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NATIVE ADVERTISING: ADS IN DISGUISE AS EDITORIALS

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NATIVE ADVERTISING: ADS IN DISGUISE AS EDITORIALS

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What is Native Advertising?

- Advertisements formatted to look like editorial news pieces
- AKA advertorials, sponsored content, content marketing
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Credibility Assessment

- **Source & message** help readers make credibility judgements about info
  - Wathen & Burkell, 2002; Metzger, 2007

- Newspapers are generally considered credible
  - Reliable sources
  - Information is written well
  - Sites look polished and professional

- Native advertising borrows **source** credibility from the publisher
Credibility x Deception

Native advertising is:

- A form of **deceptive** or **manipulative** content

- Commonly confused with editorial content
  - Stanford History Education Group (2016); Howe and Teufel (2014)

- More effective when the reader is deceived
  - Schauster, Ferrucci, & Neill (2016); Wu et al., (2016)

State of Native Advertising

- Growing segment of newspaper income
  - Circulation income is steadily declining
  - Native ads are priced as a “premium” product

- Major Canadian newspapers have in-house native advertising studios
  - Globe Edge
  - Postmedia Content Works
  - Toronto Star Content Solutions

- Currently no specific laws or regulations produced by the Competition Bureau
  - Canadian Association of Journalists lists requirements for advertorials to be visually distinct from editorial copy (“Policy Paper on Editorial Independence”, 2007)
CAJ’s 2007 POLICY PAPER ON EDITORIAL INDEPENDENCE

“Print advertorials should be clearly labeled as advertising copy, horizontally, at the top of the page, in a point size that’s significantly larger than the body of the text, in a colour that contrasts with the background colour of the page. Similarly, the design and typeface of the advertorial should be markedly different from editorial content. The advertorial typeface and design should not deliberately mimic that of editorial copy.”
Research Questions

- What are the prominent (linguistic and content-wise) characteristics of native ads produced by Canadian newspapers?
- How standard, predictable, and editorial-like are the formats of native ads?
Methods

- Ads were matched to editorial content on the same topic.
- Topics included housing development, finances, travel, and fashion.
- Analysis based on CAJ recommendations:
  - labels (location, readability, content)
  - text (affect, mood, content)
  - context (other advertising, hyperlinks)
How technology is changing the way we pay

For hundreds of years, the word “money” has meant printed rectangles of paper and shiny metal coins. But as technology rapidly changes the ways consumers can pay for their purchases, Canadians are increasingly going digital instead of using cash.

According to a Bank of Canada study released in 2015, our use of cash is declining, from 53.5 per cent of all transactions in 2006 to 42.8 per cent in 2015.
How technology is changing the way we pay

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According to a Bank of Canada study released in 2015, our use of cash is declining, from 53.5 per cent of retail transactions in 2006 to 13.8 per cent in 2015.
Labels

- Vary by publisher
- Usually grey and in a small font
- Appear just above the headline
Disclaimers

- 2 publishers included disclaimers after the article content

This content was produced by The Globe and Mail’s Globe Edge Content Studio, in consultation with an advertiser. The Globe's editorial department was not involved in its creation.

This story was created by Indochino and Content Works, Postmedia’s commercial content division.
Trends in Text Content

- Positive or neutral emotional valence
- Largely descriptive and factual in tone
  - Imperative mood used
  - Links to more advertiser content
- Over 50% include interview segments with company management

For more tips on how to upgrade your wardrobe this spring, visit an INDOCHINO showroom near you or browse their full collection online.

"card payment," says Avinash Chidambaram, vice-president of product and platform development for Interact Association and Axxys Corporation,

But this is no time for Indochino to rest on its laurels, says Drew Green, CEO.

says Bryan Tucely, president and CEO of the Building Industry and Land Development Association (BILDA). "Disputes over projects result in delays and increased costs which are
Pieces in a series tend to be repetitive

The company introduced Interac TSP (Token Service Provider) this year, a tokenization service that promises to make mobile purchases more secure. Tokenization works by replacing a customer’s financial information with a “token,” or a set of random numbers that would be meaningless if acquired by unauthorized parties.

“The consumer is front and centre of this new technology,” says Mr. Chidambaram.

The Interac TSP “tokenizes” a consumer’s financial information, substituting the data with a secure, unique, randomly generated sequence of numbers, called a token, that is specific to that individual, their account, their device and their wallet.

“The TSP takes a customer’s sensitive bank account information and replaces it with a token that is essentially meaningless, except to the customer’s bank or credit union,” Ms. Self explains. Only you and the financial institution you use to pay for your purchase can share the data; the merchants will receive payment, but not your financial information.

Tokenization substitutes a consumer’s financial information with a secure, unique, randomly generated sequence of numbers, called a token. This token is meaningless to unauthorized parties, but it acts as a key on your own mobile device, enabling it to make digital transactions. Another advantage of the Interac TSP is that the consumer’s tokenized financial information is not shared with the merchant, only with the financial institution from which the money is drawn. This reduces the possibility of theft and fraud.
Native ads are surrounded by content related to the advertiser

Sidebars include:
- Banner ads
- Facebook widgets
- Links to other native ads
- Video or slideshow content

The advertiser is paying for the entirety of the page
Implications for Credibility Assessment

- Advertisers understand how credibility judgements work
  - Interviews with authoritative people
  - Factual tone
  - Professional style
  - Unobtrusive labelling

- Native ads hurt newspapers’ source credibility
Implications for Publishers & Advertisers

- Native ads can be ad-blocked, but more deceptive pieces may be less likely to be blocked.
Implications for Publishers & Advertisers

► “Brain drain” from editorial departments
  ► “When a freelancer is working on sponsored content, she is not producing journalism” (Enkin, Levine, & Currie, 2015)

► Creation of conflicts of interest
  ► “How, for example, can a reporter or team that regularly covers the real estate industry be involved in creating sponsored content for a developer and still be able to cover in a disinterested manner, a developer’s application to the province for land use change?” (Enkin, Levine & Currie, 2015)
Toronto real estate: New condo buyers could face big bills at move-in time

Growing demand, limited supply have now-build homes averaging $1 million in the region.

By SUSAN FIDO Business Reporter
Thu., June 2, 2017

By TESS KALINOWSKI Real Estate Reporter
Thu., Feb. 23, 2017

2013

2015

2017

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Consequences & Future Work

- Native advertising in Canada appears very similar to editorial journalism
- Labelling is unobtrusive and non-standard between publishers

Next Steps:
- Increase connection to advertising personnel
- Investigate technological solutions
  - To what extent do different adblockers work on this content?
  - Can we build a tool to recognize unlabelled native advertising?
Thank You!

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Bibliography


