

Brands unscathed by native content

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Research Explores Impact Of Native Advertising On Media Outlets, Ad Companies

An academic [study](#) conducted by researchers from the Arthur W. Page Center of Pennsylvania State University has found that native **advertising** may create negative perceptions of media outlets. The research, presented at a conference this spring, will be published in the *American Behavioral Scientist*.

The study examined the question: Are there consequences when companies and news outlets go native?

The researchers noted that native **advertising**, often known as sponsored content or promoted posts, is showing up all over the Internet. Readers expect to find native **advertising** on sites like **Facebook** and BuzzFeed. A discussion has emerged as to whether the practice impacts the credibility of the companies that pay for it and the news outlets that run it.

Overall, the research team found that when content was identified as native **advertising**, readers held a lower opinion of the media outlet it was published in. However, the reputation of the company being promoted was not affected. The idea for the project emerged while Penn State graduate students were shown a news article — but was it? “We looked at it. It didn’t look like an advertisement,” said Mu Wu, PhD student in Penn State’s College of Communications and an author of the study. “It looked like an everyday editorial, but we were wrong.” It was a native advertisement.

The research finds that news outlets from BuzzFeed to the *New York Times* participate in some form of native **advertising** and they claim to see no ethical issues with the practice. One previous study found that between 7% and 18% of readers can tell the difference between a real news story and a native advertisement. Wu said those numbers sparked the team's interest in identifying potential consequences.

To get an understanding of how perceptions may change, the research team conducted an experiment with 500 participants, which included a group of readers who were primed (the concept was explained to them) about native **advertising** and another that was not. The team used identical content on “the best vacation spots” and placed it in both high-credibility (*New*

York Times) and low-credibility (BuzzFeed) news outlets. Lastly, they used a high-profile **brand** (Marriott) and what the researchers deemed as “non-credible” (Super 8) corporation as the content sponsor. Pre-test data helped the research team decide the credibility of the organizations.

Those who were primed about native **advertising** found the content to be less credible overall.

“We all have the idea that the news media should be objective and neutral...that’s how it works,” Wu said. “But people may see the media and companies working together to deceive us...so they change their perception toward the media more dramatically. On the other hand, people see that the company is just doing what it’s supposed to, promoting itself.”

Wu added that it’s possible for readers to hold onto that distrust when reading real news stories. This hurts the credibility and respect they may have for the publications overall. A few other significant results emerged that caught the researchers’ attention.

“What I found especially interesting was the effect the media source and corporate source had on the content,” Wu said. “It was completely changed by the process of priming, which essentially made users more aware of the persuasive nature of native **advertising**.”

The study found that the readers who were not primed for native **advertising** evaluated the content and media outlet more positively when the article was sponsored by a high-credibility company and was also published in a high-credibility media outlet. However, for those who were primed, the results were the opposite. The combinations of a high-credibility company and a low-credibility media outlet or a low-credibility company and a high-credibility media outlet are more likely to elicit positive evaluations toward the content and media outlet. The content was exactly the same.

“It’s a mismatch,” Wu said. “When you are aware of that persuasive nature, you expect to see Marriott in media like *The New York Times*. However, when there is a mismatch like seeing *The New York Times* feature something from Super 8, it seems kind of counterintuitive to the reader.”

Unprimed readers may think, ‘Super 8 sponsored content is in *The New York Times*? Well, it must be because the content is really good,’ Wu said.

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