United Kingdom and Ireland: -18% for a luxury brand on YouTube, -21% for a consumer product brand on Meta

These reductions were achieved without compromising performance, resulting in similar brand lift. Other reduction levers were tested, such as targeting Wi-Fi-enabled devices delivering similar positive outcomes. For example, on average 8% of GHG emissions (CO₂eq) were avoided for social campaigns in Canada and Spain during the first half of 2024. This measurement and reduction process were facilitated by the use of the "Environmental Sustainability Platform" (ESP) of Impact Plus which provided granular dashboards for real-time monitoring of GHG emissions, enabling teams to compare optimised and non-optimised performance. Overall, these initiatives allowed L'Oréal to avoid on average 30% of GHG emissions (CO₂eq) due to electricity consumption compared to a non-optimised scenario, while maintaining media performance.

Innovation

The roadmap was structured into two phases:

Phase 1 (launched in 2021) - Measurement and identification of reduction levers

The first phase began with the testing of over 230 campaigns using Impact Plus's 'Campaign Studies' tool. This historical tool from Impact Plus is designed to evaluate GHG emissions of digital campaigns—whether it's a one-off campaign or multiple campaigns, during or after the campaign—with support from a Sustainable Media Analyst to interpret results and suggest relevant reduction levers. In this case, the evaluation through Campaign Studies established a foundation for innovative reduction practices. Detailed analyses of environmental impacts were conducted on a campaign-by-campaign basis, considering parameters such as country, buying platforms (YouTube, Facebook, Instagram, TikTok, Amazon, The Trade Desk, DV360, etc.), device types, placements, and formats. The goal was to identify channels and placements ripe for optimisation.

Following this analysis, concrete reduction levers were formulated, including:

- Optimising the size of creative assets
- Targeting based on the type of user connection (mobile data or Wi-Fi)
- Planning according to the carbon intensity of the day.

These recommendations aimed to decrease emissions while raising awareness among L'Oréal's brands and markets. The initiative also provided insights into GHG emissions per euro spent and per impression, introducing new environmental performance indicators to the teams.

Phase 2 (launched in January 2024) - Deployment and automation

The second phase involved using Impact Plus's SaaS platform ("ESP") for automated measurement of GHG emissions (CO₂eq) to build the digital media CO₂ baseline for the Group.

The solution provides:

- Automatic data collection from buying platforms
- Functionalities to manage the reduction strategy via interactive dashboards, improving understanding of environmental performance indicators linked to media KPIs, and facilitating informed decision-making

- Data export to other reporting or optimisation tools (e.g., custom bidding) “Creative Optimiser” tool (for optimising the size of creative assets)
- Comprehensive support for L'Oréal's teams and media agencies to ensure effective use of the tool, which provides real-time granular reports on CO2eq emissions and actionable insights for reduction

This phase has led to significant progress in terms of measurement of baselines for reduction, leveraging the full suite of Impact Plus's solutions.

Scalability

The collaboration between Impact Plus, L'Oréal and media agencies, has already reached scale status, from one country in 2021 to 27 hubs where 230 campaigns have been tested in 2023. The rollout of the ESP solution has now been initiated in 10 markets which are able to track and manage their reduction goals.

Scalability Factors

- The ESP is available globally and compliant with majority of platforms and partners (Meta, Tiktok, Snapchat, Pinterest, DV360, GoogleAds, TheTradeDesk, AmazonDSP, Microsoft DSP (Xandr)) enabling measurement across 37 L'Oréal global brands, enhancing sustainability practices globally.
- Comprehensive training sessions supported the use of ESP and other solutions, empowering L'Oréal teams to independently plan, deploy, and track sustainable media practices.

These factors demonstrate the potential scalability of the initiative, ensuring similar results can be achieved across the industry practices, demonstrating the initiative's scalability and potential for broader industry adoption.

Stakeholder Collaboration

Sustainability is, first and foremost, a matter of collaboration, bringing everyone together around a common project. At L'Oréal, this began internally with the Sustainability, Media, Marketing and Sourcing teams, and expanded to include L'Oréal's key partners: their media agencies Publicis, GroupM, OMG, and other media partners. Sharing knowledge and collaboration are essential to achieving success.

Sustainability Beyond Decarbonisation

The partnership with Impact Plus aligns with L'Oréal's broader commitment to integrating sustainability into media buying decisions. In 2020, L'Oréal launched the "L'Oréal for the Future" program, reflecting the Group's dedication to corporate responsibility and its belief that businesses have a significant role in addressing current challenges. This programme is built on three pillars: transforming the Group's activities to reduce impacts on climate, water, biodiversity, and resources; engaging stakeholders; and contributing to solving the most urgent social and environmental issues.

As part of this program, L'Oréal set climate objectives in line with the Science-Based Targets Initiative (SBTi), committing to align its greenhouse gas emissions with a +1.5°C scenario. Recognising that its environmental impact extends beyond its direct operations, L'Oréal is also committed to reducing indirect (Scope 3) emissions, which include emissions from digital advertising campaigns.

To support L'Oréal's sustainability journey, Impact Plus collaborated on internal training sessions to raise awareness of sustainable digital media practices.

Continuous Adaptation

By automating measurements through Impact Plus' ESP and rolling out its initiatives globally, L'Oréal accelerates the application of sustainable best practices in its digital ad inventory while maintaining media performance and optimal efficiency. Each market can track and assess its reduction goals effectively.

The Impact Plus team continues to collaborate closely with L'Oréal's media teams and agencies, expanding measurement capabilities to more campaigns and formats, supporting sustainable practices at scale.

Furthermore, as the partnership with L'Oréal has scaled, Impact Plus has applied lessons learned from working with a global brand to its work with other clients and partners, continually improving its solutions and approach to sustainability.

Adherence to Standards

Impact Plus has contributed significantly to cross-industry initiatives aimed at achieving net-zero goals. Four team members, including co-founder Audrey Danthony, consulted on the development of the Global Media Sustainability Framework. Impact Plus' methodology incorporates recommendations from the RCP Digital Service of the Ademe-LCA

multi-criteria assessment of digital services (2021), aligning with the ITU 1141 standard to ensure compliance with industry best practices.

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If you would like to know more about [IAB Europe's Pan-European Case Study Programme](#) or how you can participate in our work, please contact Colombe at michaud@iabeurope.eu.