

Article

# Native Advertising Is the New Journalism: How Deception Affects Social Responsibility

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#### **Abstract**

Native advertising's effectiveness lies in its ability to look like content produced by journalists. The potential for deceiving readers and proliferation of native advertising threaten journalism's credibility along with its core boundary: the separation between editorial and advertising. For the press to function in a normative manner, as a watchdog, contributing to the public's ability to self-govern, it simply cannot participate in deception. Therefore, 56 qualitative interviews were conducted with journalists, advertising, and public relations executives to examine the extent to which native advertising impedes on the social responsibility of the press. Perspectives revealed that all three professions agreed native advertising raises ethical concerns. Native advertising potentially deceives audiences who are unaware that native advertising is paid, persuasive content versus editorial, thus contributing to the diminishing credibility of journalism. Furthermore, if native advertising is done well, it is undetectable from traditional editorial content. Based on these findings, authors discuss how native advertising threatens several tenets of social responsibility theory.

#### Keywords

native advertising, sponsored content, in-depth interviews, journalism

When readers logged onto *The New York Times* website on June 13, 2014, they were greeted by a story titled "Women Inmates: Why the Male Model Doesn't Work." Many prominent journalists praised the piece, calling it everything from "impressively produced" to "stellar journalism" (Moses, 2014). But this multiplatform

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story was not like typical journalism published by the iconic newspaper. It was among the first native advertisements produced by T Brand Studios, the *Times*' nine-person team dedicated to producing content for brands (Sebastian, 2014a). "Women inmates" was produced in coordination with Netflix. While the Netflix and *Orange Is the New Black* logos appeared on the story, the actual piece was an impeccably reported expose on women in prison that could stand on its own as a piece of quality journalism (Lazauskas, 2014). And while the media company received some negative backlash for running the story, the vast majority of feedback was positive, as many considered it akin to journalism, just sponsored journalism (Sebastian, 2014a).

About 18 months prior, *The Atlantic* entered the native advertising game and the backlash was quick and merciless (Fallows, 2013). Readers clicked on a story about Scientology expecting a journalistic examination into the controversial religion and instead found a native advertisement "from the Church of Scientology that resembled little more than a chirpy press release" (Carlson, 2015b, p. 860).

Both media organizations published the sponsored content because its revenue combats the downturn in advertising revenue facing news organizations (Couldry & Turow, 2014). But the proliferation of native advertising threatens the core norm of journalism: the separation between editorial and advertising. Often described as "the wall," this boundary is "so fundamental to the self-understanding of professional journalism, it's thoroughly understood as a cultural and occupational assumption" (Coddington, 2015, p. 67). In fact, even iconic news publisher Joseph Pulitzer, speaking back in the late 19th century, remarked that journalism's downfall could be the inherent tension between its goals for editorial excellence versus its goals for profit (Schudson, 1978). To work in its normative manner, journalists need the ability to produce content without interference from advertisers (Christians, Glasser, McQuail, Nordenstreng, & White, 2009).

One key to native advertising's effectiveness lies in its ability to look like content produced by journalists, thus giving the sponsored content a form of credibility earned by journalists (Carlson, 2015b). This can, however, erode the credibility of journalism over time (Levi, 2015) affecting not only the boundaries or journalism but also the social responsibility of the press. Through the lens of social responsibility theory and using qualitative interviews with journalists, advertising, and public relations professionals, this article will analyze how each industry's professionals view native advertising and how they believe it should function.

#### Literature Review

# Boundaries of Journalism

In journalism studies, disagreements concern varying definitions of boundaries (Lewis, 2015). As noted by Carlson (2015a), "... who counts as a journalist, what counts as journalism, what is appropriate journalistic behavior, and what is deviant—are all matters to be comprehended through the perspective of boundary work" (p. 2). When we

study boundaries, we get at the heart of the profession and can start to understand why journalism appears as it does (Fakazis, 2006).

But among the many boundaries of journalism, none is more important than the boundary between editorial and advertising (Schudson, 2013). "Unlike many other boundaries, scholars . . . tend to agree with journalists that this boundary should indeed exist" (Coddington, 2015, p. 67). Even in the earliest days of journalism, many wondered if journalists could effectively uphold their mission of sustaining democracy while under the influence of advertisers (Baldasty, 1992). From the days of the penny presses, when publishers began to understand the robust profit that could be earned through advertising, scholars have often argued that commercial interests can have both direct and indirect effects on journalism (i.e., Bagdikian, 2004; Baldasty, 1992; McManus, 1994), but this influence is the antithesis of what the press needs to produce: journalism that fosters democracy (Christians et al., 2009). For decades, journalism organizations set up a literal wall between its editorial departments and its business-minded departments, a wall meant to "maintain vigilance over some of the very advertisers whose expenditures keep news organizations viable" (Kaye & Quinn, 2010, p. 127).

Publishers and editors built this boundary, this wall between editorial and advertising, out of fear that the need to earn capital would have an influence in reporting, that the need for economic viability would lead journalists to directly and indirectly adapt norms and routines to serve advertisers' interests and not the interests of citizens (Baker, 1994). Nothing is more sacred to the journalist than professional autonomy; a journalist's goal is to research and report on something without nonjournalistic interference (Weaver, Beam, Brownlee, Voakes, & Wilhoit, 2007). Commercial interests negatively affect journalistic autonomy (Coddington, 2015).

Journalists have continued to fight for and maintain some hold over autonomy, despite the shift from the press's political patronage model of funding to the current advertising-based model (Altschull, 1997). Yet the boundary between editorial and advertising is becoming more porous, (Pompilio, 2009), and "the days when journalists could remain willfully ignorant about commercial operations" are over (Kaye & Quinn, 2010, p. 128). No single thing is more at fault than native advertising (Levi, 2015).

The problem with this blurring boundary lies in goals (Moore, 2014). Journalists often shield themselves from financial pressures and produce news aimed at informing citizens and strengthening democracy (Christians et al., 2009). However, advertisers and public relations professionals, the people mostly responsible for producing native content, do not share the same goals of journalists. These differing goals and their effects on the practice of journalism have caused such consternation that the Federal Trade Commission held a conference called "Blurred Lines" to discuss native advertising's lack of transparency and "clear" aim to trick readers (Levi, 2015). One way to understand how these different media professionals—journalists, advertising, and public relations professionals—approach the concept of native advertising is to examine how these professionals understand the social responsibility of the press (Christians & Nordenstreng, 2004).

## Social Responsibility Theory

Yellow journalism of the late 19th century threatened the notions of accuracy and objectivity. As a result, audiences demanded that media set and act in accordance with professional standards. In response to these threats, and to avoid regulation, media practitioners began to show greater concern for the public good and establish ethical standards (Siebert, Peterson, & Schramm, 1956). One example of these initiatives was The Hutchins Commission on Freedom of the Press, which was established in 1942 to make recommendations concerning the role and responsibility of the press (Baran & Davis, 2012). In response to the commission, social responsibility theory was developed and serves as a normative, ethical guide for what ought to be done in response to changing media practices. To achieve social responsibility, the press must maintain six criteria: (a) serve the political system with information, and with forums for debate and discussion; (b) assist the public in self-governance; (c) act as the government watchdog; (d) serve the economic system with advertising; (e) provide entertainment; and (f) maintain sufficient financial independence, free from the pressure of special interests (Siebert et al., 1956).

Today, as media practices, platforms and models change, journalists' duties are changing. Singer (2006) proposed that some duties ought to remain constant and that journalists ought to serve as "socially responsible existentialists," which refers to a journalist who chooses to act as a trustworthy source of information that serves the public interest. Social responsibility theory outlines several other tenets underlying journalists' duties, which include professionalism, composed of expertise, commitment, responsibility, and autonomy; criticism from professionals and the public; professional and public interaction; freedom and responsibility; service to society; and government support (Anderson, 1977).

As duties change, scholars have examined the extent to which journalism upholds the tenets of social responsibility. While Anderson (1977) found that news editors predominately upheld professionalism, Christians and Nordenstreng (2004) argued that social responsibility of the press goes beyond professionalism and suggested that social responsibility should be discussed in global terms. From a global perspective, the authors suggested that the universal principles guiding social responsibility should be rooted in human life and civilization, and therefore proposed the following tenets: respect for human dignity, truth telling, and nonviolence. Deuze (2005) suggested the importance between social responsibility and the concept of credibility. He argued that without credibility, both an industry-wide credibility and a specific organization's credibility, the press cannot uphold the tenets of social responsibility theory. Amid the abundance of native advertising today, the potential for deception is heightened. In one study, 67% felt deceived on learning an article was sponsored by a brand and 59% of respondents perceived news sites with sponsored content as less credible (Lazauskas, 2014).

There are multiple organizations involved in planning, writing, and placing native ads, which influences any one organization's willingness to take ethical responsibility, which Murphy (1998) referred to as the "unholy trinity." Similarly, Drumwright and

Murphy (2004) referred to this unwillingness among advertising executives as "passing the buck" or shifting ethical responsibility. By comparison, public relations practitioners undertake socially responsible initiatives by upholding professional duties and obligations to the various publics they serve (Fitzpatrick & Gauthier, 2001). Therefore, this study asked members of these multiple organizations, journalists, advertising, and public relations practitioners, what are their perceptions of native advertising and what are the ethical implications of these practices to examine the extent to which native advertising impedes on the social responsibility of the press.

#### Method

The current study utilized in-depth interviews. Ethics is considered a sensitive topic, which Davis (2012) recommends is best examined with qualitative research. In-depth interviews were chosen for the deeper level of detail the method provides (Hatzios & Lariscy, 2008). Qualitative interviews also explore and expose interpretations, which allow common themes to arise between particular types of respondents (Warren, 2002). Interviews have been used to examine journalism, advertising, and public relations ethics, including industry and academic leaders' perspectives on the state of ethics (Drumwright & Murphy, 2009), characteristics of ethical leadership in public relations (Lee & Cheng, 2012), and moral exemplars in journalism and public relations (Plaisance, 2015). Fifty-six interviews were conducted with journalists (n = 30), advertising executives (n = 11), public relations executives (n = 14), and a digital marketing executive (n = 1).

# **Participants**

Participants were selected using purposive sampling. Digital journalists affiliated with the Online News Association were contacted, marketing communication (marcom) executives with several years of experience, and in the researchers' personal network, were contacted and asked for referrals. Marcom executives worked full-time in advertising, public relations, or digital marketing with a range of 4 to 40 years of experience. The 26 marcom executives represented 17 different regional, national, and international organizations. Journalists worked full-time in digital journalism. Researchers interviewed digital journalists because the vast majority of native advertising is online, with estimates upward of 90% (Greenwood, 2015), and some definitions of the term "native advertising" only include digitally native ads (Interactive Advertising Bureau, 2015). The 30 journalists had a range of 6 months to 34 years of experience and represented 30 different organizations, including traditional outlets such as The New York Times, digitally native organizations such as Buzzfeed, and digitally native news nonprofits such as the Colorado Independent. Participants were treated in accord with institutional review board procedures. The researchers also promised all informants anonymity and confidentiality; therefore, excerpts in the findings are identified by discipline versus title (e.g., journalist, advertising or public relations executive) and gender pronouns were assigned randomly.

## Interview Process and Analysis

All 56 participants were asked about their perceptions of native advertising and the ethical nature of native advertising. The interview protocol consisted of broad, openended questions meant to stimulate long and detailed answers to the questions (McCracken, 1988). Questions included "What are some of the ethical issues related to the media practices we discussed today?" "What are your perceptions regarding native advertising?" "How would you describe the ethical nature of native advertising?" and "Do you think consumers understand the differences between these new forms of advertising such as native advertising and news?"

Three researchers conducted interviews respective to their professional background in journalism, advertising, and public relations. Due to barriers of proximity and convenience, 52 interviews were conducted by phone and 4 were conducted in person. Averaging 48 minutes, interviews were audio recorded and transcribed for analysis. Two researchers then independently coded journalism transcripts and marcom transcripts. The first step was open coding, which involved identifying content concerning native advertising, including advertorials and sponsored content, and the ethical nature of native advertising. Next, each researcher wrote memos to identify themes, comprising the first stage of focused coding. Researchers then discussed and finalized themes, comprising the second stage of focused coding. Verbatim text related to the finalized themes was copied into a comprehensive coding sheet, which was used to organize and write findings.

# **Findings**

Perspectives shared by journalists, advertising, and public relations executives revealed their agreement that native advertising raises ethical concerns. Primarily, native advertising is deceptive: Transparency is lacking and, as a result, readers are unaware that native advertising is paid, persuasive content versus editorial content. Journalists also broached the subject of diminishing credibility of journalism and native advertising's contributing role. Simultaneously, participants acknowledged the economic benefits of native advertising. Simply put, native advertising generates revenue. Some marcom executives suggested native advertising was a beneficial, storytelling tool, and provided examples of good native advertising. Finally, due to the various people involved, some participants suggested others, versus themselves, are ethically responsible.

# Deception

A majority of participants, journalists, and marcom executives alike, found native advertising to be unethical for two overarching reasons. First, native advertising is deceptive by nature and, second, native advertising is unethical because readers cannot decipher what is editorial content versus the paid placement of advertising. Journalists referred to the practice as "lies" and "fake stories" used to "trick" or "fool people," and

therefore, having an "effectiveness [sic] measured in its ability to deceive." One journalist explained the deceptive nature further by stating,

On the surface, I don't think they're any different than regular advertising, so that would be ethical. But anything that's sole aim [is] to sell and deceive is unethical, right? I'm not one of those people who think selling is inherently bad. We all need things. But deceiving to sell is bad. So native advertising, inherently is unethical. There's no other logical way to look at it.

When sharing perspectives on native advertising, journalists broached advertising both as an ethical practice (e.g., "People know when they're coming to a news site, there's going to be advertising. And that's fine.") and unethical practice (e.g., Native advertising is no worse than "dumb Budweiser ads that are clearly trying to reach children along with adults."). However, one journalist in particular had a much stronger reaction to native advertising:

The main problem with native advertising goes back to intentions. Advertising, it gets a bad rep, but in a way [advertising is] a good thing. It lets people know what they may want to buy. Without advertising, we'd all be using one product that's been monopolized or something. So advertising is a service. Native advertising though is intrinsically bad. Its whole goal is to fool people, otherwise it wouldn't attempt to look like regular copy. That's a bad thing. And we need to reign in such a bad thing. It should be illegal, frankly.

Journalists discussed deception relative to their role and to the mission of "high-quality journalism." In summary, native advertising contradicts the fundamental principle of journalism: truth. A journalist elaborated,

There's nothing ethical about a practice that literally goes against the foundation of journalism. [Interviewer: What's the foundation?] Truth, of course. We need to always be attempting to publish truth that will help people make important decisions. Sometimes, everything we do isn't truth[ful], but we're trying. It's about intention. If we mess up, we tell people we messed up and why. Native ads, well, there's nothing truthful about them. By their very nature they're a lie and that's the antithesis of journalism.

Similar to journalists, marcom executives referred to native advertising as "misleading" with the purpose to "fool people," which therefore has "a long way to go . . . before [it] becomes a truly, ethically, sound method of getting information in front of people." An advertising executive elaborated on the deceptive practice by stating if you are going to advertise, you should advertise, versus disguise an ad as something it is not. Similarly, another advertising executive stated that native advertising is almost "hidden to the consumer in a lot of ways or it almost tricks the consumer into thinking it's not advertising." A public relations executive suggested the practices is " . . . pretty tricky. You have to be careful that you're not trying to trick consumers to think that's part of the editorial."

Participants also discussed transparency, both explicitly and implicitly, when describing the deceptive and unethical nature of native advertising. These responses

were further contextualized as function-specific, for example, advertising, public relations, journalism, or other. Broadening the scope of her response to advertising in general, an advertising executive said it is important to be as "honest and transparent as possible" while making a "sales pitch." A public relations executive agreed and also broached the publisher's role by suggesting that together they are "... ensuring transparency—when you get into native advertising and native content, I think it's important for the publisher as well as the advertiser to be very clear and transparent of what is actually an advertisement and a paid endorsement."

While several participants suggested resolutions, such as clearly identifying native advertising as paid or sponsored content, a journalist bemoaned the inherent ethical problem that extends beyond labeling:

You've got three industries, the journalism industry, the advertising industry and whatever product or service we're talking about, coming together collectively and making a decision that tricking potential customers is a good thing. In what world is this considered ethical? And please don't give me the labeled argument. [Interviewer: Meaning?] Some people will say the ad is labeled so it's not bad. That's crap. If it's labeled well, it's still trying to pass itself off as journalism. Why use those conventions otherwise? Just make a beautiful interactive ad. But that's not what they do. They may label, but the unsophisticated won't get it and then they'll click on something meant to look exactly like a story. That's a problem.

Others also suggested that consumers simply cannot decipher native advertising when it is intended to look and read like a news story. An advertising executive summarized the ethical concern by stating, "I think a lot of consumers don't know the difference, and I think that advertising should be explicit, and I think that when someone's looking at the ad, they should know that they're looking at an ad."

While several participants were concerned that readers are unable to decipher paid and sponsored content from editorial content, several other journalists and marcom executives alike, suggested that "people get it." These responses were qualified by a consumer's attributes such as age, generation, savviness, and sophistication. For example, a public relations executive and a digital marketing executive both suggested that younger generations, such as Millennials and those younger than 35 years, have an "ability to discern" what is paid content. Responses were also qualified by a consumer's agency, as well as their interest in native advertising. In part, the proliferation of social media usage allows consumers to have power and a voice in response to "unscrupulous" media acts. An advertising executive explained consumers' agency as follows:

So I think that there's probably industry being a bit overly cautious and maybe some particular advocacy groups that are sensitive to this issue. But I think rank and file population out there is, um, is smart and understands that, you know, two-way trade, they feel like [if] someone's trying to take them for a ride or [sic] being sneaky they will rebel by not purchasing, not utilizing that product. Or broadcasting on their social network that the particular brand was being unscrupulous. I think it's so.

Regarding consumers' interest in native advertising, a public relations executive suggested, "... what's fascinating is even if they understand it, what I find fascinating is they may not care."

## Credibility

Participants also reported concerns that the ultimate consequence of deceiving audiences, as a result of publishing native advertising, is diminished credibility of journalism. Even clearly labeled native advertising, such as *The New York Times* piece on *Orange Is the New Black* referenced as a good example of native advertising by a journalist and a public relations executive, influences credibility because the content is still "indistinguishable from journalism." Further exacerbating the problem is the already diminished trust in media; native advertising gives audiences just "another bullet in the chamber," according to a journalist.

Primarily, it was journalists that deliberated the issue of credibility. However, it should be noted how credibility also influences marcom practices. A journalist elaborated on diminished credibility as a consequence affecting the multiple industries involved:

Native advertising, um, it's a double-edged knife, or sword. On one hand, with advertising revenue down, it's bring[ing] back some of that. More revenue can only help people like me. The more revenue, the more I assume there will be resources for good reporting, and the less layoffs we'll have. But there's the other side to that coin, of course. It's an income generator based around the idea of hoodwinking our audience. If the fake or native stories aren't real, the whole thing doesn't work. But if they look too real, the audience thinks we're giving them real news when it's really about selling something or other. That can lead to real problems for everyone. It could upset readers to the point they avoid products. And more likely, it could really hurt journalism's credibility. I don't know who wins with native advertising, you know?

Supporting the ubiquitous concern for credibility is the notion that "earned media comes from people that consumers trust," as mentioned by a public relations executive. However, he continued, earned media today blurs with the practices of paid media, because news organizations now have "marketing arms that you can pay and they will—their reporters will go cover what you want them to cover and it feels like editorial." Another public relations executive did not discuss the explicit issue of credibility, but suggested there is a stigma associated with native advertising since it is not what she "signed up to do."

# A Necessary Evil

Economic factors affect the extent to which native advertising should be offered, according to both journalists and marcom executives. Native advertising generates revenue not only for the publisher but also for the agency and advertiser. An advertising executive stated, "So obviously, it's great that it's kind of a win-win, because it's

usually got a very prominent placement, so the brand is happy and—that they're getting their content out there—and the publisher is happy." The practice comes at a much needed time, according to an advertising executive, when newspapers are "very, very into native advertising" because they "have lost so much ad revenue." Advertising and public relations industries face similar economic pressure, specifically from clients demanding a return on investment. Public relations executives, for example, are considering media options that in the past were traditionally overlooked. According to one public relations executive, they are now "look[ing] at every single channel," and asking, "How do we maximize that?" How do we "get better results for [our] clients?"

According to journalists, journalism and advertising are separate, so native advertising should have no influence on journalism ethics. A journalist stated,

The content is just not journalistic. It stands out so much on our site because anybody with half a brain could easily see that this content comes from a very different perspective. It's not journalism. It's not produced by journalists. It pays the bills.

Furthermore, native advertising heightens the division between journalism and business. A journalist elaborated that regardless of whether cynics are overreacting or native advertising is profitable, "journalism and money should be separated." Simply put, "as journalists, we should avoid it." However, while the division between editorial and economics is important, the end result of native advertising is not any different from traditional advertising. According to another journalist,

The history of journalism is littered with change, change often argued about. But that change is about making money. The last time I checked, we're in a business, so money's the name of the game. So as long as the ads don't aim to trick people, I'm fine.

# The Efficacy of Native Advertising

The effectiveness of native advertising is dependent upon the content and relevance to the consumer. Marcom executives suggested that native advertising is a beneficial storytelling tool when done well. An advertising executive's response summarizes this view:

So I'm a huge believer in native advertising. I think that as long as the content is fair and accurate and done with integrity, I absolutely think, and within relevant content, and you're servicing the user who's going to be reading that content. As long as you're relevant, then I think that it doesn't matter whether it's native or not.

When done correctly, native advertising is effective, according to another advertising executive. When asked what does effective look like, she answered, "It depends on the context. It's all about the publisher's context. It looks like adding value within any given context, right." An example, by *The New York Times*, was given by a public relations executive,

... when *Orange is the New Black* did a big one. 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. If it's done just as good as or better than the content in the non-branded content on a site or the platform, that's when the native advertising and branded content's done right.

Marcom executives talked about other standards of good content, such as it must be "compelling" and "organic." To uphold these standards, new organizational models are being introduced. An advertising executive gave two examples:

I think some of the longer form content like native content is a little bit more specialized. And I actually I think, from my experience, a lot of that native stuff is really worked on hand in hand with the publisher. So if you have native content in the *New York Times*, they've got whole teams that are dedicated to helping develop the content. Or like *BuzzFeed* for instance, [we] work with *BuzzFeed*, they have creative teams that will help and kind of know the platform. I think that's the most important thing and kind of why it's called native is that they know their platform and that it's seemingly natural to that environment.

Marcom executives also suggested the content must be "relevant" to the reader. An advertising executive spoke about Millennials specifically, and suggested they are advertising adverse, so advertising must look more organic. While consumers might find value in "good stories," there is still the issue of consumers' lack of knowledge leading to deception. When embedded within a "given context," and when blended well, consumers are deceived. A public relations executive suggested that while consumers are looking for good content, they still do not know it is paid.

#### Hear No Evil

There are various people involved, both directly and indirectly, in the creation and placement of native advertising. Consequentially, when discussing the ethics of native advertising, some participants suggested others, versus themselves, are ethically responsible. All three participant groups passed the buck, and oftentimes, to each other. An advertising executive stated,

In terms of native advertising, you know truthfully, I don't think there's an ethical issue on the advertising side. We're paid to push the envelope. I rely on publishers to take up that ethical torch. They have their charge to be ethical and good reporters and have the division between advertising and content. As an advertising professional, I'm paid to blur those lines.

Similarly, another advertising executive acknowledged the ethical issue, but also diverted responsibility to the publisher by stating as follows:

I think that anytime where there may be some confusion about the difference between editorial content, sponsored content and advertising content, I think you have to be

extremely careful, but I do think that much of the responsibility for that is actually not from the brand or the advertising agency I think it's from the publishing platform.

A journalist also shifted responsibility when questioning the ethics of native advertising by asking, "Is it ever ethical to trick people? If it is, then what we're doing is ethical. Or what publishers are doing, I should say." Another journalist shifted responsibility and stated, "Our business is meant to deliver important and factual information to people. But, oh yeah, we're paying the bills by allowing advertisers the ability to trick people. Think about that." Finally, a public relations executive justified the practice by suggesting that if they are not doing native advertising their competitors would.

#### **Discussion**

To answer the question, to what extent does native advertising obstruct the social responsibility function of the press, this study asked the people most directly involved with and affected by native advertising about their perceptions of the practice. Carlson (2015b) argued that native advertising, unlike traditional forms of advertising, aims to deceive people into thinking the content is akin to journalistic content. Interviewees from all three industries consistently and constantly noted that deception is part of the practice of native advertising. And regardless of the industry, participants labeled this deception as ethically bankrupt. Journalists, in particular, focused on the perceived main effect of native advertising: further deterioration of the credibility of journalism leading to further distrust of journalists. The participants who did not necessarily approve of the practice, rationalized native advertising as a necessary evil, a means to inject much needed financial gain. Marcom executives also discussed the effectiveness of native advertising, specifically what makes for good content. Finally, when discussing the ethical implications of the practice, participants consistently shifted the blame to other parties.

Though roles and goals of journalists and marcom executives differ significantly, this study found expressively similar views on native advertising. For example, executives from all industries considered the deceptive nature of native advertising to be ethically questionable. Numerous interview participants talked about how they would rather not participate in the process or not have their organization publish native ads. For advertising and public relations executives, the very people predominantly creating this content, to think of native advertising as potentially unethical, is surprising in the context of previous research (e.g., Coddington, 2015; Couldry & Turow, 2014).

While professionals from all industries predominantly agreed, in theory, on the deceitfulness of native advertising, the implicit differences in ethical perceptions arose when discussing the efficacy of native advertising. Journalists and marcom executives continuously and consistently discussed proper labeling of native ads to avoid deception as much as possible, marcom executives described quality native advertising in an almost, exactly opposite manner. For example, as previously mentioned in the findings, advertising executives mentioned "the context" in which the native ad is published, stressing that the ad should resemble the editorial context, implying it should

be indistinguishable and feature editorial-like "storytelling." 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.

This very clear difference relates specifically to social responsibility theory. The established goal of social responsibility theory is to ensure that business and government cannot influence journalism, effectively meaning that the press can act as autonomous watchdog of power (Christians & Nordenstreng, 2004). Siebert et al. (1956) established six criteria inherent in achieving social responsibility. While some of these tenets, such as provide entertainment and serve the economic system with advertising, for example, remain unaffected in any substantial manner by native advertising, this is not the case with other tenets. According to Deuze (2005), the press in general and a media organization specifically cannot achieve social responsibility without credibility. The current findings illustrate how credibility is being affected by native advertising. Journalists, and even some marcom executives, noted how deceiving the audience could very clearly and negatively affect credibility. One key tenet of social responsibility theory is to serve the political system with information for debate and discussion. Implied in that tenet is that the information is truthful. When news organizations print untruthful information, their credibility suffers accordingly (Deuze, 2005). Since the content of native advertising is not specific to simply selling a product and can include promoting a mind-set or political ideology (Coddington, 2015), this could negatively affect the press' ability to assist the public in self-governance, another stated tenet of social responsibility theory. For the public to self-govern, it needs truthful information to base its opinions on; ideally, the public would weigh truths concerning all aspects of an issue and then proceed accordingly, thus the need for truthful information in a self-sustaining democracy (Christians et al., 2009). If a news organization is deceiving the public into thinking that journalists independently, without outside influence, published a story promoting a specific political ideology, when in fact it was paid for by an organization devoted to that cause, this could significantly and negatively affect the public's ability to self-govern.

Finally, and arguably most important, a tenet of social responsibility theory is for the press, meaning journalists, to maintain sufficient financial independence, free from the pressure of special interests. More specifically, this tenet argues for an implicit and binding contract between journalists and the public. This contract call for journalists to do their jobs and publish truthful material based on what they believe to be newsworthy and impactful to their audience, without influence from special interests groups with stakes in the subject (Christians et al., 2009). The very essence of native advertising inherently contradicts this tenet. Native advertising, if done well according to marcom executives and the definition of the term, produces content undetectable from traditional editorial content. While editorial content is not influenced by special interest groups, in most cases, native advertising is. This violates the most sacred boundary in journalism: the wall between editorial and advertising (Schudson, 2013). As noted

by Coddington (2015), this boundary is the only one that journalists and scholars can agree to be essential to journalism. Scholars have argued that this boundary began to blur during the beginning of the 21st century (e.g., Kaye & Quinn, 2010; Pompilio, 2009), but this blurring is becoming more and more evident in the age of native advertising (Carlson, 2015a) as these findings suggest.

Native advertising presents a threat to more than half of the six tenets of social responsibility. The three industries involved in this practice—journalism, advertising, and public relations—agree in some way that native advertising is, at best, deceptive and something to monitor closely and, at worst, unethical. For the press to function in a normative manner, two characteristics that simply cannot be attached to it are deceptive and unethical.

### **Conclusion and Future Research**

The current study questioned the extent to which native advertising impedes on the social responsibility of the press. However, in applying social responsibility theory, attention was afforded primarily to journalism. Further research on native advertising with an emphasis on persuasive communication is warranted. One might argue, it is the ethical responsibility of advertising and public relations executives to achieve advertising effectiveness, i.e., persuade audiences, on behalf of their clients' expenditures. In the case of native advertising, intended to tell a story, effectiveness, much like editorial, should be predicated on credibility. An advertisement is valuable to a reader based on the extent to which the environment in which it is embedded is perceived as credible (Meyer, 2004). However, if readers are unable to discern native content from editorial content, and feel deceived, ultimately the publication will be viewed as less credible. After interviews for the current study were completed, the Federal Trade Commission called for native advertisements to include a label of "advertisement" versus "sponsored by" or "promoted by," which are viewed by the government organization as ambiguous and misleading (Kelly, 2015). Therefore, future research could examine the extent to which the new label affects consumers' perception of credibility as well as professionals' perception of the efficacy of native advertising.

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