

STATE OF READINESS - SUSTAINABILITY IN DIGITAL ADVERTISING REPORT 2025



Introduction

The digital advertising ecosystem - companies that directly or indirectly participate in the buying and selling of digital advertising products - is responsible for a portion of humanity's contribution to climate change because of its consumption of IT resources and other carbon-emitting activities. Approximately two years ago, businesses in the ecosystem began showcasing increased awareness of this aspect of their operations among other environmental, social, and governance (ESG) issues.

As such, a new segment of the digital ad value chain emerged. One comprised of companies focused on quantifying and reducing the environmental impact of digital ad offerings and/or purchases. With it emerged new opportunities for industry-level work, new roles for professionals passionate about the environment, and a vast array of new questions. How important is it that the ecosystem addresses sustainability? What needs to be done and what are likely to be the driving factors? Where does the ecosystem stand relative to its ambitions?

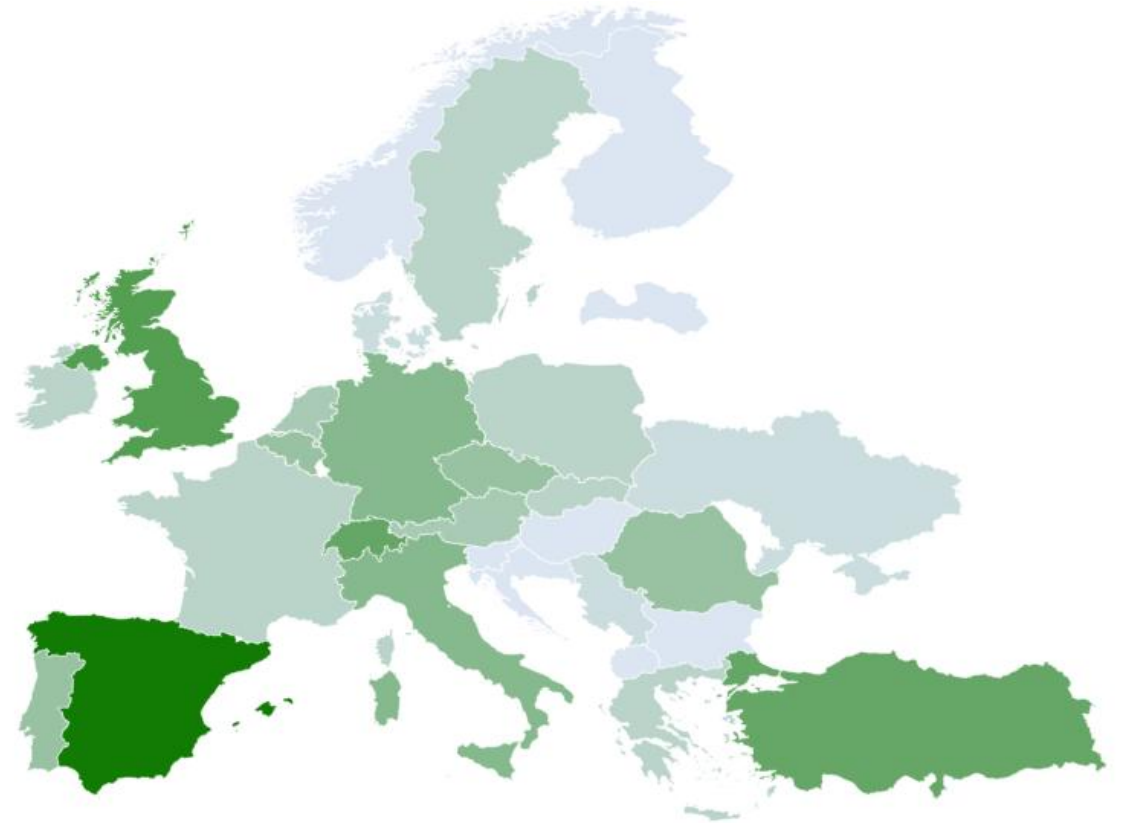
To answer these questions and many more, IAB Europe's [Sustainability Standards Committee](#) developed the State of Readiness – Sustainability in Digital Advertising survey to gain valuable insights into both the digital ad ecosystem's perspectives on the topic and the actions it has implemented. Now in its third year, the State of Readiness Report provides a comprehensive, pan-European understanding of our industry's advancement towards sustainable digital advertising. The survey attracted respondents from across the digital advertising ecosystem with the vast majority coming from agencies, publishers, and ad tech businesses.

Survey Information

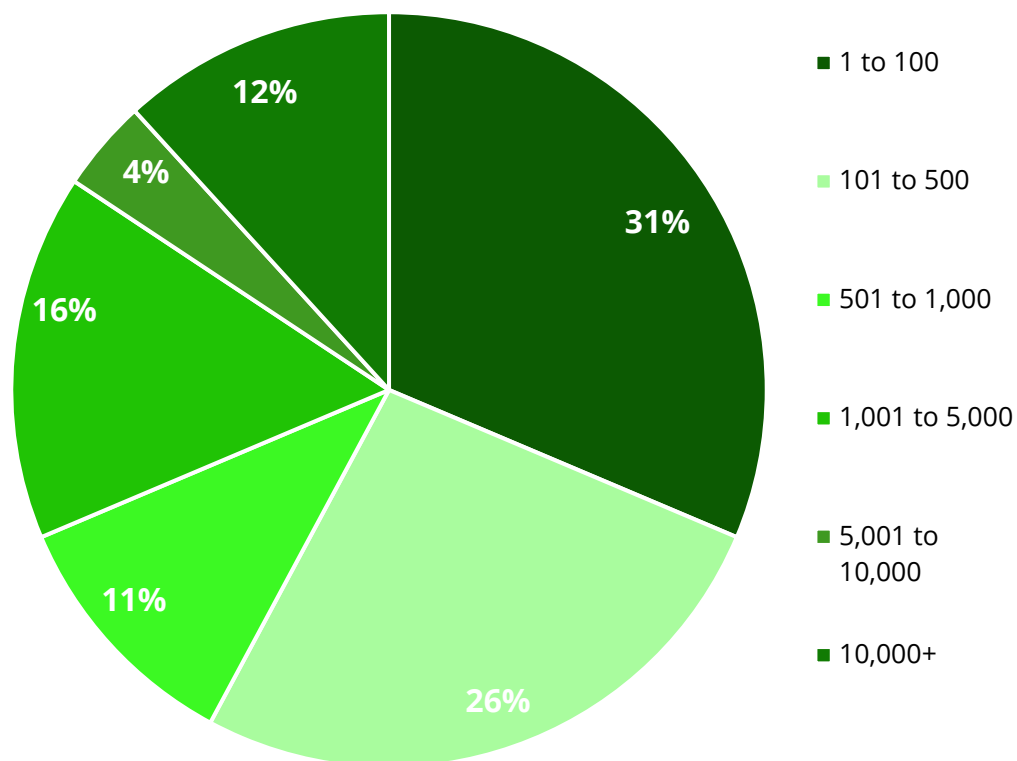
An online survey was conducted with the help of the National IAB Network to ensure a representative sample was collected across 29 markets. The survey received 102 responses between November 2024 and January 2025.

The majority of respondents represented Global businesses (49%) , followed closely by European businesses (16%). As can be seen on the right, most local market responses came from Spain (12%), the United Kingdom (8%), Switzerland (7%), and Turkey (7%).

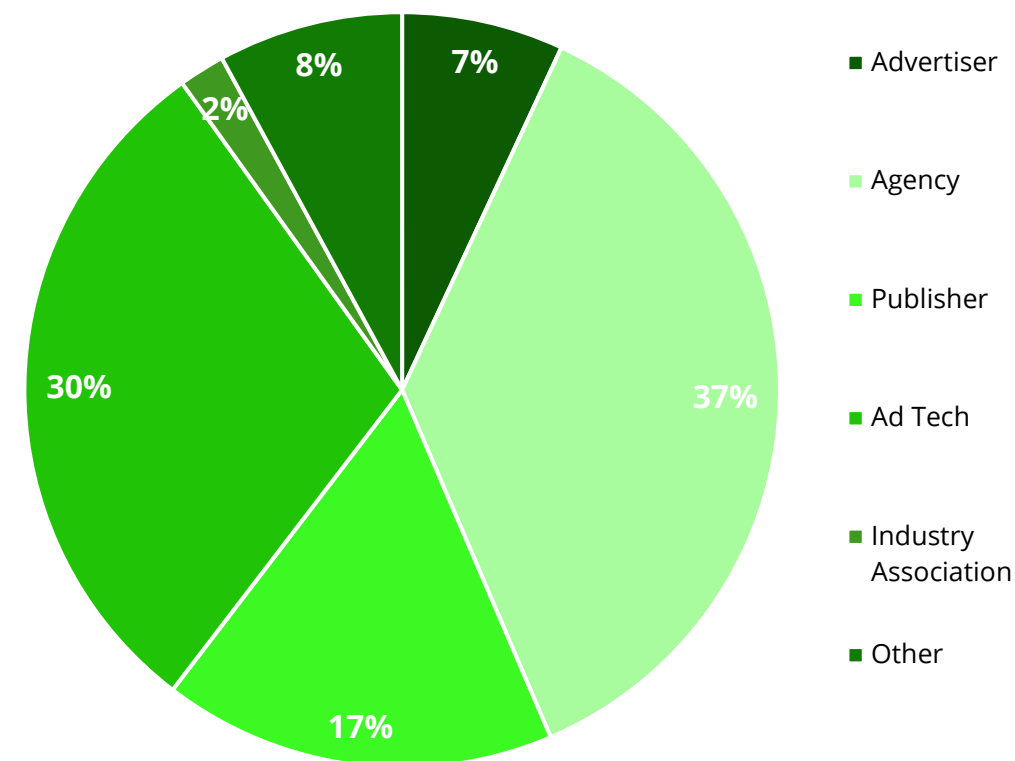
More than half of respondents were C-suite executives, Directors, VPs, and Heads (incl. Heads of Sustainability). The buy-side represented almost half of the total respondents (37% agencies; 7% advertisers) with a large portion of respondents also coming from ad tech companies (30%).



Survey Information



Q: What size is your organisation?



Q: Is your company?

Executive Summary

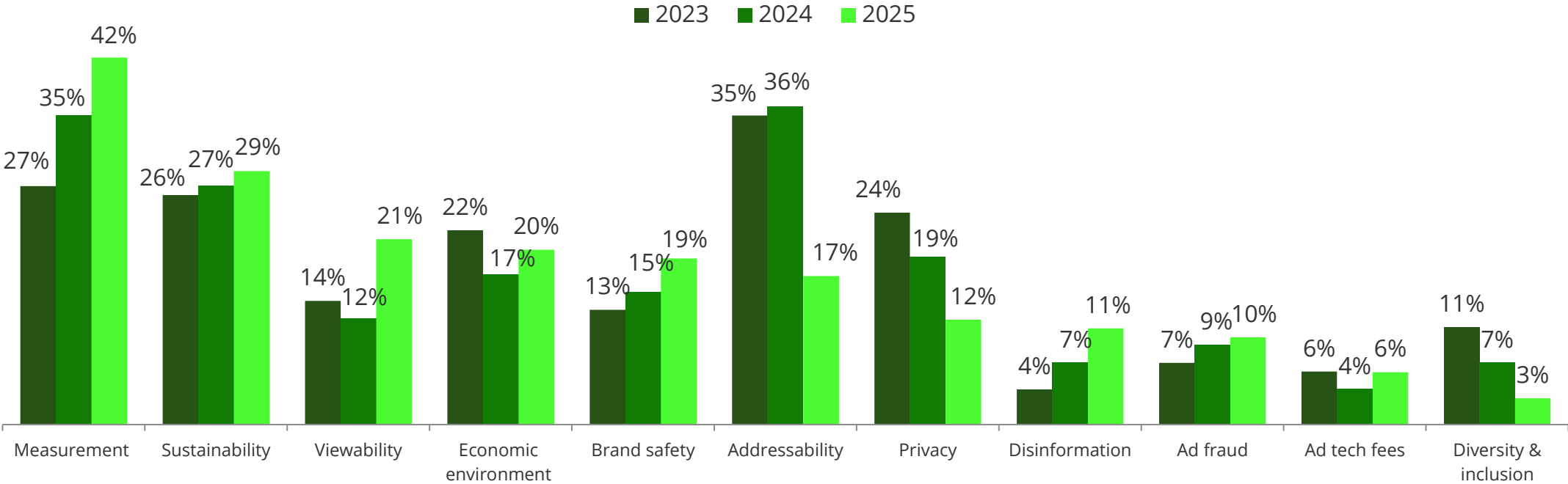
The 2025 State of Readiness – Sustainability in Digital Advertising report includes the following key findings:

- Sustainability ranked as the second most important challenge for the digital ad ecosystem, behind measurement and followed by viewability.
- Greenhouse gas emissions are still considered the most important aspect of sustainability, while the number of businesses placing emphasis on Diversity, Equity & Inclusion has risen significantly.
- Corporate social responsibility ranked first as a driving force for sustainability in the digital ad ecosystem, and regulatory compliance notably overtook client expectations for second place.
- Businesses are seeing sustainability as less of a threat and more of a vital component of their business model.
- More businesses are reporting they have now made some progress on environmental sustainability rather than just having made a start. About half of businesses are estimating digital ad emissions, and 42% have disclosed impacts to clients.
- 43% of respondents represented businesses that have set or are in the process of setting Science-Based targets.
- Lack of industry education and standards are still considered the biggest challenges to progress on sustainability. Some respondents claimed sustainability is less of a priority and lacking a business case.
- On net, the ecosystem is slightly positive with respect to the progress that has been made since the previous State of Readiness survey.

CURRENT VIEWS ON SUSTAINABILITY

Digital Ad Challenges: Sustainability Ranks Higher

Considered the third most important challenge in 2024, sustainability was ranked below measurement as the second most important challenge respondents are currently facing. Addressability (referred to as under third-party cookie deprecation in previous surveys), ranked first last year, fell considerably in the results.



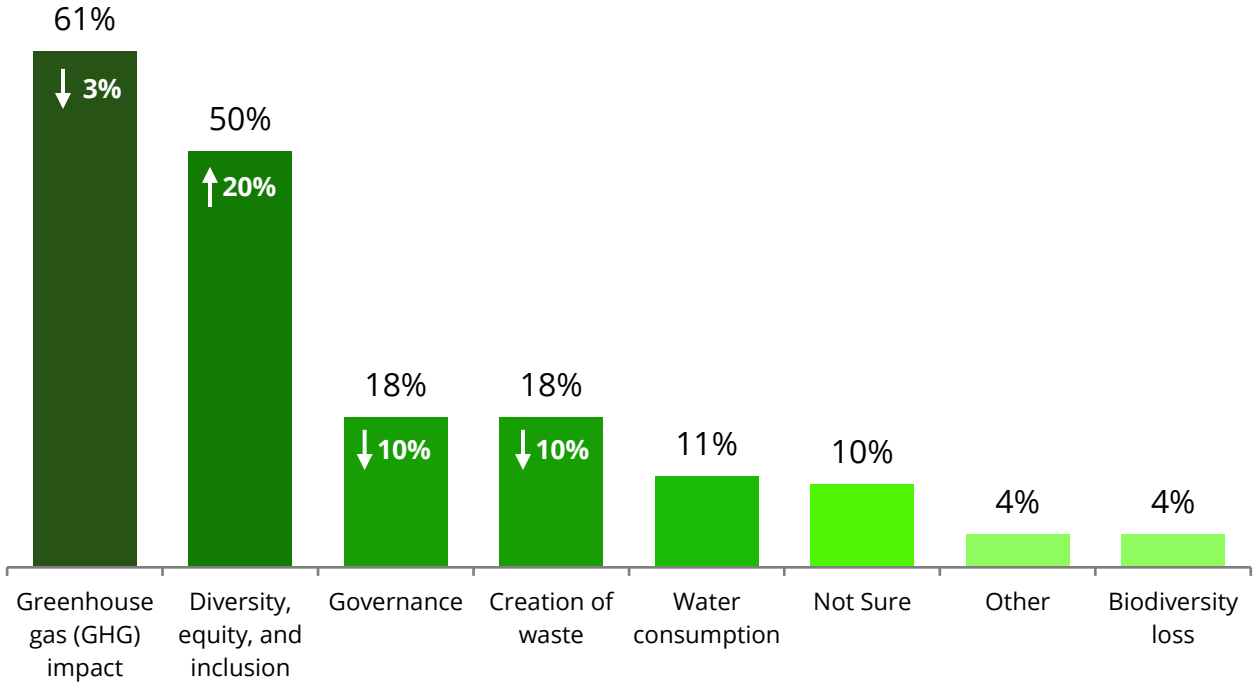
Q. What are the most important **digital advertising industry challenges** to your company? (Please select the top two challenges for your company right now)

GHG Emissions Still Top Concern

Among the topics that fall under the umbrella of ESG (Environmental, Social, Governance) the ecosystem still identifies its greenhouse gas emissions and contributions to climate change as the most important issue.

Diversity, equity, and inclusion ranked higher than the previous iteration of the survey (30%), while Governance and Creation of Waste both saw reductions from 28% to 18%.

Water consumption, added as an option this year following widespread coverage of the impact in relation to data centres, ranked fifth at 11%.



Q. Which of the following are the **two most important aspects of Sustainability** for your company? (Please select the top 2 most important aspects of sustainability)



"The findings from IAB Europe's latest State of Readiness Report clearly demonstrate that sustainability is becoming a central focus for our industry, now ranked as the second most important challenge after measurement. The continued concern around greenhouse gas emissions and climate impact highlights the urgent need for collective action. It's also encouraging to see diversity, equity, and inclusion gaining momentum, reflecting a broader understanding of sustainability that integrates both environmental and social dimensions. As digital advertising leaders, we have a responsibility to drive meaningful change across all facets of ESG."

Arthur Millet, Director General, Alliance Digitale & Chair of IAB Europe's Sustainability Standards Committee

Ecosystem Supports Multiple Actions to Drive Progress

Respondents claimed that a multidimensional strategy is what’s needed to drive progress in environmental sustainability, including emissions estimation, reductions targets, encouragement of better consumer behaviours, and the development and adoption of solutions that reduce greenhouse gas impact.

Much like last year, offsets are objected to by part of the ecosystem, although now more stakeholders appear neutral or positive (in 2024, 21% of respondents disagreed or strongly disagreed with their use).

| Action | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|----------------|-------|---------|----------|-------------------|
| Quantify environmental impact through greenhouse gas estimation | 51% | 39% | 8% | 1% | 1% |
| Create consistent standards for greenhouse gas estimation | 56% | 33% | 9% | 1% | 1% |
| Set targets for environmental impact reduction | 42% | 47% | 8% | 2% | 1% |
| Develop tools that can reduce digital ad greenhouse gas emissions | 54% | 36% | 9% | 1% | 0% |
| Adopt tools that can reduce digital ad greenhouse gas emissions | 56% | 36% | 7% | 1% | 0% |
| Employ carbon offsets | 15% | 39% | 29% | 11% | 6% |
| Encourage sustainable consumer behaviours | 47% | 40% | 12% | 1% | 0% |

Q. To what extent do you agree that the following actions must be taken by the industry to **drive progress in environmental sustainability**?
(please select either strongly agree, agree, neither agree nor disagree, disagree, or strongly disagree)

Other Suggested Actions

"Agree on consistent standards and methodology"

"Policies that reduce emissions (e.g. less travel, remote working)"

"Estimate and reduce the impact of social channels"

"Responsible deployment of artificial intelligence"

"Stop advertising certain products, amplify sustainable messages"

"More success cases linked to business outcomes"

"More education; we don't have an industry if we don't address the climate crisis"

"More advertiser engagement, closer collaboration between IAB and WFA"

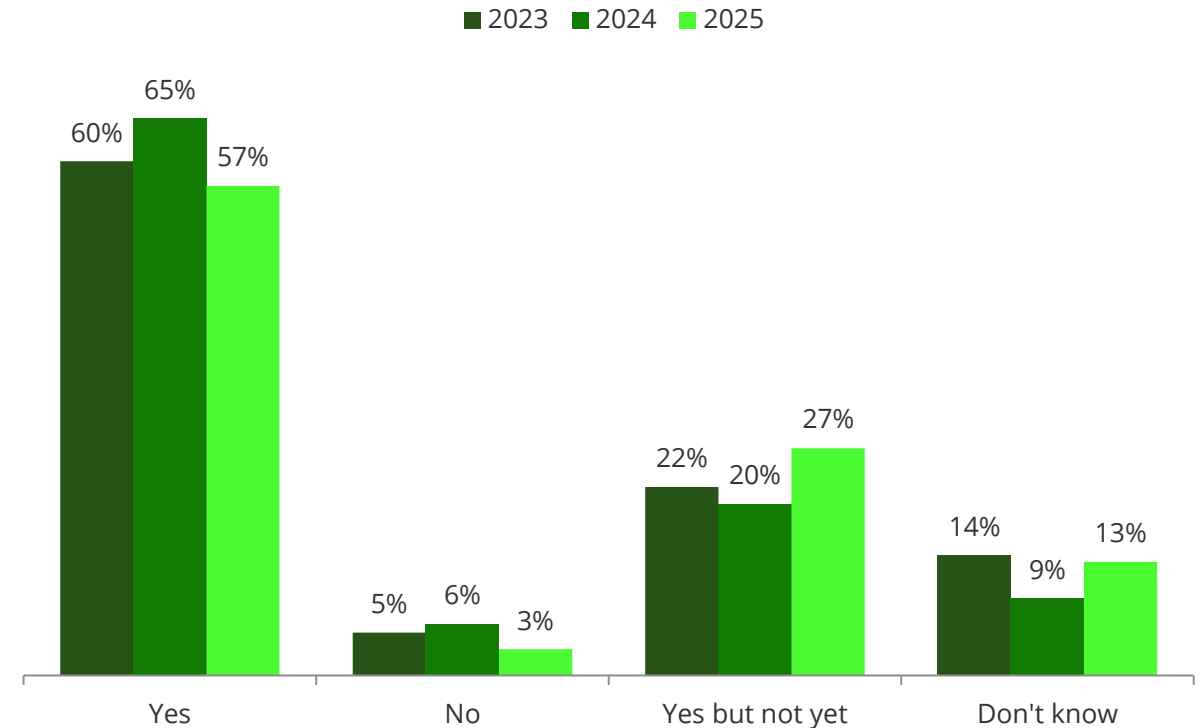
"Development of a central sustainability data repository"

Q. Are there any other actions that must be taken by the industry to drive progress in environmental sustainability?

Once Again, The Ecosystem Calls for External Verification

The digital ad ecosystem still agrees that external verification of environmental figures is required, with a small decrease in companies supporting third-party verification (57%) being compensated by an equivalent increase in companies supporting verification at a later stage.

As work to standardise methodology for evaluating the environmental impact of media campaigns continues, the ecosystem still believes additional checks are required, either now or later, to trust the numbers.



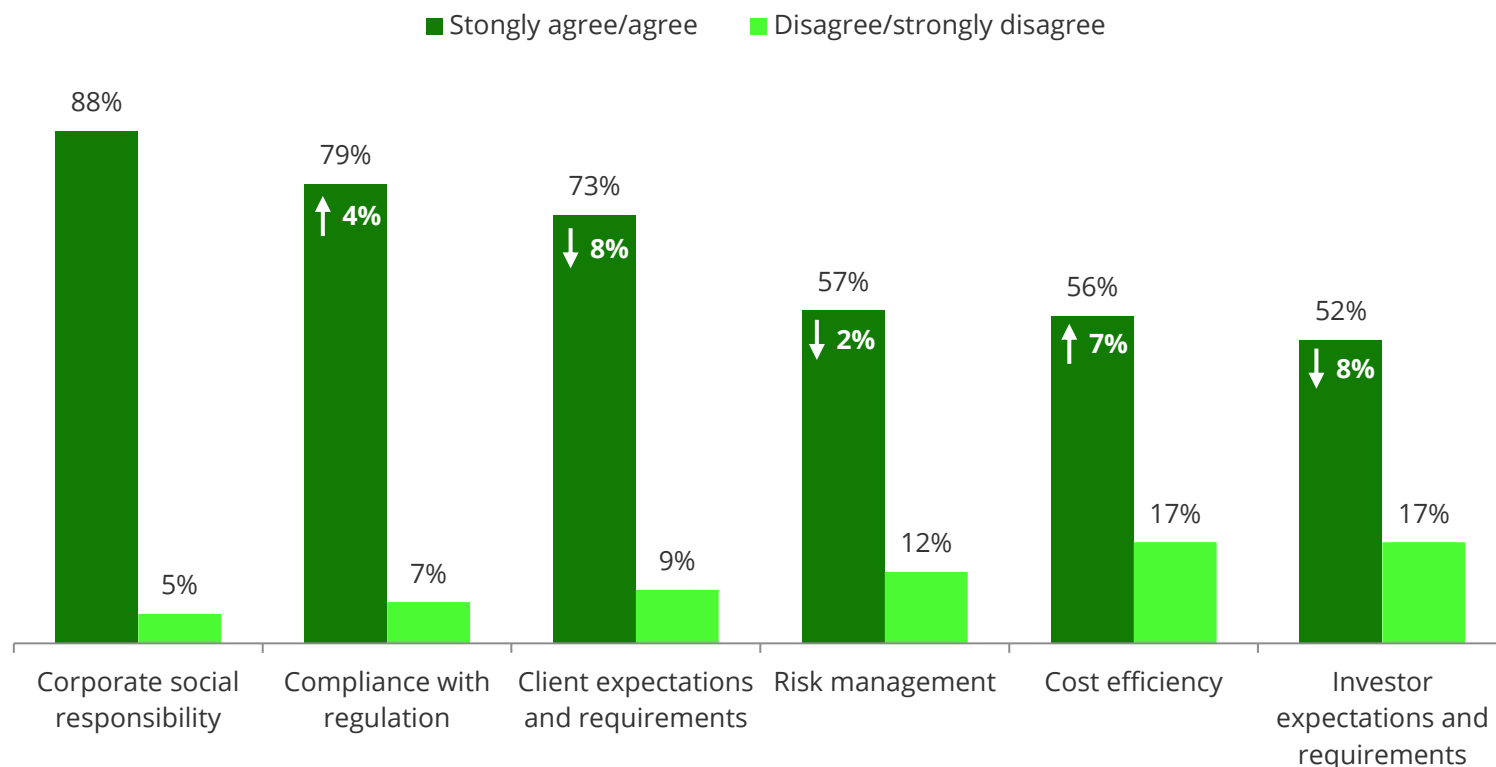
Q. Do you think our industry needs **external verification when it comes to CO₂e estimation and standards?**



"In the face of the challenges posed to Environmental, Social, and Governance (ESG) initiatives in 2025, it is crucial to acknowledge and highlight the positive strides the digital advertising industry is making. By embracing sustainability, the industry is laying the groundwork for continued progress in the years ahead. It is also encouraging to see a confirmed alignment within the ecosystem on the main actions to prioritise."

Benjamin Davy, Sustainability Director, Teads

Regulatory Compliance Overtakes Clients as Driving Force



In a shift from last year's results, businesses claim their work on sustainability is driven by compliance obligations (79%) more than it is driven by incentives stemming from client expectations and requirements (73%).

In addition, fewer businesses (17%) now disagree with cost efficiency being a driving factor (a quarter disagreed last year).

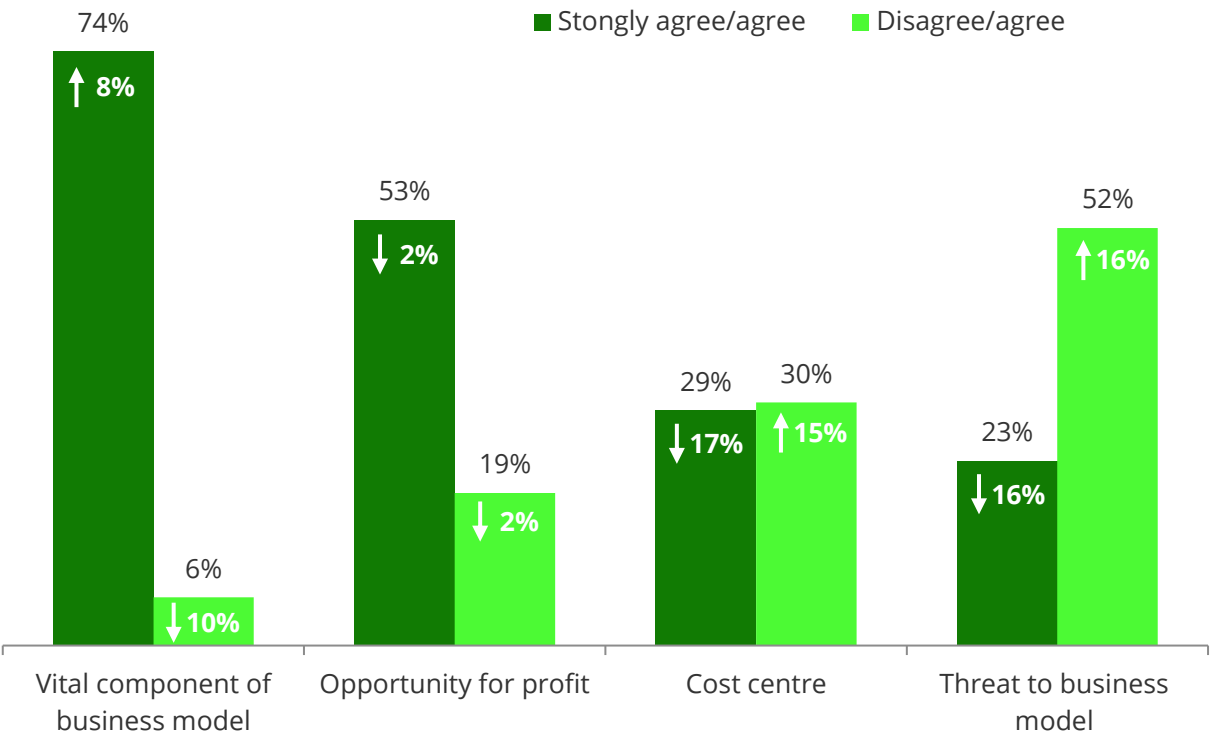
*Q. To what extent do you agree that your interest in sustainability is driven by the following factors?
(please select either strongly agree, agree, neither agree nor disagree, disagree, or strongly disagree)*

Sustainability Seen as Less of a Business Threat

Last year's results revealed an ecosystem torn over whether sustainability is vital or a threat to business, with about a third of respondents sharing the latter view. This year companies seem more united in their positive perception of environmental sustainability, with three quarters of respondents agreeing that it is a vital component to their business model.

The ratio of companies that consider it a cost centre decreased by about 17%, while the ratio of respondents that disagree with the premise doubled.

While in 2024 the question of whether sustainability is a threat divided respondents (39% agreed, 36% disagreed), now the companies that disagree are more than double those that see it is as a risk.



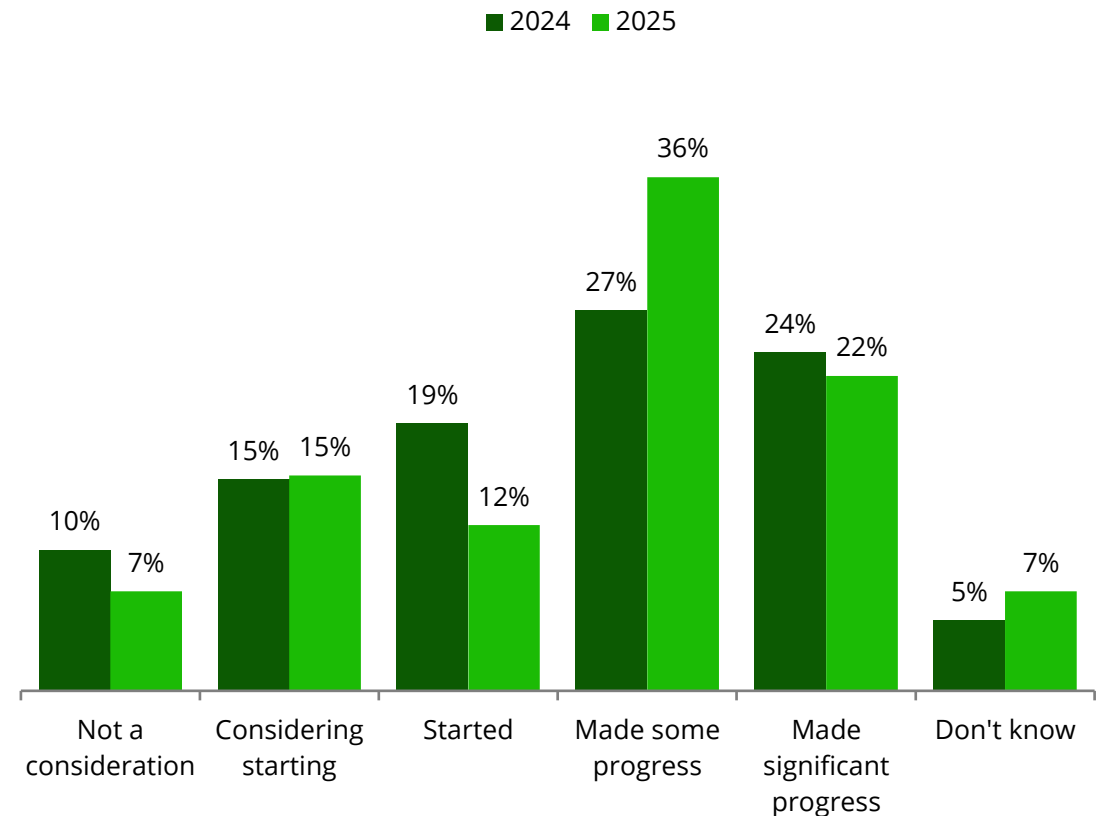
Q. Do you agree with each of the following statements? (please select either strongly agree, agree, neither agree nor disagree, disagree, or strongly disagree) Environmental sustainability is...

STATE OF READINESS: HOW IS THE ECOSYSTEM PROGRESSING ON ENVIRONMENTAL SUSTAINABILITY?

Businesses Progress Beyond the Starting Line

Compared to 2024, more businesses seem to have moved beyond the early stages of an environmental sustainability strategy and implemented actions to understand and reduce their negative impact. About 30% of businesses still identify as not having made a start on managing their footprint.

| Option | Given Examples |
|---------------------------|--|
| Considering starting | Evaluating relevance, drafting plan to address impact within six months. |
| Started | Recently initiated sustainability plan, established key actions to be taken. |
| Made some progress | Performed emissions assessment, implemented some reduction actions. |
| Made significant progress | Achieved significant reductions compared to baseline, met targets. |



Q. At what stage do you think your company is at in its journey towards environmental impact reduction?

What Have Companies Achieved So Far?

As in the previous two years, about half of respondents state they have completed or are currently undertaking a sustainability audit. More companies have disclosed environmental figures to clients, while about a third have disclosed such figures to value chain partners generally.



38% of respondents are also offering low carbon or sustainable products to the market and 49% have estimated the environmental impact of some campaigns. It is worth noting that only 14% (2% higher than last year) have estimated the environmental impact of **all campaigns**, so whilst progress has been made there is still a long way to go until always-on environmental impact assessment is widespread.

Q. If your company has started its sustainability journey, what have you achieved so far: (Please select all that apply)



"The industry is making steady progress toward sustainability, with more businesses moving beyond strategy development to action. The rise in sustainability audits, disclosures, and low-carbon offerings signals a shift in mindset. Regulation is also driving the need for carbon footprint reductions, which require action across all business functions—including advertising. However, with 30% yet to start and comprehensive impact assessments still limited, there is a long way to go. True readiness will be marked by consistent, always-on environmental accountability across the value chain."

Estelle Reale, CMO, DK

Emission Scopes: Downstream Scope 3 Prioritised

Respondents indicated that they are focused on downstream scope 3 emissions more than other emission scopes. It should be noted that downstream and upstream emissions are defined in terms of a business' position in the value chain relative to its partners.

36% Scope 1

34% Scope 2

40% Scope 3, downstream

35% Scope 3, upstream

Definitions:

The GHG Protocol Corporate Standard classifies a company's GHG emissions into three 'scopes':

- Scope 1 emissions are direct emissions from owned or controlled sources.
- Scope 2 emissions are indirect emissions from the generation of purchased energy.
- Scope 3 emissions are all indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

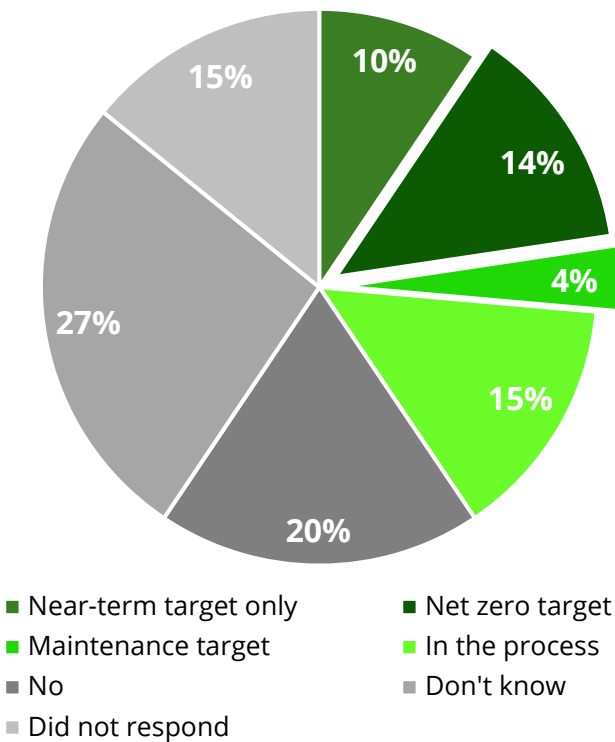
Q. Which of the following scopes has your business agreed to address in its Greenhouse gas (GHG) estimation? (please select all that apply)

More Businesses Have Set Up SBTi Targets, Estimate Impact of Digital Advertising Products

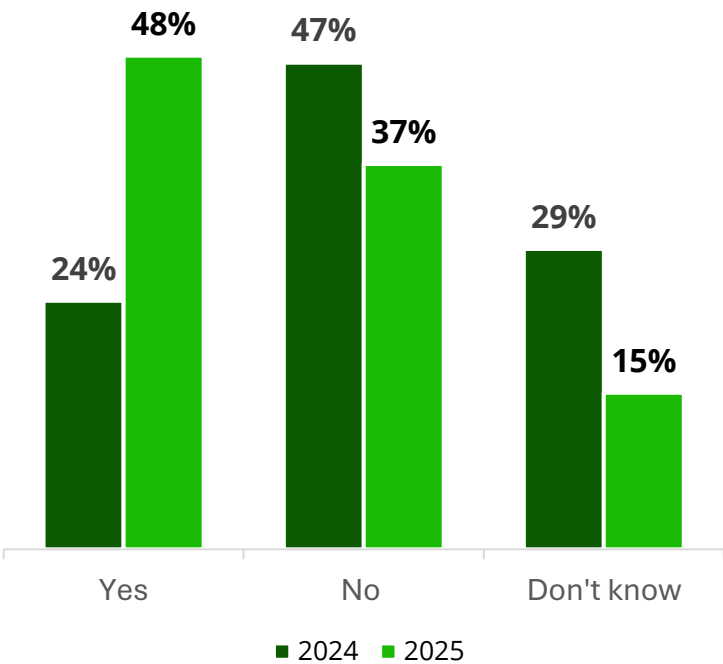
In an increase from the 2024 survey's results, about 28% of businesses state they have set up an SBTi reduction or maintenance target*. 15% state they are in the process of setting this up.

About half of businesses in the sample confirmed they are estimating the emissions produced by digital media products, doubling last year's percentage.

*The Science Based Targets initiative (SBTi) enables organisations to set emissions reduction targets aligned with global temperature pathways



Q. Has your organisation set an SBTi or similar target?

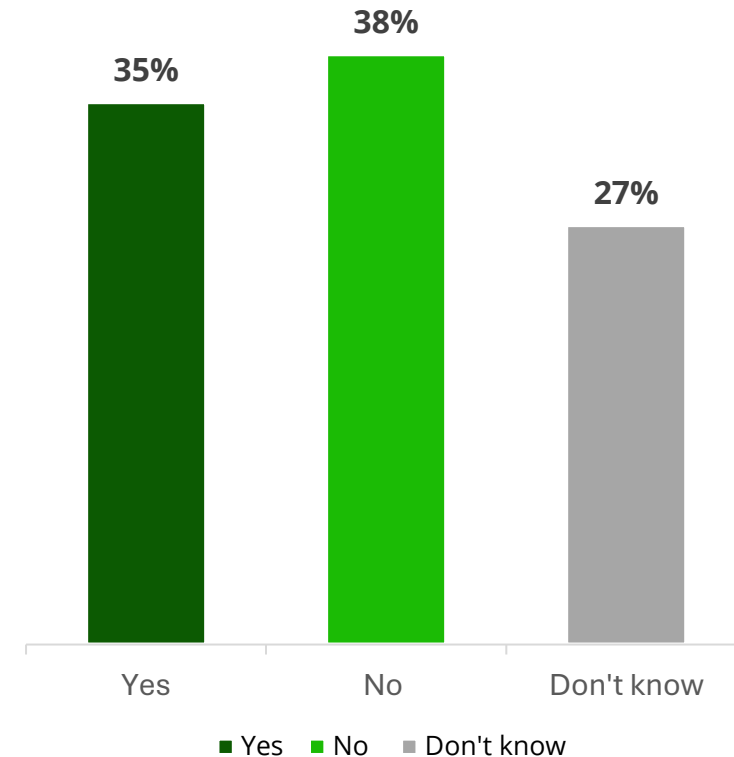


Q. Does your company currently perform any estimation of the emissions produced in the supply chain of digital ads?

About a Third of Businesses That Estimate Digital Ad Emissions Include Figures in Environmental Reports

In addition, more than 80% of businesses that estimate campaign emissions state they work with external partners that specialise in digital ad sustainability or environmental consultancies. 42% of businesses indicate they have developed an in-house solution for this purpose.

55% of businesses reported they would be open to third-party audits of their emissions and other environmental figures.



Q. Are the emissions estimates of digital ad campaigns included in your environmental reporting?

What Other Actions Have Been Taken?

61% of respondents focus on Supply Path Optimisation (SPO) or Demand Path Optimisation (DPO)

57% of respondents implement creative asset optimisation (e.g. compression, lazy loading)

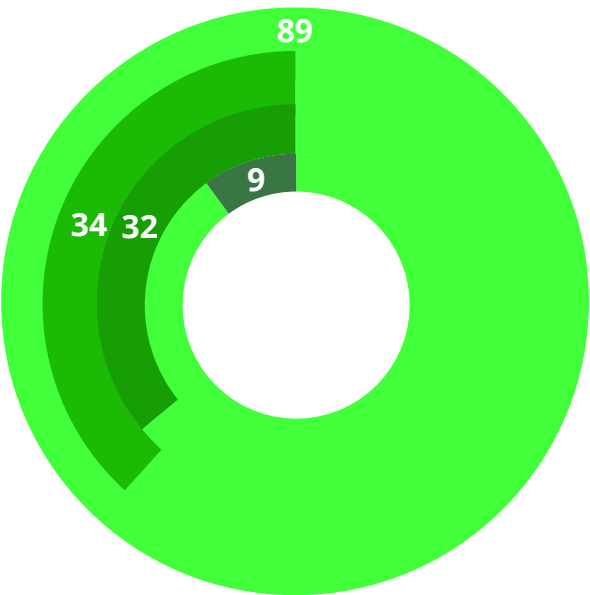
23% of respondents work on sustainable media selection (biased towards lower GHG impact)

33% of respondents deliver less GHG-intensive creative production

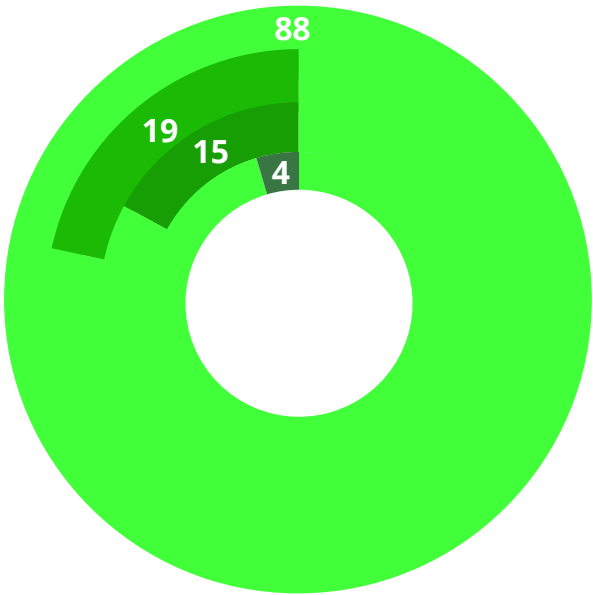
*Q. What actions have you taken to reduce the GHG impact of media products and the delivery of digital ads? (please select all that apply)
Data represents respondents to the question (60% of sample)*

Walking the Walk

Respondents' views on what the industry needs to do were compared against the efforts they report to have undertaken on two major action points: estimating environmental impact and setting reduction targets. Results indicate that while the ecosystem largely agrees on which actions are necessary, businesses may be facing difficulties with respect to practical application.



- Agree or strongly agree the industry needs to estimate its environmental impact
- Have completed or are undergoing a sustainability audit
- Have estimated the emissions of some campaign
- Estimate the emissions of all campaigns

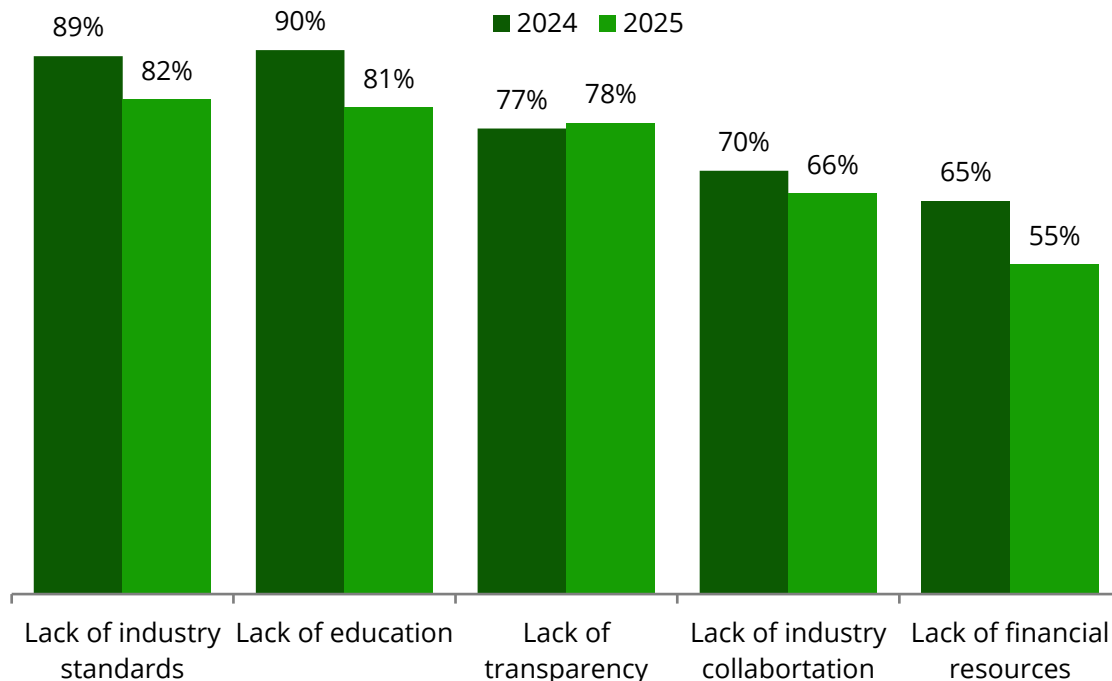


- Agree or strongly agree the industry needs to set reduction targets
- Have set a near-term SBTi target
- Have set a net zero SBTi target
- Have set a maintenance SBTi target

Meta-analysis of survey responses

The Industry Still Agrees on Key Challenges: Standardisation, Education, Transparency

Nearly all respondents agree or strongly agree that a lack of education (82%) and lack of industry standards (81%) are still key challenges that the industry needs to overcome*



64% of respondents disagree or strongly disagree that professionals in the industry are educated enough on sustainability**

68% of respondents agree or strongly agree that in the long run, the industry will achieve the transparency and information exchange required for robust estimation of GHG emissions in the digital advertising supply chain**

68% of respondents agree or strongly agree that the industry drives consumption of environmentally intensive products and should, in the long run, consider the carbon footprint of this consumption **

*Q. To what extent do you agree that each of the following factors is an obstacle to progress in environmental sustainability? (please select either strongly agree, agree, neither agree nor disagree, disagree, or strongly disagree)**

*Q. To what extent do you agree with the following statements when it comes to the work currently being done to support sustainability in digital advertising? (please select either strongly agree, agree, neither agree nor disagree, disagree, or strongly disagree)***



"It's clear that standardisation of GHG emissions measurement is required to accelerate reductions across the digital advertising landscape, and the development of Global Media Sustainability Framework (GMSF) is an important part of this. As more companies prioritise sustainability, in part to comply with regulatory requirements, standardisation can help create real, positive change for the industry."

Anthony Falco, Global Director at Ad Net Zero

Additional Challenges for Consideration

"Lack of positive revenue impact"

"Short-term thinking and lack of incentives"

"Green claims without verification undermine progress"

"Low materiality of retail media emissions compared to total retailer impact"

"Sustainability is less of a priority for clients in the current economic climate"

"Profits matter more to C-suite and investors"

"Carbon intensity of programmatic, ad fraud, and lack of transparency"

"Focus on media metrics, not outcomes"

Q. Please specify any additional challenges you consider key

SUMMARY

Ecosystem Shows Progress, More is Needed

Overall, the 2025 State of Readiness report tells the story of a digital advertising ecosystem that remains aligned on the importance of sustainability and the actions required to transition to a more sustainable mode of operations. Important steps have been taken in the right direction: more respondents have implemented their action plans on sustainability, estimated the emissions associated with digital ad products, set Science-Based targets at an enterprise level, and exchanged information on environmental performance with their value chain partners.

Still, there is a gap between the digital ad ecosystem’s consensus on the necessary sustainability-related actions and the progress seen in practice. Besides the lack of education, standards, and transparency, respondents expressed multiple other obstacles to further investment in sustainability, such as short-term focus in an uncertain economic climate. On average, the ecosystem is only slightly positive about its progress over a year.

Since the last iteration of this survey the industry has made significant progress on environmental sustainability.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|----------------|-------|---------|----------|-------------------|
| 3% | 29% | 46% | 21% | 1% |

Q. To what extent do you agree with the following statements when it comes to the work currently being done by our industry to support sustainability in digital advertising?

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