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NATIVE ADVERTISING: ADS IN DISGUISE AS EDITORIALS (Paper)

Abstract:

Native advertising, paid for by corporate funding, may fool news readers into thinking that they are reading investigative journalism editorials. Such misleading practice constitutes an internal threat to the profession of journalism and may further deteriorate mainstream media trust. If information users are unaware of the Native Ads original promotional nature, they may find themselves insufficiently informed or misled by its content. This study investigates cases of Native Ads in terms of their contextual use, distinctive features, and likeness to editorials. LIS should aim to provide clear discernment guidelines and consider automated user alerts.

1. Introduction

Library and Information Science (LIS) has traditionally been tasked with the discernment of high quality credible information from information of dubious nature, as misinformation is believed to negatively impact information seeking, retrieval, and use in decision making (Rieh, 2010). This study focuses on a misleading type of advertising, *native advertising*. Standard formats of online ads are easily recognized by the general public. The advent and extensive use of ad-blockers, as well as decreases in subscriber income, is forcing newspaper advertising to seek subtler online formats to maintain their commercial value. Formats like native advertising, do not make the promotional quality of their information immediately apparent are gaining in popularity. Native advertisements in online news present both opportunity and a growing threat to journalism in Canada. Also known as *content marketing* or *advertorials*, native ads are advertising content that look like and appear alongside editorial content in newspapers. Despite their resemblance to regular journalistic content, native ads have been sponsored by, and commonly written by, advertisers.

2. Literature Review

Native advertisements generally have few markings to alert the reader to the fact that they are advertisements. Studies by the Stanford History Education Group (2016)(SHEG) and Howe and Teufel (2014) have shown that readers have significant difficulty recognizing them. Readers are less sceptical of native ads – likely because these ads are less likely to be recognized as advertising (Howe & Teufel, 2014). Over 80% of middle-school students who participated in the SHEG project thought that a native advertisement labelled as “sponsored content” was a typical

news article (2016). By borrowing credibility from the media outlet that they are published in, these advertisements can erode credibility in news outlets if detected, and deceive or mislead readers if they go undetected (Wu et al., 2016). In fact, the effectiveness of these native advertisements hinges on their resemblance to legitimate news – native ads are significantly more persuasive if they deceive the reader into believing that they are editorial (Schauster, Ferrucci, & Neill, 2016; Wu et al., 2016). The ethical quandary is clear – native ads have been called “fraudulent” and “a form of prostitution” by Canadian magazine editors (Russell, 2006, p. 53).

Despite the ethical concerns, native advertising is growing in popularity and is projected to become the main advertising revenue source for newspapers (Newman, 2017). Canadian newspapers have opened their own Native Advertising production houses – Postmedia has *Polar*¹ while *The Globe and Mail* has *Globe Edge*². These steps have been controversial – in 2014 *The Globe and Mail* attempted to mandate that its editorial journalists produce native advertising (called “Branded Content” by the paper)(Brunet, 2016). This choice drew ire from media watchdogs (Brown, 2014) and almost caused an editorial staff strike (Brunet, 2016). This event and others like it represent the appearance of cracks in the traditional wall between the editorial and advertising departments. The journalistic community is becoming increasingly concerned about the possible rising influence of advertiser dollars on editorial content (Carlson, 2015). Publishers claim that Native Advertising simply produces more effective and engaging content that is preferred by their readers. The publishers seem to be right about this – readers do enjoy native advertisements that are perceived to be unobtrusive and which contain a strong narrative (Gillespie & Joireman, 2016). Can publishers produce native advertising content without sacrificing their journalistic integrity?

3. Research Question

This investigation aims to determine answers to three research questions:

- 1) what are the prominent (linguistic and content-wise) characteristics of native ads produced by Canadian newspapers?
- 2) how standard, predictable, and editorial-like are the formats of native ads?
- 3) what effect, if any, the production of native advertising has had on the legitimate journalism, specifically, for the cases of *The Toronto Star*, *The Globe and Mail*, and several other mainstream media outlets?

4. Study Methodology

Our current study dataset consists of 20 pairs of advertising and editorial articles on the topics of land development, travel, entertainment, finances, and technology. Five pairs of articles are from each of *The Toronto Star*, *Globe Edge*, *Polar*, and *The National Post*. This dataset will

¹ <http://polar.me/>

² <http://globeedge.ca/>

inform the creation of an appropriate methodology to distinguish the innovative creative features that writers utilize to produce Native Ads.

The following case study exemplifies the textual analysis methodology used in the study. This case compares *The Toronto Star*'s Native Advertising content to editorial content on the same subject. *Building Complete Communities* is a series of Native Advertising articles published in *The Toronto Star* from May 2015 - September 2016. These advertising articles were paid for by BILD (Building Industry and Land Development association) and Renomark (a home renovation contractor association). The series of articles aim to improve attitudes about development in the Greater Toronto Area (GTA) with titles including "Our neighborhoods are intensifying: NIMBYism 'not in my backyard' hurts all of us", "Development: What's in it for you" (Figure 1) and "Renovation solutions that make home more enjoyable". This series of articles were content-analyzed by a trained linguist and compared to editorial journalism and "Letters to the Editor" pieces on the topic of development that were published in *The Toronto Star* both before and after the publication of the *Building Complete Communities* series. The *Building Complete Communities* series was also checked for compliance with the United States' Federal Trade Commission's 2015 list of recommendations for Native Advertising³ (as of April 2017, the Competition Bureau, which regulates advertising in Canada, has published no such guidelines).

Each individual case is an investigative exercise that may contain comparisons of editorials to the native ads on a timeline including concurrent, preceding, and following events. Imagery plays an enormous role in persuasion, so does the juxtaposition of the images with the associated text. Grey literature in a form of guidelines and policies are either yet non-existent or at least not readily available from the news organizations in our focus. Regularity documentation, if uncovered, will provide further insights into decision-making done by journalists in this lucrative business.

5. Preliminary Results

For the example case study, there is a strong difference between development content before and after the production of *Building Complete Communities*, as well as between material produced by reporters and by readers in the *Letters to the Editor* section. Readers have been unanimously negative in their criticism of the lowering of development taxes (*Developer Fees Quietly Dropped* - December 16, 2016) and the sale of parkland to developers (*Land Belongs to Mississauga* - January 2, 2017). However, editorial pieces largely echo the voice of developers, and BILD president Brian Tuckey dominates development discussions with opinion pieces outside of the "Partner Content" sections. It is unclear if Tuckey's opinion pieces are advertising or not. The greatest difference in editorial pieces written by journalists before and after the publication of *Building Complete Communities* is that articles since the native advertising campaign overwhelmingly represent the voices of developers and include the interviewed voices

³ <https://www.ftc.gov/tips-advice/business-center/guidance/native-advertising-guide-businesses>

of BILD and Renomark more often than before. It appears that the wall between editorial and advertising at *The Toronto Star* is not as effective as it was previously.

6. Discussion and Contributions

This research contributes to the growing body of literature on native advertising by investigating the real effects of publishing native advertising on journalists. While most of the current literature focuses on readers (e.g., Hoofnagle and Meleshinsky (2015); Wojdowski (2016); Lee, Kim, and Ham (2016); Wojdowski and Evans (2015)) and ethical considerations (e.g., Carlson (2015); Eckman and Lindlof (2003)), no research has yet been published showing a direct change in newspaper journalism after significant corporate financial funds were used to produce native advertising. While this change in bias may be unconscious or unintentional, it adds to growing concerns surrounding the issue of native advertising. These concerns, including the “brain-drain” of journalists from editorial to advertising, the lack of legal instruction or guidance for native advertising writers, the potential of reader deception, and the growing lack of trust in news institutions, will only continue to grow as the popularity and profitability of native advertising continues to grow. The investigation of these publications by information scientists can help to ensure the future of a free and credible press. Broader research efforts in understanding the phenomenon of native ads in terms of their features, structure and likeness to editorials can result in clearer labeling of native ads, or the development of automatic filtering or alert systems to prevent misunderstandings on the part of the information users.

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Development: What's in it for you

From increased green space to diversified businesses, new builds can drive neighbourhood growth



Figure 1: screenshot of a September 2016 native advertisement from the *Building Complete Communities* series in the *Toronto Star*

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