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Native advertising disclosures in journalism: An assessment on the accurate reporting of disclosure wording in conveying advertising intent

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Native advertising disclosures in journalism: An assessment on the accurate

reporting of disclosure wording in conveying advertising intent

by

Darko Milenkovic

A Major Research Paper

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Windsor, Ontario, Canada

Native advertising disclosures in journalism: An assessment on the accurate

reporting of disclosure wording in conveying advertising intent

by

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Abstract

The struggling journalism industry adopted the practice of native advertising to raise digital revenue. This practice offered advertisers a chance to purchase the services of a publication in order to have their story published. The goal of native advertising is for advertising to become invisible to consumers, and to be presented to audiences as if were regular editorial content. The only distinguishing feature is a disclosure, often identifying the accompanying article as being "Sponsored Content," "Promoted Content", "Custom Content," or a "Paid Post." This research paper discusses the struggles of journalism and digital advertising. It examines the many definitions of native advertising, and the advertising theory of the cool sell, in which advertising moves away from clearly demarcated interruptions and hence disappears from the public eye. It also examines the ethical implications and the possibility of deceiving audiences by presenting adverting as if it were editorial content. The focus of this research paper is in the very disclosures that act as the separation between editorial and advertising content. A total of 688 undergraduate students at the University of Windsor participated in an online survey designed to determine if they could accurately assess the reporting intent of the various disclosures using an even-point Likert scale. Survey participants viewed two native advertisements, each with a randomized disclosure, and answered key questions as to whether they were able to perceive the advertising intent of the article. Results of the study proved inconclusive in determining whether any single disclosure was more effective than any other. This may be attributed to the various challenges in studying native advertising and indicates that perhaps we need to move beyond studying the disclosures and focus more on the ethical issues of the practice.

Dedication

To my wonderful sister. I would never have made it this far without you.

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I would like to start by thanking my advisor Dr. Kyle Asquith, not only for his supervision and advice throughout my time working on this research paper, but also for his friendship and mentorship throughout my undergraduate degree here at the University of Windsor as well. Without him, I would not have been able to present this research.

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Introduction and Literature Review

Since the 1990s, various media commentators have envisioned the internet as a medium with the capacity to revitalize journalism by shifting control of democracy and related conversations away from the elite media industries and towards the common bloggers, social networks, and other consumers (Hardy, 2017). Yet digital journalism has instead suffered and experienced a long decline in the twenty-first century, primarily due to the loss of print advertising revenue (McChesney, 2013). Online news producers and other content providers have struggled in the digital era to replicate their revenue streams from legacy media, such as print and broadcast, on the internet (Wojdynski & Evans, 2014). A contributing factor to the poor revenue of digital advertising lies in its overall lower cost to advertisers. The shift to online did reduce production and distribution costs overall, however consumers have increasingly developed strategies to avoid online advertising and this has led to a decline in both the effectiveness and value of traditional online advertising (Hardy, 2017; Wojdynski, 2016a). Carlson (2014) indicates that news organizations were unable to simply shift to digital delivery platforms and continue to use their offline revenue strategies.

In response to evidence that consumers selectively avoid many forms of online advertising display formats, both content producers and advertisers began developing more subtle ways to deliver consumers to advertising messages (Wojdynski & Evans, 2014). This has led to a practice known as native advertising - a way of providing advertising in the form of editorial content. This is a form of marketing that invites

audiences to experience the advertising content in a way that is serendipitously discovered by consumers (Serazio, 2013).

While the fundamental idea behind native advertising itself is not new, its application to the online environment brought about many legal and ethical concerns, many of which emerged after the *Atlantic* magazine published a native ad for the Church of Scientology in 2013 (see Carlson, 2014; Wojdynski & Evans, 2014). Concerns over the deception of native advertising for readers grew to the point that in 2013 the Federal Trade Commission (FTC) intervened with a workshop seeking to identify the boundaries of the practice to ensure it was being appropriately regulated. Aside from concerns over deceiving the public, there are similar concerns over the impact native advertising has on the credibility of the journalism industry itself by infringing on the separation between "Church" and "State" (Conill, 2016).

The focus of studies regarding native advertising in the academic literature is similar in scope and largely falls within three categories: theoretical inquiries (Enkin, Levine, Currie, & Fitzgerald 2015; Matteo & Zotto, 2015; Wojdynski, 2016b), empirical research (Howe & Teufel, 2014; Sweetser, Ahn, Golan, & Hochman, 2016; Wojdynski & Evans, 2016a), and analysis of regulation (Levi, 2015; Ponikvar, 2015). Theoretical inquiries reflect the concerns regarding the ethical issues of native advertising in terms of being deceptive to readers, and the blurring boundaries of editorial and advertising content and its implications for journalistic credibility. Empirical research tends to examine disclosure practices of native advertising, often attempting to answer how individuals respond to native advertising and whether they are able to identify the persuasive and selling intent within the content. Finally, analysis over regulation falls

under consideration of disclosure practices and whether the producers of native advertising are maximizing the chances of consumers being able to identify the advertising intent behind native ads. Studies of native advertising are a relatively new field of research, much like native advertising itself, yet commonalities across studies in the research may still be found by analysing the literature: native advertising is inherently deceptive, audiences are unable to discern the advertising intent behind native advertising, and native advertising is negatively impacting journalistic integrity.

Struggles of Journalism

Legal scholar Levi (2015) states that the traditional funding model for news media has been largely ineffective and in a persistent decline since their transition to digital media. Due to the collapse of this traditional model for newspaper advertising, particularly with focus on how traditional print and broadcast advertising did not translate well into online environments, and the overall failures of digital revenue in general, it became "attractive to frame native advertising as the economic savior of news media" (Levi, 2015, p. 655).

The new digital technologies of the internet era caused a reshaping of the media industry and the practice of journalism itself (Benedetti, 2015). The failure of the traditional advertising model to function in digital journalism had placed perpetually increasing financial pressures on legacy news media organizations, and this has led to widespread job losses and many newsroom closures in both the United States and Canada (Downie & Schudson, 2009 as cited in Benedetti, 2015). According to McChesney (2013) many dedicated journalists were obsessing over how to keep newsrooms alive.

The American Society of News Editors conducted a census that revealed 13,500 newsroom jobs were lost between 2007 and 2011 in the United States, and the Canadian Media Guild similarly reported 10,000 job losses in the media industry between 2008 to 2013 (Benedetti, 2015).

In 2011 the news industry was still struggling and after fifteen years had still been unable to better understand the funding models of the internet, and was therefore not able to identify a solution (McChesney, 2013). The advertising model that had supported journalism for nearly a century had effectively been broken. Clay Shirky, a writer and consultant on the social and economic effects of internet technologies on journalism, admitted he had no idea how the situation could be resolved and stated that "there is no general model for newspapers to replace the one the internet just broke" (Benedetti, 2015, p. 95).

The primary method for online news media continued to be in pursuit of digital advertising dollars, with unsurprisingly very poor results; many of the websites at the time ran the standard banner ads, which were even then quickly becoming unfavored by advertisers (McChesney, 2013). Furthermore, McChesney notes that nearly 80 percent of digital newspaper advertising was done through networks that took 50 percent of the cut, meaning that a paper's revenues from the digital ad ended up being only about 2 or 3 percent compared to the revenue they would have gained had the advertisement been in print instead. Similar research indicates that every dollar gained in digital advertising in 2012 was offset by $15 that was lost in print (Carlson, 2014; Wojdynski & Evans, 2014).

Due to diminishing digital advertising revenue, news organizations attempted a shift towards paywalls and having people pay for online subscriptions for news. While

this has worked for some prominent newspapers such as the *Wall Street Journal* and the *New York Times*, paywalls have been a flop otherwise with studies having found that only about 1 percent of users are willing to pay for their news online (McChesney, 2013). As such, the majority of such efforts to balance the loss of advertising through more effective retailing, paywalls, micropayments or subscriptions had largely failed (Hardy, 2017). While the situation looked bleak, the assumption still remained that there simply had to be a way to create revenue in the digital realm if only journalists were able to "wise up and get with the program" (McChesney, 2013, p. 185).

Benedetti (2015) points out the irony that the disruptive online and digital technologies of the internet era that undermined the traditional funding model of the journalism industry were at the same time being "heralded as exciting new tools for journalists to create and disseminate their work" (p. 95). Media companies and online enthusiasts called on journalists to embrace internet technologies, and claimed that these technologies would allow them to become part of the "conversation" that journalism had become (Benedetti, 2015). McChesney (as cited in Hardy, 2017) identified reasons as to why the enthusiasm for the internet was understandable, yet still problematic. Barriers to entry were a much smaller factor, as the internet allowed for a greater number of people to access information and communicate online. Journalists as well had access to all this information. The idea then was that journalists would be able to collaborate and draw upon the intelligence and labour of countless internet users in order to produce quality journalism. And, as the internet had lowered costs of production and practically eliminated any cost for distribution, journalists would have digital readerships "in the tens of millions" without any need to worry about budgets (Hardy, 2017, p. 2). With this

logic, journalism became a conversation between journalists and the public; the internet users became not only the audience, but turned into participants of journalism as well (Benedetti, 2015).

Many distinctions were blurred between what was news and what was content, between who was a consumer and who was a producer, and what was reporting and what was merely posting or blogging (Benedetti, 2015). Consumers became prosumers and labels such as user-generated content, citizen journalism, and participatory journalism amongst others emerged and became commonplace; the result was that journalism "became everything," and included tech sites, celebrity gossip and even online user reviews (Benedetti, 2015). Even journalism schools began defining it as "anything that allows people to communicate with each other" (Tacopino as cited in Benedetti, 2015, p. 96). This dialogue revolved around the notion that news media needed to take advantage of these opportunities, and that the internet had provided them with a dynamic and open environment favouring innovation (Hardy, 2017). Everyone was being encouraged to "blog, tweet, upload, share, and curate" in order to sustain the industry (Benedetti, 2015). Those who failed to adapt, inherent in the message, were "destined to exit the market" (Hardy, 2017, p. 8).

While the internet had indeed effectively reduced creation and production costs, and made distribution costs near zero, the highest costs for news publishers remained staffing (Hardy, 2017). As indicated by the previously mentioned layoffs, news organizations found it difficult to keep staff on their payrolls due to shrinking advertising revenue. For local news producers, staff costs, which included journalistic jobs, administration, sales and marketing, IT, and distribution, accounted for anywhere

between 39 percent to 58 percent of total costs between 2008 and 2013 (News Media

Association as cited in Hardy, 2017). Financing through sales alone, without the previous

advertising revenue, became increasingly challenging for news media. Advertising

sources needed to be found for the industry to survive.

McChesney (2013) identifies that editors soon became desperate to find content

that would attract consumers and in doing so appeal to advertisers. Within this

relationship advertisers held the trump cards with news media having very little leverage.

Editors needed to publish stories that encouraged an atmosphere of buying and selling

and the best of these were soft news. Hard news was difficult to make profitable, and so

making money in news meant publishing cheap stories that attracted a large audience to

sell to advertisers (Hardy, 2017). Freelancers would often be hired to quickly and cheaply

produce such soft news stories based on whatever popular search terms existed at any

given time, and advertising space would then be sold next to these stories (McChesney,

2013).

Despite these attempts by editors to offer increasingly more desirable and

efficient advertising space, advertisers still wanted more. Due to the way the internet's

multimedia nature allows for advertisers to reach consumers in many different ways,

consumers in turn ended up developing skills to help them identify persuasive advertising

content and similarly developed strategies to either resist the advertisements or to avoid

them entirely through methods such as ad-blockers (Wojdynski, 2016b). Einstein (2016)

points out how blindness to banner ads and the usage of ad-blockers have "taught

advertisers that consumers are utterly adept at circumventing advertising" (p. 4). And as

expected, advertisers and news publishers sought ways to counteract the actions of these consumers to create advertisements that were less likely to be avoided.

Defining Native Advertising

Native advertising emerged as a buzzword around 2013 as the latest attempt to counter the online advertising avoidance by consumers (Matteo & Zotto, 2015; Wojdynski, 2016b). This practice involves presenting consumers, not with banner ads, but with advertising that resembles the regular content published on the same platform (Wojdynski, 2016b). Research around that timeframe indicated that audiences responded more positively to native advertising, which they found to be "less annoying than banner advertisements" (Tutaj & Reijmersdal as cited in Howe & Teufel, 2014). Due to the very nature of the advertisements being made to appear as if they were not ads at all, the goal is for native ads to become the very content consumers are seeking (Wojdynski, 2016b). An idea that was once considered immoral and unthinkable, for an advertiser to purchase the services of a publication and have their story published, was now being considered as innovative and strategic (Benedetti, 2015). Thus far the practice of native advertising has been largely successful, with revenues growing from $4 billion in 2013 to $8 billion in 2015 and to a projected $21 billion in 2018 (Rosin as cited in Wojdynski, 2016b). Due to this, native advertising is being seen as a saving grace for online content publishers that have been struggling to raise digital advertising revenue for over a decade (Wojdynski, 2016b).

Native advertising does not yet have a fully established definition within academic literature, however varying sources do provide somewhat similar definitions.

Conill (2016) attempts to define native advertising by utilizing three differing interpretations from academics, consultant advertising agencies, and online advertisers to conclude that native advertising is "a form of paid content marketing, where the commercial content is delivered adopting the form and function of editorial content with the attempt to recreate the user experience of reading news instead of advertising content" (p. 2). The Canadian Association of Journalists refers to native advertising as a label used to describe advertising that is "seamlessly integrated" into journalism content (Enkin et al., 2015, p. 1). A third definition describes native advertising as a relationship between an advertiser and publisher, wherein the advertiser purchases not only the content and distribution, but the credibility of the publisher as well (Sweetser et al., 2016). From the industry perspective, the Interactive Advertising Bureau ([IAB] 2013) identifies native advertising as "a concept encompassing both an aspiration as well as a suite of ad products" (p. 2). They further elaborate that native advertising is a paid ad made to be cohesive with the page content, and assimilated into the design and platform. While native advertising is the term this practice has come to be known by, various other buzzwords also exist that generally mean the same thing. Native advertising is also known as branded content, sponsored content, content marketing, partnered content, custom content, and paid posts among other names (Levi, 2015).

Native Advertising as Content

A key point is that, even though the content produced for native advertising is inherently commercial, it is still expected to behave, look and feel as if it were editorial content instead (Conill, 2016). In his case study on the *Atlantic's* controversial Church of

Scientology ad, Carlson (2014) outlines a brief history of criticism and dialogue explaining how the belief emerged that native advertising should be highly reminiscent of editorial content. Carlson analyzed how audiences and critics responded to this controversial advertisement, and was able to identify three primary concerns regarding the ad. These three concerns acted as stepping stones, with each subsequent concern having been built upon from the previous one.

The first concern was regarding the client; this suggested that it was not native advertising that was the problem, but rather the issue was that the sponsor of the ad was Scientology. Audiences questioned how a publication as praised and lauded as the *Atlantic* was willing to accept publishing any form of advertisement for the Church of Scientology, and this in turn instilled unease from readers in knowing that the *Atlantic* was at least in part being sponsored by Scientology (Carlson, 2014). The second concern suggested that it was not an issue with the client being the Church of Scientology at all, but rather the problem lay in the fact that the client was allowed to mimic the look and feel of *Atlantic* editorial content (Carlson, 2014). Audiences felt uneasy that the only feature that distinguished the advertisement from *Atlantic* editorial content was a small yellow box that acted as a disclosure identifying it as sponsored content (Carlson, 2014). It is still debatable whether users are able to clearly identify labels such as sponsored content, but it is clear that the value of native advertising is in its association with publishers and their editorial content (Enkin et al, 2015). The third concern was regarding the issue of the Scientology ad not being 'native' enough in that it did not successfully engage *Atlantic* readers (Carlson, 2014). In essence, this critique suggests that had the native advertising been made to appear 'native' enough to better resemble *Atlantic*

editorial content, it would have had a better reception from *Atlantic* readers. Regardless of the fact that the *Atlantic's* Scientology ad failed at being 'native,' this evolution in the dialogue surrounding the advertisement brought about the belief that native advertising should be able to blend in with editorial content in order to better engage readers and not stand out as being a clear advertisement. For a native advertising campaign to be successful, *the advertising content has to effectively be indistinguishable from the editorial content* (Carlson, 2014).

Such native advertisements have not just appeared in publications and in news feeds, but also on publishers' websites, search results, posts in social media, e-mail and other digital communications (Hardy, 2017). It can take many forms and appear in a variety of online platforms. The IAB (2013) classifies native advertising into six varying formats: in-feed ads, paid search units, recommendation widgets, promoted listings, in-ad with native element units, and custom advertisements. Paid search units refer to search engine advertisements, and alongside recommendation widgets and promoted listings refer to advertisements in the form of links as opposed to articles on a publisher's platform (Wojdynski & Evans, 2014). Native advertising as done in the journalism industry falls under the format of in-feed advertising, meaning it is published on a news publisher's website and incorporates "the same or similar design elements as editorial content" (Wojdynski & Evans, 2014, p. 6).

Native advertising has also been categorized using three different models: the underwriting model, the agency model, and the platform model (Enkin et al, 2015). The underwriting model is where a brand merely sponsors a regular editorial feature. In this case, the news publisher would have published this item regardless of sponsorship, with

the advertiser only paying to have their name associated with the content. This model

preserves editorial independence for the publisher. With the agency model, publishers

hire specialized writers and editors to create custom content in partnership with a brand.

Freelancers may be hired for this purpose, or the publisher may have their own

distinguished studio separate from the editorial newsroom that works with advertisers.

Under the platform model, a dedicated space is provided for advertisers to publish their

own messages in their own name. With the platform model, the publisher has little direct

involvement with the native advertising content (Enkin et al., 2015).

Despite recent popularity among advertisers and publishers, native advertising is

not a new practice. It has been considered as simply being "editorial space for sale" and

can be compared to infomercials on television and advertorials in print media (Ponikvar,

2015, p. 1188). Advertorials were newspaper ads done for print publications in the form

of actual articles, and they have been around since the early part of the twentieth century

with the first legal case by the FTC regarding advertorials dating back to 1917 (Ponikvar,

2015). While Matteo and Zotto (2015) do point out that there are claims of native

advertising being nothing more than a fancy new term for an upgraded and digital version

of advertorials, they do argue that a distinction does exist. While advertorials attempt to

replicate the features of the publication, native advertising goes further than that as it not

only attempts to replicate those features but the entire strategy behind native advertising

revolves around adopting the look and feel of the publisher's editorial content (Matteo &

Zotto, 2015). A second distinction is that native advertising has become "audience-

centric" and has therefore "become social"; this is a characteristic where the focus is on

developing content for advertisers that is meant to be shared online through social media,

whereas advertorials had always been only about the brand message (Matteo & Zotto, 2015).

Theory of the "Cool Sell"

Serazio (2013) brings us back to the long-term problem in the online advertising environment which brought about the concept of native advertising: the commercial clutter from the overwhelming banner and browser pop-up advertisements alongside audience avoidance that has been causing traditional advertising strategies to fail. These strategies have been failing not just for the journalism industry, but for all marketers trying to advertise online. Due to the proliferation of media, audiences have many more media options as opposed to the previous generations which mainly had print, broadcast, and radio, and this causes audiences to be fragmented across media platforms. The solution to these marketing problems is what Serazio refers to as the "cool sell" of guerrilla marketing.

Serazio (2013) defines the term guerrilla as "unidentified combatants skirmishing outside clearly demarcated battle zones" (p. 7-8). These fighters adapt to the environment, and according to Serazio advertisers need to do the same. He suggests that advertisers begin invoking "little wars" in advertising, meaning that they should be targeting individuals discreetly as opposed to mass audiences in a very obvious manner (Serazio, 2013). This would be done through the "cool sell" of guerrilla marketing, which Serazio defines as a project of persuasion that is invisible to consumers in order to make the commercial message "discoverable" rather than something that is specifically targeted at audiences (p. 4). He differentiates this from the traditional "hot sell" of advertising by

suggesting that the hot sell is about the assured delivery of a commercial message through a given medium, and about shouting this commercial message to everyone at the same time. Whereas the hot sell tells consumers what to buy, the cool sell "lets" them figure it out by themselves (Serazio, 2013, p. 15).

This form of cool sell advertising is then invisible in the sense that audiences do not realize that they are being advertised to; this connects well with native advertising, for the primary value behind native advertising is in it appearing as content to consumers as opposed to an advertisement (Matteo & Zotto, 2015). When the native ad is successful, it is because the commercial and persuasive intent behind the advertisement has gone unnoticed by consumers (Schauster, Ferrucci, & Neill, 2016) and is therefore invisible.

The aspect of discoverability also fits well when applied to native advertising as the content itself is what is being made to attract audiences. Audiences are being invited to consume content as opposed to being targeted by advertisements despite the fact that the content itself is the advertisement (Serazio, 2013). We can see this further detailed in Conill's (2016) definition of native advertising where he describes it as attempting to "recreate the user experience of reading news instead of advertising content" (p. 2)

To explain this further, Serazio brings up the marketing philosophy of "let them say yes" (p. 43-44). This notion of "let them say yes" addresses the core of Serazio's "cool sell" theory and the idea of "pull" not "push" media. Pull media as oppose to push media is the idea that advertising is not being forced (pushed) upon an audience but rather that audiences are drawn (pulled) to the promotional messages of advertisers via the content that is being produced (Serazio, 2013). In the case of native ads, audiences would be drawn in by the content being produced in the form of editorial. The very

presentation of the advertisement being produced in the form of editorial content invites audiences to consume the content as if it were editorial and not commercial (Wojdynski, 2016a). We can differentiate between editorial content and commercial (advertising) content by suggesting that editorial content represents the view of the newspaper whereas commercial content represents the view of the advertiser.

This is consistent with the Foucauldian theory of power, which Serazio refers to throughout his text. Serazio (2013) often refers to guerrilla marketing as "governance without feeling like governance" (p. 20). This relates to Foucault's theory of power where power is strongest when people believe they are in control and have full autonomy over their lives (Serazio, 2013). This is a governance set upon active subjects, or active consumers, as opposed to passive audiences. This, again, is informed by Foucault, who theorizes that power be deployed on and through *active* subjects as its purpose is in the "conduct of other's conduct" (as cited in Serazio, 2013, p. 10). Here power is not simply an oppressive apparatus, but rather a means of influencing and governing autonomous individuals, albeit through subtle means. Serazio's theory of "cool sell" advertising counts as governance as it attempts to neutralize the public fatigue from the commercial clutter online. *The end goal is to essentially eliminate any resistance to advertising, where consumers are governed in a way that encourages spending money, and advertised to in a way that is both invisible and unnoticeable* (Serazio, 2013). Serazio describes this as being a camouflage on two levels: shrouding the advertiser's message through practices such as native advertising, as well as shrouding the influence that these messages have on consumer choice. Consumers' very recognition of advertising is under attack through the methods employed by native advertising. Serazio perfectly sums up

the scenario with the following quote that "the greatest trick the devil ever pulled was convincing the world he didn't exist" (p. 169). Advertising as a whole is disappearing from public view as it simultaneously and paradoxically "becomes more ubiquitous than ever" (Serazio, 2013, 169).

The recognition of advertising is generally defined as the ability for an individual to distinguish commercial (advertising) content from other content (Rozendaal, Buijzen & Valkenburg, 2010). Most children master the ability to recognize advertising by means of perceiving the advertising intent of the content by around age seven. There are two different types of perceivable advertising intent: commercial (selling) intent, and persuasive intent (Rozendaal et al., 2010). The commercial, or selling, intent in advertising is defined as the advertiser's attempt to influence consumer behavior towards buying a product, whereas persuasive intent is defined as an advertiser's attempt to influence a consumer's mental state in regard to their desires or beliefs (Moses & Baldwin as cited in Rozendaal et al., 2010).

Ethical Issues

Native advertising has been seen as the solution for online content publishers that have struggled to raise digital advertising dollars. Revenue from native advertising has grown each year from its inception, from approximately $4 billion in 2013 to $8 billion in 2015 and a projected $21 billion in 2018 (Wojdynski, 2016b). This rise of native advertising, and its consideration as the key to solving digital revenue problems has brought about concerns regarding the ethics of the practice. One primary concern being raised by critics (see Wojdynski, 2016b) is that the success of native advertising is in

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large part due to deceiving consumers. If consumers are unaware that native advertising is paid commercial content, then they may fail to evaluate the content critically (Levi, 2015). This is an important ethical concern as the ability to evaluate information, in particular where that information is coming from, what values it would represent, and whose interests it may serve, is essential to our democracy (Levi, 2015).

The value of native advertising arguably stems from its ability to be mistaken for editorial content (Enkin et al., 2015). Many other critics similarly perceive native advertising as a deceptive practice being used to feed unknowing consumers "corporate propaganda" (Ponikvar, 2015, p. 1193). While there is also an argument for disclosures in native advertising increasing consumer understanding and recognition of the advertising, issues stem from the lack of specific and universal language guidelines (Wojdynski & Evans, 2014). As an example, the disclosure "sponsored content" is often used, yet studies by the FTC indicate that over 50 percent of consumers do not understand what the word "sponsored" means, and at times do not fully understand what the word "ad" means either (as cited in Wojdynski & Evans, 2014, p. 18). Other academic studies similarly indicate that most consumers perceive sponsored content to be editorial and not advertising (Wojdynski, 2016a). Pritchard and Vogt (2015) suggest that sponsorship implies only a financial payment, and that words such as "sponsored" may be insufficient when an article is written or created by an advertiser.

Wojdynski (2016) applies the persuasion knowledge model to how consumers perceive native advertising. According to the persuasion knowledge model, when a consumer is able to recognize a persuasive message, their existing knowledge about this form of persuasion is activated (Friestad & Wright as cited in Wojdynski, 2016a). The

extent of the knowledge that is activated upon recognition of persuasion is an important

determinant in terms of how likely the consumers are to evaluate the persuasive message

critically - if a low amount of knowledge is activated, the chance of critical evaluation is

then low as well (Wojdynski, 2016a). As a direct result of native advertising being

produced to resemble editorial content, consumers are exposed to these advertisements in

formats that are familiar to them as non-advertising content. This means the consumers

are then more likely to interpret the content as being non-advertising as well, regardless

of any possible disclosures (Wojdynski, 2016a).

Due to this potential to deceive audiences, the social and ethical responsibility of

both the press and advertisers is also raised. A recent study by Schauster et al. (2016)

consisted of qualitative in-depth interviews with journalists, advertising executives, and

public relations executives: all three factions agreed that native advertising did indeed

raise ethical concerns, in particular regarding deception, however some interviewees

suggested that the ethical responsibility belonged to other parties. Discussion over

disclosure wording suggested that it was not enough. Journalists bemoaned the

disclosures, saying that even if native ads were labeled as being paid or sponsored

content, the ads themselves were still trying to pass off as editorial content (Schauster et

al., 2016). This compromises editorial integrity, as readers and audiences in general have

no way of knowing that they are being marketed to, or that the content they are

consuming contains persuasive intent and is therefore untrustworthy (Benedetti, 2015).

And yet despite overwhelming agreement that deception is a cause for concern, the true

effectiveness of native advertising relies on it and acknowledges it as part of the practice:

A public relations executive, discussing The *New York Times*' Orange Is the New Black native ad called it a stellar example of an effective ad, explaining, "and no one knew that it was native advertising. You couldn't even tell. I think when you can't tell, that's when it's done right." Inherent in that statement, of course, is that native advertising is done right only when deception is not just involved but accomplished. (Schauster et al., 2016, p. 1420)

Another ethical concern involves journalistic credibility, often considered one of the most important aspects of journalism (Cassidy as cited in Howe & Teufel, 2014). McChesney (2013) identifies that professional journalism in its idealized form separated the news from commercialism, marketing, and political pressures. Journalism was meant to produce factual information that was of necessity for citizens to fully understand and participate within their society (McChesney, 2013). In Canada, as well, journalism was said to have a fundamentally guiding ideal – this ideal being "the quest for truth" (Gasher, Skinner, & Lorimer, 2016, p. 278). And yet, our trust in journalism is continually being eroded due to its increasing commercialization and corporatization (Gasher et al., 2016). In short, journalism was a public service with a rather ambiguous relationship with commercialism. Journalists needed to make judgement calls based on their own educated and professional discretion as opposed to private, corporate, or commercial considerations (McChesney, 2013). It is likely that news media have not sufficiently considered the impact native advertising has on their publication and on journalism as a whole. By publishing native advertisements and allowing them to mimic editorial content, news media producers are risking their own value and credibility (Matteo & Zotto, 2015).

Journalists and news publications are assessed based on their reputation, objectivity, and above all credibility (Matteo & Zotto, 2015). Journalists need to be trusted by the public in order to properly inform the public. By blurring the lines between advertising and editorial content, news media risk irrevocably damaging their reputation and credibility (Matteo & Zotto, 2015). While the study done by Howe and Teufel (2014) contributed to their hypothesis that native advertising would have a minimal effect on the credibility judgements of research respondents toward the given news site, it is noteworthy that their rationale for developing such a hypothesis revolved around the fact that previous research suggested "people often fail to see native ads as actual advertising" (p. 81). The researchers do acknowledge that had respondents been alerted to the fact that the native advertising they perceived to be editorial content was actually advertising instead, then differing assessments would have been given regarding the news site's credibility. Studies have also shown that a news sites perceived credibility created a 33 percent increase in the perceived credibility of the native advertising published on the site (Ponikvar, 2015). Sooner or later, this turn towards native advertising will have an impact on the reputation and credibility of news media, and the constitutional power of the press (Levi, 2015).

Even if native advertising only provides truthful information and is labeled appropriately through disclosures as being distinct from editorial content, it will still nevertheless threaten the independent journalistic decisions and the integrity of the press (Levi, 2015). The ideal values of journalism - that being public service, objectivity, autonomy, immediacy, and ethics - have traditionally been the basis for keeping editorial independence separate from commercial influences (Conill, 2016). This has historically

been known as the wall between "Church" and "State," and native advertising has brought about dialogue that questions and de-legitimizes this separation (Conill, 2016). Publishers and editors contributed to building this boundary, and oftentimes had a literal wall between the editorial and business departments, out of fear that the need for revenue streams would influence reporting in some way (Schauster et al., 2016). Yet Time Inc. CEO Joe Ripp openly promoted the practice of native advertising because no longer were news media concerning themselves over whether they were "violating church and state, whatever that was" (as cited in Conill, 2016, p. 3). The lines that divide "Church" and "State" have started to blur with the adoption of native advertising. While commercial influence on journalism is nothing new, previously it had been regarded as a "bad way to survive" whereas now it is being considered innovative and strategic (Conill, 2016, p. 9).

The problem with this blurring boundary remains in its goals, in this case the goals and intent behind native advertising. Advertisers and public relations professionals do not share the same goals as journalists (Schauster et al., 2016). News media cannot serve both public and private interests at the same time, and content produced as native advertising, no matter how informative or successful it is in mimicking editorial content, will always serve private interests first (Enkin et al., 2015).

Regulation and Guidelines

For the advertising industry in Canada, the most important piece of federal legislation is the *Competition Act* (Pritchard & Vogt, 2015). It is headed by the Competition Bureau of Industry Canada; the entity is likewise also responsible for the administration and enforcement of the act with the aim of this act being to prevent false

or misleading advertising. While criminal law only deals with the most serious cases of false or misleading advertising, that being where cases of misrepresentation are made knowingly and recklessly, it is worth mentioning that the standard of proof for false or misleading advertising does not involve necessarily proving that any person or population was actually deceived or misled, only that the misrepresentations had been made knowingly and recklessly by the advertiser (Pritchard & Vogt, 2015).

The advertising industry in Canada similarly has a self-regulatory system through Advertising Standards Canada (ASC). Canadian advertisers, agencies, and the media largely endorse this method of self-regulation, as it is preferable to the possible prosecution via the *Competition Act* every time an ad is considered false or misleading (Pritchard & Vogt, 2015). The ASC provides the Canadian advertising industry with a set of basic principles that determine what is acceptable advertising in Canada. This is outlined in the Canadian Code of Advertising Standards. Clause 2 of the code provides the following example for a disguised advertising technique:

> An advertisement in a particular newspaper consisted of several "news articles" with a humorous twist. These articles were printed in black and white and in the same style and format as other news articles in the paper. Advertising copy that clearly identified the advertiser appeared in a colored box below the "news articles", but there was nothing to indicate that these articles formed part of the advertisement. The advertising was disguised as news content (Pritchard & Vogt, 2015, p. 19)

The current difficulty for the ASC to provide guidelines for native advertising within the Canadian advertising industry is demonstrated by what had previously happened when the FTC addressed the issue in the United States.

Late in 2013, the FTC convened various industry professionals, regulators and researchers for a workshop to identify the boundaries of native advertising and to ensure that it was being appropriately regulated. The main concern in this workshop was the deceptive potential for native advertising to mislead consumers. The FTC chair Edith Ramirez stated the importance that advertising not mislead consumers, and that advertisers needed to be aware that in presenting advertisements which resembled editorial content they were risking the implication that their persuasive and commercial messages were instead coming from non-biased sources (as cited in Wojdynski & Evans, 2014). Advertisers needed to be cautious as to not commit unfair or deceptive acts or practices.

All industry attendees agreed that transparency was necessary to avoid consumer deception and to make clear that native advertising content had been paid for. A significant factor for the promotion of transparency and appropriate disclosure was to also protect the credibility of the publisher. The question of how to ensure transparency due to the multitude of varying native advertising formats made it difficult to create a single labeling or disclosure language to be set in use. The same issues arose when discussing requirements for native advertising practitioners to follow, and at the end of the day FTC attendees were left with more questions than answers (Levi, 2015).

The workshop adjourned with no new regulations set forth for native advertising and no new guidelines or guidance on what actions to take when producing native

advertising content. Courts had historically defined terms such as "unfair" and "deceptive" rather vaguely and could not provide any instruction or guidance to advertisers regarding native advertising (Ponikvar, 2015). Yet despite the vague terminology and definitions for what unfair and deceptive actually meant, the FTC did provide a three-pronged test to determine when an advertisement is being deceptive. This test asked first whether a claim was made by an advertiser; second whether that claim was likely to mislead consumers; and thirdly whether that claim was material (Ponikvar, 2015). A material claim is defined as "one that involves information that is important to consumers" and would therefore affect their evaluation of the advertisement (Ponikvar, 2015, p. 1196).

Despite the lack of regulation or guidelines that came out of the FTC workshop, questions arose as to what regulation of native advertising could possibly look like. Ponikvar (2015) suggested that the most adequate comparison could be made by looking at the regulation already in place for search engine advertising. For search engine advertising, the FTC requires that any search result that is sponsored be clearly set apart from the unsponsored search results. The sponsored results must also have a disclosure that uses language to explicitly and unambiguously convey the message that the search result is sponsored. The disclosure must also be large enough to be noticed by consumers, and be located in an area where consumers will most likely be able to see it (Ponikvar, 2015). In order to meet these requirements, the FTC suggests search engine advertisers use different shading and borders around the sponsored results.

Based on these observations, Ponikvar (2015) imagined that if the FTC did decide to regulate native advertising, then publishers would be required to use specific language

to indicate that an advertisement was in fact sponsored content. It would also require a visual distinction between the editorial content and the native advertisement through "the use of borders, colors, specific keywords, or conspicuous placement" (Ponikvar, 2015, p. 1197). If the FTC were to commit to this type of regulation, they would effectively remove the "native" aspect of native advertising, and the practice would in essence merely become a form of online advertorial.

If the advertising needed to remain "native" then a different approach was warranted. Levi (2015) offered a solution based on what she called a "voice priming disclosure" (p. 695). This in essence was a way to counteract the persuasion knowledge model. The idea was that native advertising permitted misidentification of who was speaking, and whose voice the consumer was reading in the content (Levi, 2015). This was primarily because of the association the native advertising had with the credibility of the respected news organization publishing it; this in turn triggered a "priming effect" in which the consumers' susceptibility was influenced due to reading the advertising content in a setting where they expected to find editorial content instead (Levi, 2015). Ultimately then, the goal of a "voice priming" disclosure would be to trigger awareness in the consumer that the speaker, or the voice, that they are reading was not that of an editorial voice but one that was instead advertiser-influenced (Levi, 2015). The question, of course, is how to effectively design such a method that would be able to respond to each individual consumer's unique way of thinking. Despite the obstacle, the thought-exercise points out the obvious goal towards which both advertisers and the journalism industry need to strive: to make consumers aware that what they are looking at when consuming native advertising content is simply a paid-for ad. We can relate this to the case study on

the *Atlantic's* Church of Scientology ad, where consumers inherently knew the content was advertising. However, this is also a clear example of how Levi's suggestion of a "voice priming disclosure" was rejected, as the Scientology ad was instead criticized for failing to appear 'native' enough and not blending in with other *Atlantic* content.

Other Empirical Studies

Empirical studies generally focused on survey methods to evaluate whether or not research respondents were able to discern native advertisements as being ads, how consumers in general react to native advertising content, and the impact native advertising had on credibility judgements towards news sites.

In 2017, the FTC conducted an empirical study on the effects of disclosures. They made changes with the "goal of more closely aligning the ad disclosures with user interface and web design principles" as described by their consultants (FTC Staff Report, 2017, p. 4). These included: ensuring distinctive labeling with highly visible borders and distinctive background colours; larger and bolder fonts as well as ensuring text colour contrasted strongly with the background; and avoiding any technical and/or industry jargon. Of note, they observed that "disclosures located in the top right-hand corner of a web page or ad grouping were less likely to be noticed" (FTC Staff Report, 2017, p. 20) and that a "Paid Post" disclosure when used in the *Chicago Tribune* "was not sufficiently clear in meaning" to participants (FTC Staff Report, 2017, p. 21). They conclude ultimately that using FTC recommended disclosure techniques would "greatly increase" the likelihood that consumers appropriately identify native advertisements and that minor modifications, such as "changes to disclosure language," could "substantially increase the

likelihood that a consumer recognizes an ad as an ad and reduce the potential for

consumers to be misled as to the commercial nature of paid search and native ads" (FTC

Staff Report, 2017, p. 26).

Sweetser et al. (2016) looked at the benefits of disclosure and labeling of native

advertising by presenting research respondents with one of two native advertisements:

one which disclosed the organizational sponsorship, and one which did not. The intent

behind this study was to investigate the impact of disclosure recognition: if respondents

were able to identify the brand or organization using native advertising, would that result

in a negative perception? The stimulus chosen was a Netflix native advertisement

published in the *Wall Street Journal* to promote one of their original series (Sweetser et

al. 2016). Due to the popularity of the brand, a majority of respondents reported having

used Netflix in the past, and nearly as many indicated that they had watched an original

Netflix series as well (Sweetser et al. 2016). Respondents were able to identify that the

native advertisement they were being presented with had persuasive intentions, and were

therefore able to recognize that the content was sponsored (Sweetser et al. 2016). Results

indicated that despite being able to recognize that the content they were consuming was

in fact advertising, their perception of the brand was unaffected (Sweetser et al. 2016).

Sweetser et al. rationalize that this may be due to respondents having "grown accustomed

to sponsored content over the years" (Sweetser et al., 2016, p. 1451).

Wojdynski and Evans (2016) examined the effects of disclosure positioning in

relation to the advertising content, and the various language terminologies used. They

assigned research respondents with one of twelve versions of a native advertisement with

varying disclosure wording, such as "sponsored content," "partnered content," "presented

by," "paid post," etc., and varying disclosure placement (above the content, in the middle of the content, below the content). What the researchers found through their study was that very few respondents recognized the article as being an actual advertisement, irrespective of the disclosure wording or placement. In total fewer than 8 percent of respondents (17 out of 242) were able to identify the advertisement as being such. While the results indicated that the disclosure itself had no influence on the recognition of the advertisement, the placement of the disclosure did have a noticeable impact on whether or not the disclosure was seen (Wojdynski & Evans, 2016). Results showed that 40 percent of respondents noticed the disclosure when it was above the article, 90 percent noticed it when it was in the middle of the article, and 60 percent noticed it when it was in the bottom position. While the standard practice for disclosure placement for native advertising is in the top-right position, the results from Wojdynski and Evans' study indicate that top-right positioned disclosures are actually the least seen. Rationale for this is thought to be due to consumers tending to immediately scroll down to the content due to traditional banner advertisements often being at the top of web pages (Wojdynski & Evans, 2016).

Howe and Teufel (2014) aimed to evaluate the impact that native advertising had on credibility judgments from consumers toward a news website. Respondents were presented with one of two images resembling an online news website; the images differed in that one presented a native advertisement while the other presented a news story with a traditional banner ad. After viewing the image, participants were then asked to respond to questions aimed at measuring their perception of the online news site. Howe and Teufel (2014) did hypothesize that the type of advertisement would have minimal impact on

credibility judgements, and their results did indicate that to be the case. Whether the advertisement was native or traditional banner ad had no significant effect on a respondent's credibility judgement of the news website. However, those exposed to the banner advertisement were noted to be more likely to notice the ad "at a statistically significant level" than those that had been exposed to the native advertisement instead (Howe & Teufel, 2014, p. 86). Noteworthy is that Howe and Teufel's (2014) hypothesis was based on previous research which suggested that consumers often failed to recognize native ads as being advertisements.

<center>Research Question</center>

Advertising in the internet era, in particular for digital journalism, has gone through many substantial changes leading to the rise of native advertising, and native advertising has in turn brought about many ethical and legal concerns for the journalism industry. These ethical concerns in particular warrant that we re-examine how we define advertising content, how we view the separation between editorial and commercial content, i.e. the separation between "Church" and "State," and the ways in which we can ensure that disclosures are able to help prevent consumers from being deceived by native advertising. Still the end goal of advertisers when considering the theory of the "cool sell" creates a problem as advertising continues to recede from public view and become evermore invisible by trying to become more like content than advertising (Serazio, 2013). Einstein (2016) warns of a possible progression into a future where there is no real content, and any media we experience will in some way be a sales pitch.

A key question brought up by Wojdynski (2016) asks: "when native advertising is more effective [than traditional advertising], to what extent is its effectiveness based on consumers' lack of awareness that native content is a paid persuasive attempt?" (p. 21). As of yet there is no answer to this question. In all likelihood it is heavily based on deception and a lack of awareness from audiences in regard to a native advertisement being an actual ad; however further research into sponsorship disclosure practices and the advertising recognition of consumers needs to be done to draw a proper conclusion.

The ethical implications regarding consumer deception are crucial and should not be ignored. I have outlined the current research pertaining to native advertising, emphasizing the key areas in which further academic research is needed. The matter of deceiving audiences needs to be further explored. We need to examine how successful the various disclosure wordings are in allowing audiences to distinguish native advertising from editorial content. The study will offer a unique contribution to the current literature by examining the FTC's claim that audiences generally cannot understand sponsorship, and also offering a potential answer to Wojdynski's question with regards to whether or not the effectiveness and success of native advertising lies in its ability to deceive.

This leads to my research question: *How successful are the various disclosure wordings in allowing audiences to distinguish native advertising from editorial content?*

This study will investigate a series of disclosure wordings used to inform commercial products as being native advertising: "Custom Content," "Partnered Content," "Paid Post," and "Sponsored Content." These disclosures serve as the only distinction between the editorial and commercial content, and varying them within the

study will showcase how successful (or unsuccessful) the various disclosure wordings for native advertising are in informing audiences that the content they are consuming is in fact commercial rather than editorial.

Research Design

This study utilized a quantitative approach, which studies observable phenomena in our reality by using empirical methods, which in turn are concerned with demonstrating theoretical claims through verifiable data (Hamilton 2014). Some critical communication scholars often distance themselves from empirical research and thereby reject empirical approaches to knowledge. Hamilton identifies Paul Lazarsfeld as one of the founding fathers of communication studies, and his research pursuits fell under the quantitative label, "using large-scale surveys and statistical analysis to explore the effects of media on people's behaviour" (p. 5). This approach was challenged by the Frankfurt School scholars such as Max Horkheimer, Theodor Adorno, and Herbert Marcuse due to their concern over what they perceived to be the industrialization of culture. This concern led to conflict over Lazarsfeld's methodology due to his research being funded by universities, philanthropic foundations, and other corporations with aligned interests with "the ultimate goal of making media more effective" (as cited in Hamilton, 2014, p. 5). Lazarsfeld responded to this conflict with a report in 1941 describing the two methods as administrative (later also known as empirical) research, and critical research. He differentiated between the two by stating that critical research differed from administrative research by beginning with a social theory, containing normative values, and placing communication in a larger social context, whereas the empirical

administrative research did not take full account of social or historical context and was used to solve little problems. He still argued, however, that empirical methods could be used to improve life if only they were applied to forward thinking projects related to pressing economic and social problems.

When this disciplinary debate over empirical and critical approaches to methodology resurfaced in the 1980s, a number of scholars have observed that critical research is indeed compatible with empirical methods (Hamilton, 2014, p. 9-10). The debate between these methodologies, between critical and empirical, has also been framed as a debate between qualitative and quantitative approaches, as well as a debate between the sciences and the humanities (Hamilton, 2014). One unproductive line of discussion that emerged from these debates, as outlined by Hamilton (2014), is the fact that there is no distinction being made between empirical and positivist. Hamilton explains that empirical methods "seek to describe, through the application of established procedures, an aspect of material reality" whereas positivist methods are from a belief that the objective truth can be identified through utilization of the scientific method (p. 10). Hamilton suggests that the debate between the methodological approaches has in actuality been about "differing ontologies and epistemologies – what does the world consist of and how can we know it?" (p. 10).

The quantitative method is largely associated with the traditional assumption that reality is stable and knowable, and that it does not change randomly (Northey, Tepperman, & Albanese, 2012). A hypothesis, or research question, when tested by such methods, will yield reliable and replicable results. In quantitative research, the researcher sets the agenda for the study by deciding which questions are asked and the way these

questions are phrased (Northey et al., 2012). Concepts are made into variables, that are then measured empirically. Quantifiable data is then collected, and relationships examined between variables. Statistical analysis is then conducted to decide outcomes based on the hypothesis or research question (Northey et al., 2012). Utilizing quantitative data can also allow for other researchers to see if they are able to reproduce these results by replicating this study.

This quantitative research is informed by a postpositivist epistemological stance. While the knowledge claims of positivism suggests that "true knowledge arises from observation of empirical phenomena" and that "the concepts and methods of natural science are - with some modification - a legitimate model for the conduct of social science" (Lindlof & Taylor, 2011, p. 5), the postpositivist stance refers to the thinking after positivism, which challenges the traditional notions of knowing an absolute truth through empirical studies and the scientific method (Creswell, 2003). While postpositivism agrees with quantitative methods being a legitimate resource for conducting social science research, it rejects the notion of an absolute truth when studying human subjects. However, while we recognize that absolute truth cannot be fully attained, "the discovery of falsifying instances for claims and the reduction of bias in research (such as through peer-reviews of findings) are still attainable and desirable" (Lindlof & Taylor, 2011, p. 6).

Postpositivism reflects a need to examine causes that influence outcomes, with the intent to reduce concepts into a small and discrete set of ideas to test (Creswell, 2011). These are the variables that constitute the research design and test hypotheses and research questions. The knowledge that is developed through a postpositivist lens is

based on the careful observations and the measurement of a reality that exists in the real world. Due to the research problem being that of identifying factors (disclosures) influencing an outcome (whether native advertising is distinguishable from editorial content), then a quantitative approach is best utilized for this study.

While communication researchers have never fully unified about the appropriate goals and strategies of positivist and empirical research (Lindlof & Taylor, 2011), there already exists precedent in the study of native advertising for empirical research and in particular the conducting of surveys to investigate native advertising, as can be seen in the works of Howe and Teufel (2014), Sweetser et al. (2016), and Wojdynski & Evans (2016). The quantitative survey method is also not any less critical when compared to other qualitative approaches more commonly used in communication studies, as critical research often does use empirical methods (see, for example, the work of Mosco or Habermas, as cited in Hamilton 2014).

The instrument used for the data collection is an online survey. The purpose behind surveys is to provide quantitative or numeric descriptions of the trends, attitudes, or opinions of a population (Creswell, 2011). This is done by sampling populations, which can range from being an entire city to a named portion of people (Northey et al., 2012). From these results, researchers then generalize or make claims about the sampled population.

This survey design is cross-sectional, meaning that quantifiable data will be gathered from participants at a given point in time. The site of this study is the University of Windsor, hosting approximately 10,500 undergraduate students which represent the sample population. An attempt was made to reach as many undergraduate students across

all disciplines using UWindsor's ITS Mass Email request system. Data collection occurred during the fall semester of 2017. The form of data collection was a web-based internet survey administered online using Qualtrics.

As part of the demographic questions, participants were asked whether they had taken any media studies course, at any time and at any educational institution, in the past four years. The reason for my inclusion of four years is due to native advertising only emerging as a buzzword around 2013. These undergraduate students represent the millennial generation, often credited by advertisers and online content producers to be a generation of consumers that have increasingly developed strategies to avoid online advertising (Hardy, 2017; Wojdynski, 2016a). This is the generation that grew up in the digital age, referred to as "digital natives," and are a generation entirely immersed in brand and advertising culture (Einstein, 2016, p. 43). Millennials are similarly thought to be tech-savvy enough to be able to instinctively and inherently recognize advertising content. As an example, Howe and Teufel (2014) indicated during their research, which utilized both native advertising and traditional banner ads in news websites, that their younger participants were more prone to noticing either type of advertising. Further demographic questions in the survey asked the participants' age, with an option to leave undisclosed, and their discipline of study.

Participants were provided with a sample of an online native ad (presented to participants as a short online news story of less than 700 words) with a randomized disclosure wording, and asked to respond using a Likert rating scale (from strongly agree to strongly disagree) about whether they perceived the article to have had any persuasive or commercial content. Such a rating scale is often used in similar research to "allow

respondents to express both the direction and strength of their opinion" (Garland, 1991, p. 66). In order for respondents to make a definite choice rather than choose an intermediate position on the scale, there will be no neutral option available. Respondents will be asked two questions asked per article, for a total of four questions.

The randomized disclosure wordings for the articles were chosen based on their online usage as the standard disclosures for native advertising. "Sponsored Content" is the disclosure used by the *Atlantic* magazine, as indicated previously when discussing their native ad produced for Scientology. "Paid Post" is used by the *New York Times* and their T Brand Studio, and can be seen in their native ads such as the content produced for Netflix's *Orange is the New Black*. "Partnered Content" is largely used by the *Toronto Star* as a disclosure for their native advertising content. Finally, "Custom Content" is used as the disclosure for many Postmedia's online news sites, in particularly the Windsor Star which is also the home city for many of the University of Windsor's undergraduate population.

The two native advertisements chosen for this study (see Appendix A) were both published by Postmedia Works, Postmedia's advertising content studio. Postmedia is Canada's top read newspaper group with 10.7 million weekly readers for their digital and print copy (Financial Post, 2016). Postmedia publishes the *National Post*, alongside numerous local dailies such as the *Calgary Herald*, the *Edmonton Journal*, the *Montreal Gazette*, the *Ottawa Citizen*, and also the *Windsor Star*. In 2015, Postmedia acquired 175 publications from Quebecor Media Inc. for $316 million (Financial Post, 2016). The first native ad for this study was produced by Postmedia Works (2015b) on behalf of Hearthstone Brewery for commercial purposes, and key questions will determine whether

research participants are able to identify the selling intent behind the article. The second ad for this study was produced by Postmedia Works (2015a) on behalf of the Pure North S'Energy Foundation to promote the organization's stance on Vitamin D deficiency, and key questions will determine whether research participants will be able to identify the persuasive intent behind the article.

News reports are generally written in a style known as the "inverted pyramid." This form emphasizes the first few paragraphs of a news article as the most important or having the most relevant information over the remainder of the text. This is done intentionally to allow for readers to read through only the first portions of a text to be able to understand the content, and it also allows for editors to easily cut segments from stories; as a by-product this method can expose the biases of the reporters and editors who have to decide which piece of information belongs where on the pyramid. A contributing factor for the two articles chosen in this study is due to them intentionally mimicking this "inverted pyramid" style of news reporting.

The independent variable in this study was the disclosure wording, and the dependent variable being the ability of the participant to discern the advertising intent of the content. The results indicate which disclosure wording resulted in the highest accurate reporting of native advertising for participants. By determining whether participants were able to identify the persuasive or selling intent in the given articles, we can suggest whether they were in turn able to identify that the content they were provided was in fact advertising and not editorial.

The study received clearance from the University of Windsor Research Ethics Board. Some ethical concerns were identified due to the minor deception involved in the

study. Due to the minor deception, the study utilized an alternative consent process whereby participants were asked to provide their re-consent at the end of the study in order to submit their data. Participants believed they were completing a survey measuring objectivity in Postmedia news articles. Participants then received a debriefing after the research study (as seen in Appendix B). They were not required to submit any of their data prior to the debriefing, however they were also unable to change any of their answers after being debriefed.

The decision to include this minor deception is due to native advertising being published with the intent of mimicking editorial content with only the disclosure wording identifying it as being advertising instead. In order to replicate this scenario, participants should be provided with what they can perceive at first glance to be ordinary online news albeit with varying disclosure wording still present. The purpose of the study then is to measure the value of the disclosure wording in being able to inform the participant that what they are viewing is in fact an advertisement. Therefore, the only way to identify whether or not the disclosure wording was successful in effectively informing the participants they were reading a native advertisement would be to deceive participants to ensure that they are unaware that they are reading an advertisement in the first place.

Demographics

A total of 688 undergraduate students from the University of Windsor completed the online survey. The Faculty of Arts, Humanities, and Social Sciences represented the majority of the participants, comprising just over 43% (n=298) of the students that took part in the study. The Faculty of Science, and the Faculty of Engineering provided the

second and third most participants at 18.8% and 11.3% respectively. Table 1A represents

the full demographic distribution from the University of Windsor's eight faculties.

Table 1A

What is your home faculty at the University of Windsor?	Number of Students	Percent
Faculty of Arts, Humanities, and Social Sciences	298	43.3
Faculty of Education	28	4.1
Faculty of Engineering	78	11.3
Faculty of Human Kinetics	38	5.5
Faculty of Law	1	.1
Faculty of Nursing	64	9.3
Odette School of Business	52	7.6
Faculty of Science	129	18.8
Total	688	100

The majority of participants were 18 years old or younger, and represented about

24.7% (n=170) of total participants. Another 25.6% of participants identified being

between the ages of 21 to 23. Only about 16.6% indicated they were over 23 years of age.

One individual chose not to disclose their age, lowering the total number of respondents

to this demographic question to 687. Table 1B shows in further detail the age distribution

amongst the survey participants.

Table 1B

How old are you?	Number of Students	Percent
18 or under	170	24.7
19	116	16.9
20	111	16.2
21	69	10.0
22	66	9.6
23	41	6.0
Over 23	114	16.6
Total	687	100.0

The final demographic question asked participants to identify whether they had taken any media studies course within the past four years. About 24.2% (n=166) of participants indicated that they had done so. Table 1C shows the distribution of those participants which identified having taken a media course, and those who have not.

Table 1C

Have you taken a media studies course at any secondary or post-secondary institution within the past four years?	Number of Students	Percent
Yes	166	24.2
No	521	75.8
Total	687	100.0

Demographic Discussion

Cross-examination of the demographic questions offered several noteworthy details as well. I compared the data to determine if any relations existed between a participant's age and their home faculty, whether their home faculty had any factor into whether a participant had taken a media course or not, and also the age distribution amongst those that had taken a media course and those who had not.

The Faculty of Arts, Humanities, and Social Sciences' age distribution showed that over 40% of FAHSS students were under the age of 19, and about 20% were over the age of 23. In fact, FAHSS represented nearly half (48%) of all participants over 23 years of age. For the Faculty of Human Kinetics, the vast majority (84%) of their participants were 21 years old or younger. The Faculty of Engineering, the Faculty of Science, and the Odette School of Business also had a similar majority with 82%, 72%, and 63% respectively being 21 years old or younger. The Faculty of Education, however, had a majority of their participants (61%) over the age of 21.

The Faculty of Arts, Humanities and Social Sciences were also shown to have hosted 65% of the total participants that identified having taken a media studies course in the past four years. The Faculty of Science was at a distant second with 13% of their participants having taken a media studies course. The remaining six faculties filled out the remaining 22%.

A noticeable pattern exists when examining the ages of those who had identified as having previously taken a media studies course. The likelihood of a participant having been enrolled in a media studies course increased with their age. While only about 21% of participants aged 18 or younger had taken a media studies course within the past four

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years, that number steadily increases to 24% for those aged 19, to 29% by the time they are 21, and to 39% by the time they are 23. However, it does drop back down to about 20% for those participants that identified as being over 23 years of age. This could be explained due to the question specifically asking whether participants had taken a media course within the past four years, and not simply if they had ever taken one in the past.

Survey Methodology

The survey design randomized participants into one of four versions of two different articles. The first article presented to participants was a native advertisement for Hearthstone Brewery, published by Postmedia with the intention of promoting and encouraging the purchase of Hearthstone Beer. The second article to be shown to participants was a native ad for the Pure North S'Energy Foundation, again published by Postmedia with the intention of persuading readers and encouraging them to sign a petition aligning them with the organization's stance on Vitamin D deficiency. A randomized disclosure was added to each of the articles, which appeared with a yellow highlight at the top and the middle of the articles, as seen in figures 1C and 1D. The standard disclosure used by Postmedia remained at the end of each article and was not modified in any way. Participants were not asked in any way whether they assumed the articles they were reading were advertisements, instead the evaluation of whether participants recognized the advertising intent was based on the indirect questions listed below.

After reading Postmedia's native advertisement for Hearthstone Beer, participants were asked two key questions:

Q1. I believe this article is intentionally trying to sell me a product.

Q2. I believe this article is intentionally written to be positive about a product.

And after reading Postmedia's native advertisement for the Pure North S'Energy Foundation, participants were asked the following questions:

Q3. I believe this article is intentionally trying to convince me of an organization's ideology.

Q4. I believe this article is intentionally written to be positive about an organization.

The questions utilized an even-point Likert scale to gather data, measuring the either positive or negative responses while also not providing a neutral "neither agree or disagree" option. The 688 participants were randomly distributed into each of the four disclosure versions of each article. For Hearthstone Beer, 177 were randomized into a "Sponsored Content" disclosure label, 172 into "Partnered Content," 173 into "Custom Content, and 166 into "Paid Post." For the Pure North S'Energy Foundation, 174 were randomized into "Sponsored Content," 170 into "Partnered Content," 174 into "Custom Content," and 170 into "Paid Post." Despite being randomized into differing disclosure versions of the same articles, all participants answered the same questions. However, due to the randomization process the disclosure did not remain consistent for both articles for each participant. Participants were randomized onto one disclosure for Hearthstone Beer, and then randomized again into a second disclosure for the Pure North S'Energy Foundation.

Results

The tables below represent the response distributions for each of the questions

presented to participants regarding the two native advertisements.

Hearthstone Beer

Q1	Sponsored Content	Partnered Content	Custom Content	Paid Post
Strongly Agree	53 (29.9%)	56 (32.6%)	48 (27.7%)	50 (30.1%)
Agree	92 (52%)	82 (47.7%)	95 (54.9%)	85 (51.2%)
Disagree	31 (17.5%)	33 (19.2%)	27 (15.6%)	29 (17.5%)
Strongly Disagree	1 (0.6%)	1 (0.6%)	3 (1.7%)	2 (1.2%)

Q1. I believe this article is intentionally trying to sell me a product.

Q2	Sponsored Content	Partnered Content	Custom Content	Paid Post
Strongly Agree	93 (52.5%)	90 (52.3%)	99 (57.2%)	98 (59%)
Agree	79 (44.6%)	79 (45.9%)	70 (40.5%)	64 (38.6%)
Disagree	3 (1.7%)	1 (0.6%)	2 (1.2%)	4 (2.4%)
Strongly Disagree	2 (1.1%)	2 (1.2%)	2 (1.2%)	0 (0%)
Total	177	172	173	166

Q2: I believe this article is intentionally written to be positive about a product.

The results indicate that the disclosure wording had very little impact on how participants

viewed the article. For the most part, results remain around the same. For Q1 (I believe

this article is intentionally trying to sell me a product), we can see that for each disclosure

wording there is an even distribution in the answers: about 30% strongly agree that the

article is trying to sell them a product, about 50% agree but do not strongly agree, and

roughly between 15-20% are in disagreement. For Q2 (I believe this article is intentionally written to be positive about a product), we see near full agreement across all disclosures. Between 50-60% are in strong agreement that the article is written positively about a product, with the remainder of the responses largely falling under an agreement as well, but not a strong agreement. Minimal respondents disagreed with the notion that the article was not intentionally written to be positive about a product.

Pure North S'Energy Foundation

Q3	Sponsored Content	Partnered Content	Custom Content	Paid Post
Strongly Agree	37 (21.3%)	35 (20.6%)	38 (21.8%)	35 (20.6%)
Agree	89 (51.1%)	87 (51.2%)	84 (48.3%)	88 (51.8%)
Disagree	43 (24%)	43 (25.3%)	47 (27%)	42 (24.7%)
Strongly Disagree	5 (2.9%)	5 (2.9%)	5 (2.9%)	5 (2.9%)

Q3. I believe this article is intentionally trying to convince me of an organization's ideology.

Q4	Sponsored Content	Partnered Content	Custom Content	Paid Post
Strongly Agree	29 (16.7%)	29 (17.1%)	30 (17.2%)	26 (15.3%)
Agree	71 (40.8%)	67 (39.4%)	59 (33.9%)	68 (40%)
Disagree	65 (37.4%)	64 (37.6%)	74 (42.5%)	68 (40%)
Strongly Disagree	9 (5.2%)	10 (5.9%)	11 (6.3%)	8 (4.7%
Total	174	170	174	170

Q4. I believe this article is intentionally written to be positive about an organization.

Results, again, do not indicate that the disclosure wording had any real impact on participant responses. For Q3 we can see that about 20% of respondents strongly agreed

that the article was trying to convince them of an organization's ideology, with about 50% agreeing but not strongly agreeing, and just over a quarter being in disagreement. For Q4, we are able to identify that this question had the largest amount of disagree responses, averaging to about 40% disagree and 5% strongly disagree. This leaves only about 33-41% of respondents that agreed the article was intentionally written to be positive about an organization, with less than one-fifth (15-17%) responding with strongly agree. Out of all four questions between the two articles, Q4 had the lowest response rate for agreements in general, and for the strongly agree category in particular. While the Custom Content disclosure wording is a bit of an outlier in that the disagree responses are slightly higher, and the agree responses slightly lower than the other three offered disclosures, due to the fact that Custom Content had similar results to other disclosures in Q1, Q2, and Q3, it is unlikely that the disclosure wording had any impact on these responses.

What we can interpret from the results of Q1 and Q2 is that while participants largely acknowledged that the article was intentionally written to be positive about Hearthstone Beer, they were more hesitant to also acknowledge that this same article was also trying to sell them this product. While an impressive 50-60% of respondents said they strongly agreed, representing their belief that the article was intentionally written to be positive towards Hearthstone Beer (and with the remainder of the respondents largely "just agreeing"), only about half of these same responses also believed the same article was trying to sell them the beer. It is similarly telling that while the disagreements for Q2 are negligible, meaning that very few participants thought the article was not intentionally positive towards Hearthstone Beer, about a fifth (up to 20%) of participants

disagreed in Q1. This indicates that they did not think the article was trying to sell them a product despite their agreement that the article was intentionally written to be positive about one.

We have to consider that these are consistent responses throughout the various disclosure wordings, and that they persist despite the disclosure wording being presented at the top of each article as well as in the middle, effectively interrupting reading by setting a break within the article. As Wojdynski and Evans (2016) indicated in their study, when a disclosure was placed in the middle over 90% of their participants were able to notice it. Therefore, we can assume that the disclosures had not gone unnoticed. This native advertisement in particular, for the Hearthstone Brewery, despite being covered in disclosure labels, is still shown to be misleading to at least a fifth of University of Windsor undergraduate participants in their intent to promote and encourage the buying of Hearthstone Beer.

In terms of Q3 (I believe this article is intentionally trying to convince me of an organization's ideology) and Q4 (I believe this article is intentionally written to be positive about an organization), we can identify that there was a lesser scale of deception. Postmedia's advertisement for the Pure North S'Energy Foundation was less successful in their persuasive intent than their advertisement for Hearthstone Beer was in their commercial (selling) intent. While Q1, in terms of commercial intent, saw roughly 30% of respondents strongly agree that the article was trying to sell a product, Q3 shows a 10% drop with only 20% being in strong agreement that the article was trying to convince them to sign Pure North S'Energy Foundation's petition. And when comparing Q4 with Q2, we see a large differentiation in the responses. Whereas Q2 saw nearly 60%

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of participants strongly agreeing that the advertisement was written positively towards Hearthstone Beer, Q4 shows that less than one fifth (about 15-17%) thought the Pure North S'Energy Foundation native advertisement was intentionally written to be positive about the organization. This despite the fact that the native advertisement clearly identified the Pure North S'Energy Foundation as having been founded "to create significant government policy change and the motivation for everyone to live healthier and more fulfilling lives" (Postmedia Works, 2015a).

While these results do appear to indicate that participants were more likely to pick up on commercial (selling) intent as opposed to persuasive intent, there is not anything in these results to indicate that the disclosure wording had any impact in how participants responded to the questions. I similarly attempted to conduct further analysis to determine if any of the demographic data (age, faculty, whether participants had taken a media studies course) had any impact on responses, however the results did not show any correlation.

Limitations and Further Studies

The debriefing at the end of the online survey required participants to re-consent, which created a situation where participants refused to submit their data. While the total sample size 878 respondents, only 688 re-consented in order to submit their data. This represents a situation where the ethical considerations of the research contributed to a loss in sample size (about 21% of total participants refused to submit their data upon being debriefed). The purpose of the re-consent was to ensure that the participants were fully informed about the study; this nevertheless presents a problem for researchers as

participants are given a second chance to withdraw from the study. This, however, is a reflection of the ethicalness of my study, that when informed that the intent was to deceive, 21% of my participants chose to withdraw from the study. We can view this in contrast to the intent of native advertising itself, where the very purpose is to deceive audiences and there is neither a transparent 'debriefing' after the content is consumed nor an explicit opportunity to opt-out of something deceptive.

Aside from the debriefing, there are other limitations worth mentioning as well. Due to the nature of the survey design, participants were randomized into one of four versions of the Hearthstone Beer advertisement and then randomized again into one of four versions of the Pure North S'Energy Foundation advertisement. This meant that detailed cross-examination of the analysis between the four versions of each article was not possible, as the participants only answered questions related to a single version. Therefore, had the results indicated a difference in the responses based on the disclosure wording, this study would have been unable to suggest that participants were more likely to respond positively or negatively toward a single disclosure, but would rather have had to look at how participants as a population being randomized into their version of the article responded to that specific disclosure.

A more efficient survey design would have provided participants with the same article four times, each with a different disclosure. However, the less efficient method was chosen in order to prevent the participants from identifying that it was the disclosure wording being studied. These limitations represent the challenge in determining a successful methodology for studying native advertising. While other studies, such as Wojdynski and Evans (2016) and the study released by the FTC in 2017, have conducted

eye tracking research to determine whether participants actually saw the disclosures, this still does not offer a natural way of studying how participants engage with native advertising and digital journalism as a whole. While Wojdynski and Evans had a sample size of 242 participants, the FTC study had only 48. Despite this study having a sample size of 688, this still proved to be too small a sample size to determine any relations between demographic data and the survey responses. On that note, a different sample of participants, such as those not from a post-secondary institution or from a digital generation in general, could have produced different results.

A minor limitation was in the use of a balanced four-point Likert scale to gather responses from participants. A mid-point category was removed from the possible responses to ensure that respondents make a definite choice rather than choose an intermediate position on the scale, and also to limit the number of possible responses. Previous research by Worcester and Burns (as cited in Garland, 1991) shows, however, that such balanced Likert scales often become unbalanced due to participant interpretation. This indicates that for participants, any category on the agreement side is not seen as a direct opposite to a category on the disagree side of the scale. As Garland (1991) mentions, "Worcester and Burns also concluded that a four-point scale without a mid-point appears to push more respondents towards the positive end of the scale" (p. 66) which could explain what we see in this study, with the majority of participants having responded with the 'agree' or 'strongly agree' options. However, the inclusion of the mid-point, or neutral option, could have also raised other problems as the mid-point is often seen as either being a true neutral or a non-responsive answer. Epistemological problems arise in that we cannot know which type of response the participants intended to provide.

The use of the mid-point category in the Likert scale is still an open debate; Tsang (2012) and Garland (1991) are two valid sources to utilize when making decisions about whether or not to include the mid-point category in a study.

Aside from the use of the balanced four-point Likert scale, the inclination for participants to respond to the more positive end of the scale in this study could also be explained due to each article having two additional disclosures added to their page (one at the top, one breaking up the article in the middle, in additional to the standard disclosure used by Postmedia at the bottom). The addition of two additional disclosures could have contributed to an increase in advertisement recognition.

As well, due to the results indicating that there was no variation in the responses based on the differing disclosures, the lack of a fifth randomized version of each article with no disclosure present could have provided additional details for this study as to whether having a disclosure at all had an impact on how participants responded. This is due to it being possible that the disclosure may not have mattered at all, and it was instead the content of the article that ultimately determined how participants perceived the content. This brings up the possibility, that as long as the article is sufficiently native and subtle (highlighting Serazio's cool sell), then the advertising intent may in fact go unnoticed. It is conceivable that the articles chosen for this study simply failed at being native (perhaps when isolated from other editorial content, their advertising intent becomes more obvious). There is also the possibility that the variation in the content was simply not sufficient to test the assessment of whether the participants were able to discern the advertising intent simply based on the provided disclosure wording. It is possible that more strongly worded or stronger variations of the disclosures may have

made a difference in the responses. In other words, the subtle differences used within this study may not have been detected in this method.

It becomes apparent that isolated studies on native advertising cannot, and should not, stand on their own. A broad range of both quantitative and qualitative research methods are necessary to fully understand the phenomenon of native advertising, including focus groups with audiences, content analysis of native ads to track practices, interviews with those in the industry, and other survey design as in this study. Wojdynski & Evans (2016) studied the effects of disclosure positioning and language on the recognition of native ads, Sweetster et al. (2016) studied the effects that native advertisements had on organization-public relations, and Howe and Teufel (2014) studied how native advertisements affected the credibility of news websites. Content analysis on native advertising was also done by Wojdynski and Evans (2014) and Conill (2016), and similarly interviews with industry professionals were done by Schauster et al. (2016) as well as my own undergraduate research where I conducted interviews on native advertising with industry professionals from the Canadian Media Guild, the *Toronto Star*, Unifor Local 87-M, and the Canadian Association of Journalists Ethics Advisory Committee (Milenkovic, 2016). All of the varying methods within these studies are equally important to understanding the impacts of native advertising.

Conclusion

This study sought to identify how successful the various disclosure wordings were in allowing audiences to identify native advertising content. The study conducted by the FTC identified that minor modifications, such as "changes to disclosure language," could

"substantially increase the likelihood that a consumer recognizes an ad as an ad and reduce the potential for consumers to be misled as to the commercial nature of paid search and native ads" (FTC Staff Report, 2017, p. 26). The FTC's research was based on a change in disclosure wording from "Brand Publishing" to "Paid Post." While "Brand Publishing" was not used as one of the disclosures in this study, based on the results of four varying disclosure wordings, it is unlikely that any other disclosure would have had significantly differing participant responses. Given the inconclusive results of my study compared to the FTC's, it may be necessary to suggest that the worry over disclosures and disclosure regulations should not be the main focus of research. While the results could mean that either the varying disclosures do not matter so long as a disclosure exists, they could also mean that the disclosures are not even necessary and that it is the content of the article that determines whether audiences can perceive the advertising intent.

While the results did not show any variation in terms of the differing disclosures used in the study, they still offered several valuable insights. Returning to Wojdynski's (2016) question as to what extent native advertising's effectiveness is based on the consumer's lack of awareness that it is paid advertising content, we can see a glimpse of that answer when examining these results. While most participants wilfully acknowledged the Hearthstone Beer advertisement was written positively about the beer product, they were not as convinced that this same article was also published with the intent of selling the beer product to them. A similar comparison can be made with the Pure North S'Energy Foundation advertisement, where participants were less likely to identify its persuasive intent when compared to the selling intent of Hearthstone Beer.

Despite these results largely being favourable towards concluding that the participants were largely able to identify the advertising intent behind the Postmedia content, we have to consider the research from Worcester and Burns (as cited in Garland, 1991) that indicates participant's inclination to respond on the positive end of a Likert scale with no neutral category. While my results do not show the lack of advertising recognition seen in other similar studies, such as with Wojdynski and Evans (2016) where only 8 percent of their participants were able to identify the native advertisements, this can be attributed to some of the previously mentioned limitations of the study.

And although these results may indicate that the type of disclosure used is irrelevant as long as there is one, we still have to consider the standard of proof for false or misleading advertising as stated by the *Competition Act* (Pritchard & Vogt, 2015) and recognize that there was still a significant number of participants that failed to acknowledge the persuasive and selling intent of Postmedia's native ads. As Pritchard and Vogt mention, the standard of proof for false or misleading advertising does not necessarily involve proving that anyone had actually been deceived, but simply that the potential existed for someone to be misled. Here the potential for deception is still relevant.

This study has identified the need to not only study the success of the various disclosures, but the very relevance of them as well. Due to the limited impact the disclosures had on responses in this study, it can be argued that the disclosures were irrelevant. And if the disclosures meant nothing, then there continues to exist a huge potential for this form of advertising to be deceptive as there is truly nothing significant to differentiate native advertising from editorial content. If this proves to indeed be the

case, there will be no need to worry about Lazarsfeld's "little problem" in terms of studying disclosures using empirical methods. We will need to explore the critical themes including the commercialization of media and journalism, and the consequences of that for the public sphere and our society. McChesney (2013) identified the struggles of journalism and the shrinking (dying) newsrooms of the internet era. Postmedia is Canada's example, having purchased 175 publications from Quebecor Media Inc. in 2015 and exchanging for another 22 community publications from Torstar in 2017, resulting in most of the papers closing and 90 newsroom staff losing their jobs. The internet has been unforgiving to newsrooms struggling to deal with the loss of print advertising revenue; Einstein (2016) has pointed out how audiences became blind to banner ads or adopted ad-blockers, and in doing so have diminished the revenue of online advertising. The solution the industry has come up with, native advertising, is the epitome of Serazio's (2013) cool sell: we are seeing a form of marketing that makes itself invisible to audiences by becoming the very content they are consuming. As Einstein warns us of the notion of content confusion and the protentional future where all content is in some way a form of advertising, we need to accept that perhaps focusing on how to better disclose native advertising should not be the focus, but rather the focus should become on how to better move away from the practice instead.

Given the inconclusive results of this study in determining the highest accurate reporting of native advertising disclosures, and taking into consideration the methodological challenges in assessing the effectiveness of disclosures alongside the perception and recognition of native advertising in general, we should be worried less about regulating this practice and instead spending our time encouraging other ways of

funding our digital media beyond advertising such as public media investments to ease

the industry's dependency on advertising, stricter rules on media ownership to prevent

further situations of buyouts and newsroom closures as was seen with Postmedia, and

perhaps to simply encourage the production of more alternative and independent media.

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Appendices

Appendix A

'The newest craft brewery on the North Shore'

Darren Hollett, left, shares the role of head brewer and operations manager with Scottish native George Woods.

AWARD-WINNING NORTH SHORE BREWERY BRINGS YEARS OF EXPERTISE TO CRAFT-BEER SCENE

Beer has a way of bringing people together, and nowhere in Canada is the craft-beer scene more vibrant than in Greater Vancouver. Now, lovers of superior, small-batch brews have a new spot to toast: Hearthstone Brewery.

With a passion for suds and a tap house in the works, the enthusiastic, knowledgeable team at Hearthstone Brewery is pumped to be part of the local craft-beer community.

"We are the newest craft brewery on the North Shore and are grateful to be here," says Darren Hollett, who shares the role of head brewer and operations manager with Scottish native George Woods. "We're in this game because of all the great breweries before us and have been inspired and driven by their craft. In this building craft-beer scene, you need to constantly be step- ping up your game, coming up with new beers and concepts, and your beer better be damn good. We won't let any beer out our doors that we aren't 100-per-cent stoked about."

Situated near Capilano Mall, Hearthstone Brewery takes the craft of brewing very seriously while letting creativity flow into every can. Hearthstone recently won a bronze medal at the BC Beer Awards for its Hearthstone IPA. That beer, along with Bohemian Pilsner and Chocolate Milk Stout, are the brewery's core brands, but it offers many others (including the seasonal Graham Cracker Ale and McCool's Hazelnut Porter); each one stands out.

"Every beer is true to style, but we make each beer unique," Hollett says. "The Bohemian Pilsner, for example, is a classic Czech-style pilsner, but we use two types of Polish hops, which results in a soft, floral character. When you have a pint, you know immediately that it's Hearth- stone."

The brewers bring years of experience to Hearthstone. Woods learned to brew in Scotland with the infamous Scotland brewery BrewDog, running its experimental smallbatch brewery for three years. He has what Hollett calls a "keen palate and amazing knack for coming up with recipes."

Hollett, meanwhile, a long-time dedicated home brewer, comes to Hearthstone after first working in sales for Whistler Brewing then as a brewer for Mission Springs Brewery after training through the American Brewers Guild's Brewing Science & Engineering Program.

The brewers are so particular about product quality that, aside from growler refills onsite, the beer only comes in cans, not bottles.

"We're big advocates for craft beer in cans, because cans are better for beer on all fronts," Hollett says. "There's no UV light exposure and less dissolved oxygen than in bottles; they're easier to recycle; there's no broken glass; it's more economical for us and the consumer; and we feel a better canvas for the artwork that is beer labels." (Check out the cool Hearthstone label designs by Barnstorm Creative Group's Ron Fiehler.)

Hearthstone beer is available at the brewery at 1015 Marine Drive and is on tap at more than 30 pubs and restaurants in the Lower Mainland and Whistler.

Owned by Brock Rodgers and Ken Brookes, Hearthstone aims to have its tap room open in early 2016. It will be a haven for craft-beer lovers and foodies alike, with a full lineup of beers aswell as two giant woodburning forno pizza ovens shipped straight from Italy.

The name Hearthstone refers to the stone base of a fireplace, which also represents home and comfort.
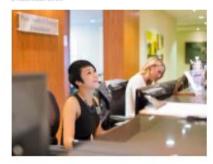
"That is what we want Hearthstone to be: a home away from home," Hollett says. "One of the things we love most about beer is that it brings people together."

This story was produced by Postmedia Works on behalf of Hearthstone Brewery for commercial purposes. Postmedia's editorial departments had no involvement in the creation of this content.

How a simple mathematical error puts the health of Canadians at risk

The health and well-being of millions of Canadians is at risk because of a statistical error.

The health and well-being of millions of Canadians is at risk, and billions of dollars in health-care funding is being wasted on preventable diseases, because of a statistical error.

Evidence has come to light that due to a miscalculation the Canadian government's recommended daily allowance of vitamin D, a critical hormone for good health, is inadequate. Now, the Pure North S'Energy Foundation — a non-profit organization that focuses on preventative health — is calling on Canadians to sign a petition demanding urgent action from Health Canada to fix the problem.

In November 2014, a meta-analysis authored by University of Alberta professor Paul J. Veugelers concluded the Institute of Medicine — an organization that calculates the recommended daily intake of nutrients for Canada and the United States — miscalculated their estimates for the recommended daily allowance (RDA) of vitamin D. His findings, based on the same 10 previous studies of daily vitamin D intake, determined the RDA should exceed the current 600 international units (IUs) per day and be closer to 9,000 IUs. That is 15 times higher than the current RDA.

This is a serious error because vitamin D is essential, says Dr. Samantha Kimball, Pure North's research director. "Vitamin D is used by virtually every system in your body. It's in your brain, it's a neuro-protective, it helps plasticity, it helps with insulin release in the pancreas, it helps with hypertension and has an effect on the heart. There's just a plethora of effects of vitamin D throughout the body. So having the optimum levels has the potential to assist in health in any number of areas."

Dr. Kimball also notes the preventive health benefits provided by the essential nutrient. "Depression and quality of life are one of the areas where the most research has been consistent with vitamin D showing benefits," she says. "There is also consistent evidence that adequate vitamin D status helps prevents falls and fractures. It helps your immune system self-regulate, it helps with colds and flus, and it may be beneficial with a number of autoimmune-type diseases as well."

Vitamin D is produced in the body when skin is exposed to sunlight. But Canadians, who live in a cold climate with limited hours of strong sunlight to produce the nutrient naturally, must take other measures to ensure they get enough vitamin D, Dr. Kimball says. "You can't get vitamin D in the winter here, and in the summer we tend to be in the office between 10 and 2. When we're outside, we're [fully clothed] or we have sunscreen on or hats or are in the shade."

Since the IOM made its recommendation on daily vitamin D allowance to Health Canada in 2010, a staggering number of Canadians are still vitamin D deficient. Statistics Canada published a report in January 2013 indicating that 32% of Canadians did not meet the lowest cut-off for sufficient vitamin D intake required for healthy bones.

To date however, Pure North's calls to the Canadian government and Health Canada to acknowledge the statistical error and change the RDA for vitamin D have fallen on deaf ears. "We find this to be unacceptable," says Dr. Kimball. In response, Pure North has launched a petition to allow concerned Canadians to push for a change to the guidelines. "We started the petition with the intent of getting public support and to demonstrate that our call to Health Canada to resolve this issue actually is supported by the public."

Concerned Canadians should read and sign the petition here. The Pure North S'Energy Foundation was founded by Allan Markin in 2007 to create significant government policy change and the motivation for everyone to live healthier and more fulfilling lives." You can read more about its work here.

This story was produced by Postmedia Works in collaboration with Pure North S'Energy Foundation to promote awareness of this topic for commercial purposes. Postmedia's editorial departments had no involvement in the creation of this content.

Appendix B

Debriefing

Thank you for participating in this study! This short debriefing form provides background information about my research alongside its true purpose to help you learn more about why this study is being done. You will then be asked to re-consent to this study in order to submit your data and be taken to the prize draw page.

You have participated in a research study conducted by Darko Milenkovic, Candidate for the M.A. in Communication and Social Justice, under the supervision of Dr. Kyle Asquith. You may direct any questions or comments about this survey to milenkod@uwindsor.ca and/or kasquith@uwindsor.ca.

You were told that the purpose of this study was to measure objectivity or neutrality in news published by PostMedia. In actuality, the purpose of this study was to investigate participants' ability to identify that the articles presented to them as news were, in fact, advertisements based on only the provided disclosure wording.

You were provided with a commercial product that is known as native advertising: "a form of paid content marketing, where the commercial content is delivered adopting the form and function of editorial content with the attempt to recreate the user experience of reading news instead of advertising content" (Conill, 2016, p. 2). This commercial product was then given a randomized disclosure (Branded Content, Partnered Content, Paid Post, Sponsored Content) to determine which disclosure had the highest accurate reporting of native advertising.

It would be not unusual if most participants did not sense the commercial or persuasive nature of the news articles they were asked to read: a similar study conducted by Wojdynski and Evans (2016) found that in total fewer than 8 percent of respondents (17 out of 242) were able to identify the native advertisements based on disclosure wording and disclosure positioning in relation to the article. They were, however, able to identify that the placement of the disclosure did have a noticeable impact on whether or not the disclosure was seen, though not necessarily that seeing it was effective in identifying

native advertisements; 40 percent of respondents noticed the disclosure when it was above the article, 90 percent noticed it when it was in the middle of the article, and 60 percent noticed it when it was in the bottom position (Wojdynski and Evans, 2016). Due to these results, despite the standard disclosure wording on PostMedia native advertising content being at the bottom of the screen, each randomized disclosure in this study was placed in the middle of the article to maximize the chance of being noticed by participants.

In order to protect the integrity of this research, I could not fully divulge all the details of this study at the start of the procedure. However, know that your participation in this study is voluntary. If you wish, you may withdraw by simply closing your browser window after reading this debriefing form, at which point all records of your participation will be destroyed. However, only participants who submit their data will be able to enter the prize draw.

For the continued integrity of this research project, it is important that you do not discuss the true nature of this study, or the specific examples you were shown, with anyone else as your comments could influence the performance of a future participant, which would bias the data. I am hopeful that you will support this research and ensuring both the accuracy and integrity of the data by keeping your knowledge of this study confidential.

The results of this study will be available on Dec, 31st, 2018 on www.uwindsor.ca/reb.

Re-Consent of research participant

I have read the full debriefing document and fully understand the deception involved in this study. I have understood the rationale for the deception and all of my questions have been answered. I freely and voluntarily choose to submit my data for this study.

Vita Auctoris

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