



DIGITAL SUSTAINABILITY

2021

01 WHAT'S THE PROBLEM

In last year's Data 2030 report, we spoke about the explosion of data volumes, the intensification of data use and their impact on energy consumption. **The IDC predicts 175 zettabytes of new data will be created annually by 2025, up from 33 zettabytes in 2018.**

Well known factors such as better bandwidth and new channels and digital formats are driving this growth, **but there are two main game changers:**

01

Device-to-device communication of IOT, which removes humans as a limiting factor in the generation and consumption of data and

02

The prevalence of machine learning which requires and creates vast volumes of data.



Business must consider the financial cost of the Maintenance and storage of this growth in data, but we should also consider the environmental cost.

As sustainability moves into the mainstream, many of us have got used to scrutinising our consumption of physical goods and asking the complex questions of what to purchase, from whom, and how often. Whether fashion, food or travel, we weigh up the impact of our consumption on both the environment and on our society.

The questions can be torturous:

Does one have locally produced milk in the takeaway coffee in order to support dairy farmers or is that harmful to animal welfare and does dairy consumption contribute to methane gas pollution?

Should one instead choose the almond milk that depletes California's water supplies?

And can one's need for coffee ever justify that throwaway cup? It's challenging stuff but once we embrace the mindset, we quickly accept these questions must be asked.

By contrast, our attitude to data consumption has an almost patriotic fervour, a belief that big data powers success without consequences. How many times do you consider the environmental impact of turning on your video in a conference call or repeatedly streaming a music track? Even the most sustainably minded media publications recommend the next streaming box set without mention of energy consumption. And when we in the market industry advise clients on their marketing strategies, the carbon cost is far from our minds.

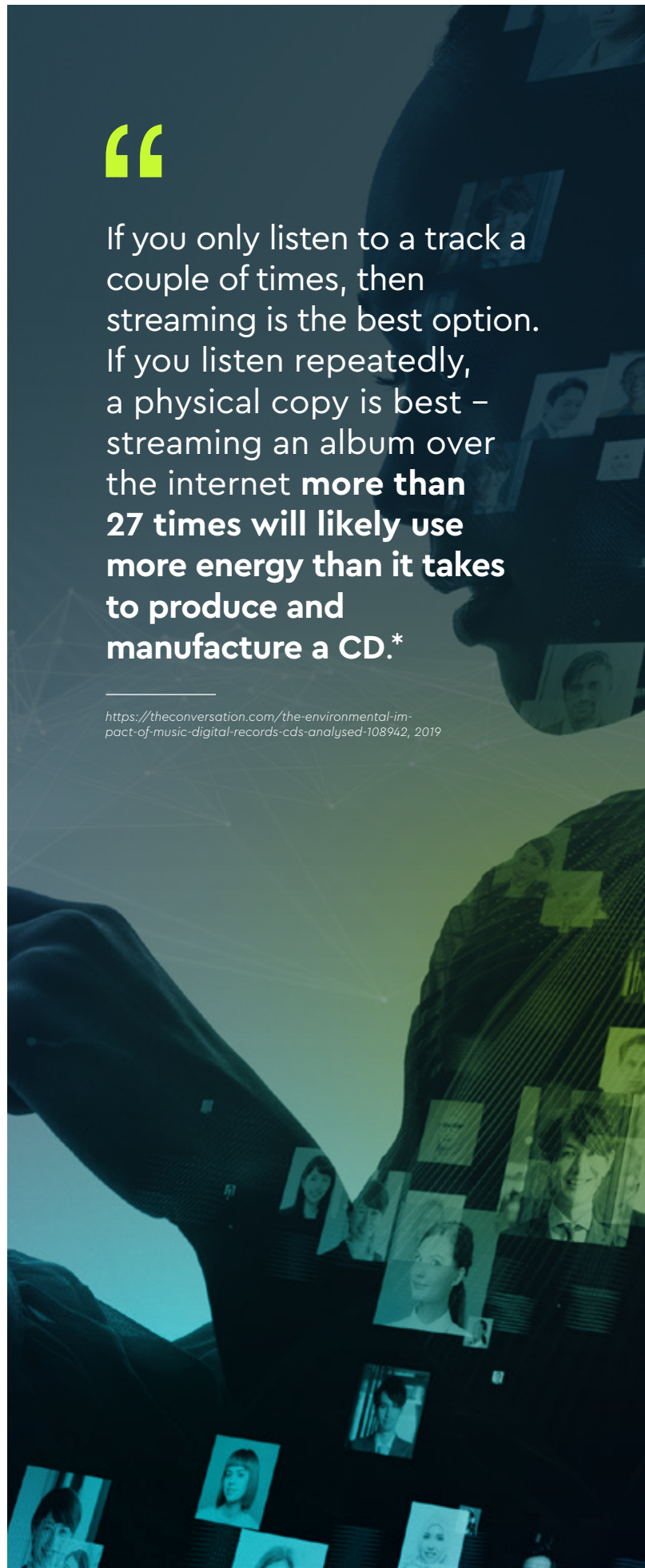
It's not deliberate negligence, we simply don't know what the impact of our behaviour is.

There are precious few standards in measuring the environmental cost of data consumption, so neither companies or individuals know what actions cause harm and how they measure up against each other.

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If you only listen to a track a couple of times, then streaming is the best option. If you listen repeatedly, a physical copy is best – streaming an album over the internet **more than 27 times will likely use more energy than it takes to produce and manufacture a CD.***

<https://theconversation.com/the-environmental-impact-of-music-digital-records-cds-analysed-108942>, 2019



02 DEFINING RESPONSIBLE DATA CONSUMPTION



Responsible consumption takes into account both social and environmental impacts.

In recent years, WPP's focus has been on the social impact of data consumption. Privacy concerns have given rise to a data ethics movement based on an awareness of the power imbalances between individuals and big business; somewhat analogous to worrying about those dairy farmers or the slave labourers of the fast fashion industry. WPP is already taking steps to tackle the social impact of data use. We have published our data ethics principles focussed on fairness, transparency, respect and accountability, and are now rolling out our guidelines across the

network. Our individual agencies have launched their own tools and forums to raise employee awareness and change mindsets and behaviours.

Wunderman Thompson, offers a full Data Ethics client consulting proposition and GroupM's Compass tool helps clients gauge the ethical risk of the data they use.

It is now time for our attention to turn to the impact of our data use on the environment.

Marketing is now digital and digital is data. Even traditional channels such as TV and radio have switched to digital technology. Our work

produces data and it consumes data: it uses data to inspire creativity, personalise content, target audiences and optimise performance. Almost every aspect of WPP's work is grounded in data.

On April 22, World Earth Day, our CEO Mark Read announced WPP's net zero ambition.

We will reduce the emissions from our own operations to net zero before 2025 and beyond that, we aim to reduce emissions across our whole supply chain. To do this we need to measure the impact of our data use and find creative alternatives to how we work.

03 FINDING CREATIVE WAYS TO REDUCE EMISSIONS

Compared to some industries, the marketing industry is not considered a major direct polluter, but that does not mean our work is without impact; after all, our job is ultimately to accelerate consumption.

We also have a more immediate downstream impact. We encourage individuals to consume our digital adverts and content so that our marketing messages reach the widest audience and have the biggest impact. Digital technology has increased both the volume and richness of content and made it easier to repeatedly stream rather than download. We therefore need to be considering the impact of our downstream consumption, not just our office and production work.

MEASURING OUR DOWNSTREAM IMPACT AND TOTAL COST OF MARKETING

While we may be confident our work has a downstream impact, the marketing industry doesn't yet quantify that impact in a standardised manner. GroupM, our media network, is tackling this problem by consolidating its existing carbon offset measurements to create a single view across all channels in key markets.

Emissions data will be integrated with media partners' data and used to influence media planning and by sharing the energy consumption impact of marketing activities when we present ideas to clients, we will enable clients to make decisions

based not only on ROI but also on environmental factors.

GroupM's goal is for all media plans to be net zero by the end of this decade. Furthermore, the measurement framework the team establishes will set the standard for WPP as a whole, and potentially the global marketing industry. We think this is groundbreaking work which will transform our own and client decision making. Our net zero ambition focusses attention on greenhouse gas emissions but there are, of course, many other aspects to environmental impact, such as pollution from the production of digital devices. In 2021, GroupM is starting with emissions, and we anticipate reducing these will benefit our overall environmental footprint. We acknowledge, however, that this is just the starting point: future work must and will expand this scope.

DIFFERENT TYPES OF EMISSIONS

GHG Protocol – emission scopes



Scope 1

These are the direct emissions of an organisation such as fuel combustion or fleet vehicle fuel consumption.



Scope 2

This is the indirect emissions from electricity, steam, heating and cooling purchased by an organisation.



Scope 3

This is the emissions associated with indirect upstream and downstream activities. In our industry this would include 3rd party data hosting, creative production carried out by a 3rd party, commuting or any end user consumption of the marketing assets we create (reading an email, viewing a video, browsing a website).



REDUCING THE COSTS OF PRODUCTION

Alongside our downstream impact WPP is also examining its production activities. We want to be able to offer our clients alternative ways of working that deliver the creative transformation they seek but with less environmental impact.

We have just announced our Cloud Studio engagement with Microsoft which will see WPP moving our on premise studios for 4,000 of our creatives to be able to work remotely using Azure – this will have a huge impact on our carbon footprint with teams collaborating globally and is unique in our industry.

Follow the link below for more

[LEARN MORE](#)

Our 25:25 initiative aims to recycle 25% of our film by 2025, saving approximate 100,000 tons of CO2.

We know that approximately 4 hours of footage is shot to create 1 minute of film, but by making use of digital techniques to repurpose film and recycling existing footage we can significantly reduce our impact.

We've also partnered with Nvidia to capture locations virtually and bring them to life in studios with Omniverse. We are using laser capture to turn over 10 million points on footage into a giant mesh – so that for the first time we can shoot locations virtually that seem as real as the places themselves. But more than that, Omniverse also changes the way we make our work. Its collaborative platform means multiple artists can collaborate from multiple parts of the world on a single scene.

Our production agency Hogarth has transformed its content creation with Sustainably Made.

This unique approach allows clients to produce the very highest quality work at scale, increase speed to market and at the same time reduce associated carbon emissions. It makes use of virtual production technologies and techniques, better recycling of assets

through AI powered search and incorporating fully costed carbon offset into production budgets.

Hogarth's Sustainability Index gives clients insight into the environmental impact of every asset, campaign and shoot. By employing a sustainability mindset from planning to deployment Hogarth is demonstrating us the future of content creation.

SUSTAINABLY MADE

Production and content creation is responsible for a substantial proportion of the total carbon footprint of the marketing and communications process. As our clients and partners seek to reduce the environmental impact of their work and move towards a Net Zero goal, Hogarth have pioneered a new approach to producing content sustainably. This allows our clients to produce the very highest quality work at scale, tailored to every channel and audience whilst at the same time reducing the associated carbon emissions and increasing speed to market. This is the future of content creation.

A 'Sustainably Made' approach;

01

Innovation-driven virtual production technology and techniques, eliminating the need for many location shoots, with their associated high carbon footprint, and cost.



02

A switch from traditional digital asset management to an asset lifecycle view which dramatically reduces waste by allowing AI-powered search to identify, recycle and re-purpose work from all content captured throughout the production process.

03

Industry leading measurement tools brought together into the 'Hogarth Sustainability Index' which gives clients insight into the environmental impact of every asset, campaign and shoot, in advance.

04

The ability to incorporate fully costed carbon offset into every production budget, meaning that all work made is truly Net Zero.

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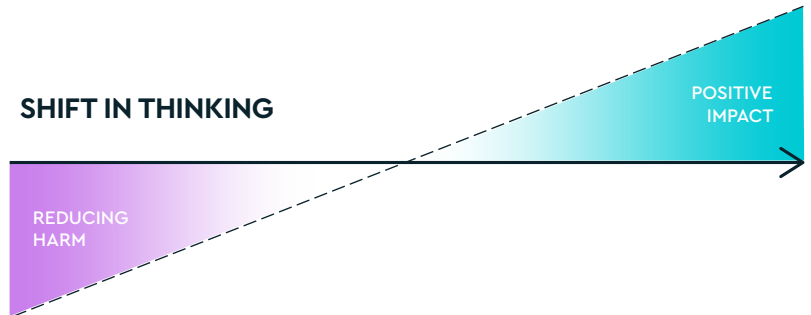
We combine craft, insight and technology to create content, sustainably.

WHERE TO NEXT?

From 2022 we want to start widening the scope of our downstream measurement beyond paid media to other marketing activities and strategies. We want to know whether communication via owned platforms (email, web) significantly differs from communication via paid media, and whether more granular personalisation creates more emissions because more data processing is required, or less, because the volume of communication is reduced. Such detailed measurement will benefit our clients from a financial as well as environmental perspective as both costs are intrinsically linked.

We also want to extend the focus of our responsible data use (both social and environmental) beyond doing less harm to using data for good; finding ways to use data for research and decision making that will benefit the communities and environments we operate in. We will continue to work with Microsoft on responsible AI, and with Oxford University on the use of synthetic media in advertising. We are also starting to explore the new world of data unions and how these will change the paid media landscape and we will continue to foster a culture of data connection rather than data collection with our data catalogue.

SHIFT IN THINKING



04 THE CONCLUSION

WPP has an ambitious net zero target, but we also want to transform how we use data because we believe responsible data use – in terms of both its social and environmental impact – is a growth opportunity and a differentiator. As we pointed out in our Data 2030 report, attitudes to data use amongst consumers, investors, our clients and our own employees are rapidly changing. People want to see data used in ways that protect privacy and create social good, without harming the environment.

Generation Z are now both consumers and employees. Our own research shows how they favour companies which embrace a social contract with their customers, employees and communities instead of focusing solely on profit. ¹

And even without this generational shift, there is growing evidence to suggest the financial performance of companies who have embraced Environmental, Social and Governance best practice (ESG) is often better than those who do not. ²

We predict consumers and investors will soon routinely evaluate companies' use of data, and perhaps responsible data use will eventually be incorporated into the ESG investment category. We think it makes good business sense to adopt a responsible data use strategy that considers the social and environmental impact of our work and continuously looks at how we reduce can both reduce harm and do good.

¹ **85%** (GenZ)

believe brands should be about something more than profit, while 80% believe brands should help make people's lives better.

Generation Z: Building a Better Normal, WundermanThompson

² **62.6%**

of studies looking at the impact on returns of investing along ESG lines found the use of ESG criteria had a positive impact on corporate financial performance, compared with just 10% per cent producing adverse effects.

Deutsche Asset and Wealth Management with the University of Hamburg in 2015. This looked at 2,000 studies since 1970 into the impact on returns of investing along ESG lines.





CONNECTION

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