

Revisiting the Blurring Practices between Editorials and Advertising

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Abstract

This study aims to compare the perceptions of agencies, advertisers and media consumers on the blurring practices commonly used to confuse editorial and advertising. The findings did not substantiate the concerns that the blurring content is misleading to the players in the industry. Advertisers and agencies showed significantly positive attitudes towards blurring practices. It is also revealed that there are little significant differences for the attitudes towards regulation of blurring practices between the three sample groups. However, there are differences in perception across sample groups towards the specific blurring practices. Further managerial implications were provided to better allow advertisers and agencies a guide to shifts in the perceived role of blurring practices in advertising across a fifteen year period.

Introduction

With the proliferation of advertising and new technologies, advertisers and media professionals have been challenged to cut through the clutter to emerge with innovative and economical ways to communicate messages to their target audience (e.g. Dahlen and Edenius, 2007; van Reijmersdal et al., 2005; Roessler and Bacher, 2001; Gupta et al., 2000). However some innovations in advertising and creative adaptations of some advertising formats may blur the distinction between advertising and editorial (Ellerbach, 2004; Agee and Martin, 2001; Kim et al., 2001; Wilkinson et al., 1995; Sandler and Secunda, 1993).

In fact, Dahlen and Edenius (2007) suggest that these new advertising formats are more effective than traditional advertising. For example, blurring can occur when advertorials masquerade as editorial items in newspapers through purposefully incorporating brands in the article (van Reijmersdal and de Vos, 2002; Cameron and Ju-Pak, 2000). More commonly, print ads are disguised as editorial material in magazines (Dahlen and Edenius, 2007; Prounis, 2004; Kim et al., 2001). It is feared that the rise in blurring may dilute the impact of both editorial and advertising effectiveness.

For advertisers, the problem lies in the message. If it is too cleverly interwoven into the editorial content, it may lose its attention and positive reactions and subsequently fail its potential as an effective marketing tool (van Reijmersdal et al., 2005). For editors, the problem lies with the potential adverse reactions from readers if they feel that they have been misled by the information (advertising content) in the editorial (Angus, 2000; Kim et al., 2001; Cameron and Curtin, 1995). Cameron and Ju-Pak (2000, p. 65) have made it clear that “newspapers should safeguard editorial credibility by making advertorials distinct from editorial content”.

This paper proposes to replicate and extend Sandler and Secunda's (1993) benchmark study to assess attitudes towards the boundary between editorial and advertising. The original study was based in the US and was undertaken fifteen years ago. The objective was to determine the perceptions among executives at advertising agencies and corporations in North America for advertising blurring practices.

Some differences emerge between the original and the present study. First, the present study takes place in Australia. Second, the present study also includes responses from a group of undergraduate marketing students who provide a sophisticated consumer perspective over and above that provided by the two groups in the original study (advertisers and agencies). Third, the survey is also extended to smaller advertisers and agencies. An ancillary purpose of this investigation is to encourage replication-based work to enhance the external validity and generalizability of the research (Rosenthal and Rosnow, 1984). Such an assessment will yield important insights based on the changes that have occurred in the interim and provide direction for future distinctions between editorial and advertising.

This paper is organized into several sections beginning with a discussion on extant literature and leading to a description of the research method. Finally, the concluding comments, managerial implications and limitations of the study are highlighted.

Relevant Literature and Problem Development

In print media, editorial is defined as those articles that are generated by the media supplier including news and feature articles. In contrast, advertising refers to all promotional messages by an identified sponsor (Belch and Belch, 2004). Evidence of blurring between programs and advertising content first appeared during the early years of commercial radio as program sponsorship emerged. This trend was adopted into television during the late 1940's as sponsors both produced and took ownership of certain programs in the US (Sandler and Secunda, 1993).

More blatant blurring practices have emerged in the form of advertorials and infomercials. Editorial content receives more attention and is better remembered than commercial messages (Cameron and Curtin, 1995; Cameron, 1994). By masking their messages as editorial content, advertisers hope to attract greater attention and retention from readers and viewers (van Reijmersdal et al., 2005). Other forms include product placements, sponsored journalism, and advertiser-produced programming.

Advertorials are print advertisements disguised as editorial material (Bounds, 1999) and are a common type of camouflaged advertising, particularly in magazines (Prounis, 2004; Kim et al., 2001). Although the prevalence of advertorials is not formally monitored, most in the industry believe that they are on the increase (Crossen, 1988; Elliott, 1984).

In an increasingly cluttered advertising landscape, media suppliers are more likely to make concessions to advertisers seeking ways of 'cutting through' the clutter with ads disguised as editorial or program content (Lipman, 1991a). Some magazines use advertorials as a bargaining chip to attract new advertisers or to entice existing advertisers to purchase more regular, full-priced ad pages (Bounds, 1999; Rothenberg, 1989). Others sell advertorials at a premium to boost advertising revenue (Stout et al., 1989).

An infomercial is defined as a longer than average advertisement that ranges in duration from 3 to 60 minutes (Belch and Belch, 1993) that promotes an organization's product or image through information and persuasion (Balasubramanian, 1994). The concern of blurring is that infomercials tend to initially appear to the viewer as a program rather than a commercial. The odds of catching channel surfers and viewers are enhanced as infomercials are longer in duration (Duket, 1997). Furthermore, viewers have the choice to sit in to watch the complete sales presentation (Agee and Martin, 2001).

Product placement is the paid inclusion of branded products or brand identifiers through audio and/or visual means, within mass media programming (Karrh, 1998). Product placement specialists in advertising agencies predict a growing role for product placements (Karrh et al., 2003), noting that audience size, price, and the theme of the movie are the most important factors driving the product placement decision (Pardun and McKee, 1996). A later study pointed to an increase in the perceived importance of showing the brand being used, omitting competing brands and gaining publicity for the placement itself (Karrh et al., 2003). Stakeholders tended to disagree with placements coming under some regulatory pressure in the future, with a mean score of 3.68 on a 7-point Likert scale (Karrh et al., 2003).

Sponsored journalism is defined as public relations' contribution that promotes a client's products and services. Sweet (2001) attests that the pharmaceutical industry is notorious in offering incentives to build relationships with opinion leaders as well as journalists in the field. This may include sponsoring journalists to conferences where they make full use of the opportunities to promote their products and establishing journalism awards to increase media coverage of certain health issues.

Method

The questionnaire was mailed out to the three respective groups. The advertiser sample comprised 100 leading Australian companies. The mailer was addressed to the Marketing Director. The agency sample comprised 400 Australian agencies drawn from a listing of accredited agencies in the region. The mailer was addressed to the CEO. The consumer sample comprised 245 students studying Marketing at an Australian university. Overall, 302 responses were returned, providing an overall response rate of 46.8%. The response rate by group was 11.75% for agencies, 10% for advertisers, and 24.5% for the media consumers. The questionnaire developed by Sandler and Secunda (1993) was adapted in this study. The instrument used in this study is a four-page questionnaire focusing on the various dimensions of the blurring issue, including product placement, advertorials, sponsored journalism, regulatory bodies and their effects on consumers. The demographics of the advertisers, agencies and media consumers are requested at the end of the questionnaire. The questionnaire was pretested with several advertising executives prior to the full mailing. A five-point likert scale was used for all survey items and a test of difference among mean scores for the three represented groups was used to establish significance.

Results

Based on Results indicate that attitudes towards blurring practices are generally positively framed by both advertisers and agencies. In particular, advertisers are least critical of blurring practices. Agencies tend to be more wary, particularly of the potential impact of blurring practices on media credibility among consumers ($\mu = 2.32$). This is also significantly stronger ($p = .002$) than advertisers ($\mu = 3.4$) and media consumers ($\mu = 2.41$). However, compared to the original study, both advertisers and agencies appear to be less concerned about the perceived harmful effect of blurring on media credibility among consumers, as well as its effects on consumer confidence in advertising. Furthermore, advertisers are also significantly more wary of the impact of blurring on effectiveness and consumer confidence than media consumers.

Generally there are few significant differences in the attitudes towards regulation of blurring practices among the three sample groups. Agencies primarily favour self-regulation by the individual groups more significantly ($p = .000$) than media consumers. Both agencies and advertisers are significantly disposed ($p = .000$) towards regulation by the federal government than media consumers. Generally the overall attitudes towards advertorials ($\mu = 2-2.67$), their prevalence ($\mu = 2.38-2.53$), and likelihood of growth ($\mu = 2.3-2.36$) lean towards the positive.

The results are mixed for product placements. Product placement is more significantly perceived ($p = .01$) as a growing trend for media consumers than agencies. Advertisers are significantly more supportive ($p = .000$) of the usefulness of product placement in the advertising environment than consumers and agencies. Agencies perceived product placement to be a subtle form of advertising ($p = .01$) more so than media consumers. However advertisers are significantly more likely ($p = .000$) to see product placement as a deceptive way to influence consumers than agencies and media consumers. Media consumers reiterated significantly more strongly ($p = .000$) than agencies and advertisers that commercials should be allowed to be shown in movie theatres. The notion that advertisers and agencies should produce their own programs for television is significantly stronger ($p = .012$) for advertisers than agencies and media consumers. The results are indifferent for the three groups for the prevalence and growth potential for this form of advertising. Thus, there are no significant differences between advertisers and agencies in terms of attitudes towards sponsored journalism. However, agencies viewed the practice more favourably than media consumers. Media consumers are also significantly higher ($p = .000$) for the prevalence and growth potential for this form of advertising than agencies.

Conclusion

The preceding discussion highlights the implications between the three respective groups of sample namely, agencies, advertisers, media consumers and their attitudes towards blurring practices. Further, the concluding comments, discussion and several key managerial contributions for the study are presented.

The Sandler and Secunda (1993) study proposed that blurring was a source of concern for advertising executives. However, these fears are somewhat allayed in this study. Some fifteen years later, there appears to be no cause for concern among stakeholders that blurring has undermined the effectiveness of advertising. Perhaps blurring is now a part and parcel of the

advertising landscape and has been accepted as a viable communication option, or consumers are becoming more discerning and are more apt to realize and identify the difference. For others, it could be the added advantage of consumer knowledge for the brands or products.

The study suggests that advertisers are more receptive than agencies towards blurring practices, casting favorable ratings for advertorials, advertiser-produced programming and sponsored journalism. Thus, advertisers tend to be more supportive of these activities relative to the original study. In keeping with their more embracing views, advertisers appear to be less concerned about the potentially harmful effects of blurring. Especially for sponsored journalism, media consumers seem to accept that they are more prevalent today and likely to continue to grow. In fact, media consumers have higher awareness and are able to criticize and question the validity of such practices. For example, Pfizer sponsoring a prize for Health and Medical Research Journalism was met with reservations and in such a case has registered more harm than good for the company (Sweet, 2001).

Further, study findings indicate that product placement is the only component of blurring that has enjoyed greater support from agencies as compared to both the original study and advertisers. Almost half of the agencies (43%) strongly agreed that product placement is 'useful' and is a 'subtle form of advertising'.

The media consumers have provided an interesting insight into this topic. They have tended to take a more conservative view of blurring practices, expressing deeper concerns for the consequences of blurring relative to both agencies and advertisers. The media consumers' support for regulation is as strong as those among industry stakeholders but is not directed at any one preferred regulatory body. The mean scores for the media consumers regarding attitudes towards the various blurring initiatives lies within the range of scores evident for the industry groups. It is encouraging to note that the consumer and the industry views are aligned in relation to this potentially thorny issue.

There are a number of limitations in this study worthy of improvement and leads for future studies. Although this study draws comparison from the Sandler and Secunda (1993) study, there are differences in time frame, market size, as well as location from which the samples have been drawn. While media consumers are included in this extension, perhaps media executives should also be surveyed to add more rigour to future research. The study is a snapshot across different blurring practices. One extension would be to focus on specific practices and to conduct an in-depth study. This would provide more focused implications to the potential adopters of such practices.

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