HS-Foundation Funded Research, Final report 12/2015

Transparency of New Forms of Media Advertising Online





https://www.jvu.fi/hum/laitokset/viesti/en/research/projects/tac

Tämä kaksivuotinen tutkimusprojekti Jyväskylän yliopiston viestintätieteiden laitoksella keskittyi brändättyjen sisältöjen, natiivimainonnan ja brändijournalismin läpinäkyvyyteen. Tutkimuksessa teoreettista näkökulmaa: medialäpinäkyvyys (media transparency), sisältömarkkinointi (content marketing) ja yhteisöviestintä (corporate communication). Aineistona tarkasteltiin brändättyjen sisältöjen tekijöiden käsityksiä sekä Suomessa että Yhdysvalloissa, yhdistettynä päätoimittajien tuntemiin paineisiin. Tutkimus lisäsi läpinäkyyyyden ymmärrystä avaten sen vaikuttavuutta, ja kartoitti läpinäkyvyyden puutteellisuuden uhkia ja seurauksia. Tutkimuksen tuloksena voitiin kehittää sisältöjen läpinäkyvyyttä parempaan suuntaan, ja tieteellisten julkaisujen lisäksi hanke sai runsaasti mediahuomiota vastaten ajankohtaisiin kysymyksiin mainonnan ja uutisten rajoista. Tuloksissa ilmeni, että kaikki sponsoroitu sisältö on luottamuksen lainaamista vieraalle kohteelle, ja sisällöntuottajien ja julkaisijoiden roolit kietoutuvat yhteen. Eettisien kysymyksien määrän uskotaan yhä kasvavan sponsoroidun sisällön suhteen tulevaisuudessa, kun hybridieditoreiden uusi ammattikunta kasvaa. Hankkeen tuloksena syntyi sisällöntuotannon ammattilaisille verkkopohjainen ilmainen itsearviointityökalu, jolla voidaan mitata sponsoroidun sisällön läpinäkyvyysprosentti saaden suosituksia läpinäkyvyyden parantamiseksi teoriapohjaisin perustein (transparency.cc.jyu.fi).

"If transparency is missing, communication may be perceived as propaganda or persuasion, which then threatens the credibility of the advertiser as well as the entire media institution."

How have new forms of online advertising changed the logic of advertising? And how is transparency understood on new arenas? What happens to ethics of these novel practices? And How do the aims of the different actors around new forms of online advertising meet?

Starting with the development of an understanding of the phenomenon of transparency and ending with a concrete tool, this research project has witnessed an interesting time in history, when sponsored content is becoming mainstream for all kinds of media outlets. As a practical result of the project, a self-evaluation tool for practitioners who produce sponsored content has been developed. Any content producer wishing to evaluate the level of transparency of sponsored content produced can now use the tool at http://transparency.cc.jyu.fi/

The Transparency of New Forms of Media Advertising Online (TAO) project focused on content creators, and as such actively participated in professional meetings, profiling itself as an expert of native advertising research in Finland – and also to some extent internationally. Throughout the quest on transparency issues, the project has gained significant interest among the most important stakeholders of the transparency issues, such as media companies, journalists, academia, and public relations and communications specialists. This interest is evident already alone in the amount of media coverage the project and its researchers have accomplished throughout the project.

As a result of this research project, understanding of the elements of transparency in online media advertising, knowledge on threats related to the unsatisfied disclosure, as well as knowledge on a current state of adoption of new forms of online advertisement and its effect on editorial practices in media businesses have been significantly improved.



Julkaisija -magazine, 6/2015.

What do we know of Transparency of New Forms of Media Advertising?

Reasoning the New Forms of Media Advertising

Advertising and marketing have changed, as the traditional methods of maximum exposure and forms of creativity no longer guarantee attention. There is a new emphasis on cognitive processing (Brasel 2012), pushing brands and organizations away from the increasingly inefficient traditional forms of advertising. It's all about good and interesting content that has relevancy for audiences.

"The new aim of brands and organizations is to provide value through information and entertainment in online content, with the help of media outlets."

This era has also changed the logic of advertising, where the effects are reached based on organization's expertise (Gilpin et al. 2010) and quality content creation (Jo 2004), instead of mere visibility and exposure. Typically, these contents are not anymore produced solely by advertising agencies and creative agencies. Rather, brand-related contents are produced in between the brand and the media outlet. Figure 1 maps the most popular forms of brand/media collaboration according to the level of objectivity and the openness and transparency of the source.

"OBJECTI POINT OF VIEW		Sponsored content: Paid content embedded in editorial context written by media representatives.	Brand journalism: Fact-based brand- oriented or other thematic content in brand owned publications produced for specific audience.
		Native advertising: Brand-paid content embedded into newspapers or other external context.	Content marketing: All kinds of interesting content delivered into brand-owned platforms to increase inbound marketing.
"SUBJECT "BRAND POINT OF	messages hidden into the		
	HIDDEN PROMOTION		OPEN VALUE-CREATION

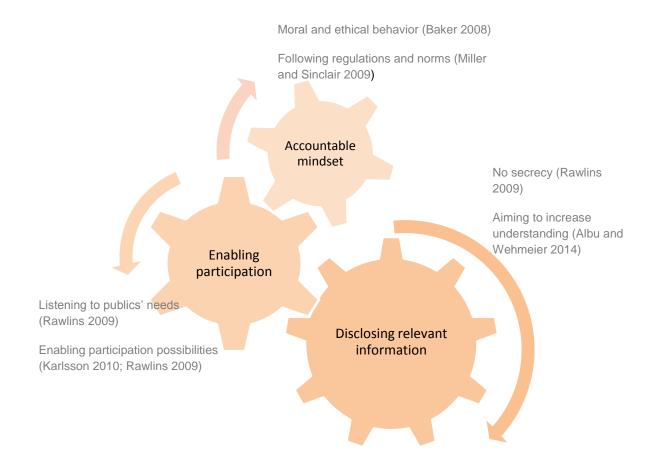
Figure 1: The different types of online media advertising

"Transparency is becoming the new objectivity of both brands and the media."

Transparency originally means movement (lat. *trans*) toward visible (lat. *parent*), but still the term should not be understood in such a simple manner. More specifically, transparency **includes three dimensions**, **namely**

- 1) disclosure of information (Rawlins 2009; Albu and Wehmeier 2014; Baker 2008),
- 2) accountability towards the receivers (Baker 2008; Rawlins 2009) &
- 3) enabling participation (Rawlins 2009; Karlsson 2010; Deuze 2005).

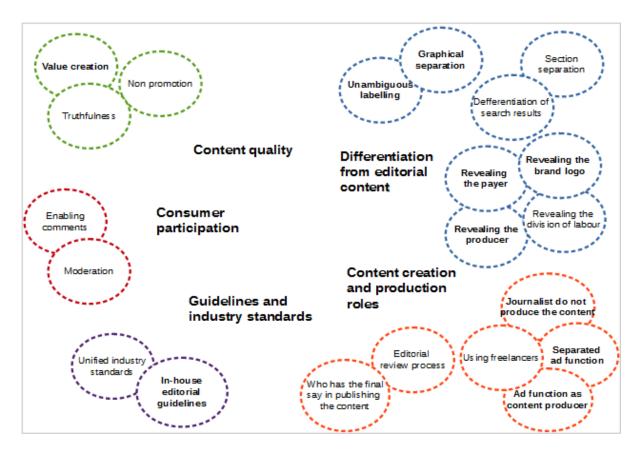
While transparency is often perceived purely as openness (Taiminen, Tolvanen and Luoma-aho 2014), transparency should ensure truth and aim at increasing understanding. Transparent activity also creates accountability as actors display their responsibility in specific act (Baker 2008). In addition, only by engaging publics into dialogue about their information needs (Rawlins 2009) can the relevant information delivery be achieved.



New Forms of Media Advertising and the Need for Transparency Evaluation

Transparency is crucial for ensuring the credibility of new online forms of media advertising as well as legitimacy of the actors involved in the process. Hence, in implementing those activities, several aspects should be taken into account. According to TAO results, the following areas are of central importance for transparency of sponsored content:

- 1) **Content quality:** The content should be based in the areas of organizational expertise or be fact-based and told truthfully. Moreover the content should create value for readers and thus be based on readers' needs and preferences.
- 2) **Differentiation from editorial content:** The background of the content creation needs to be disclosed (payer, producer, brand, division of labor) and clear labelling should be pursued to increase understanding about the content. In addition, the content must possibly be separated from the editorial content to decrease the possibility to mislead readers.
- 3) **Content creation and production roles:** Whereas online media advertising may be done in cooperation with media house, or totally produced inside the media house, several aspects related to the journalist roles in the advertising processes must be evaluated. Basically this means whether they produce the content or contribute into it, which may harm the journalist integrity. However, when the approach is more of a news article style publication, it needs to be clearly explained how the content quality is being verified and who has the final say in publishing the content.
- 4) **Industry standards and editorial guidelines:** While there are multiple parties, with different ethical industry standards, involved in the process of creating these media advertising forms, it should be clearly explained whose standards are used when producing novel forms of advertising content. In the same way, the media house guidelines need to be present and visible for enabling publics to know how content is being produced.
- 5) **Consumer participation:** Without enabling public participation the transparency is only partially implemented. First, without giving possibilities for feedback and commenting, the sufficient level of transparency is only a media house or brand perception, without considering the reader. Listening to readers' stances towards the need for information supports reader understanding of the phenomenon.



Different aspects of transparency of new forms of online media advertising.

Academic contribution

During the two years altogether 8 peer-reviewed academic publications have been either published or are currently in a process of revision/review in scientific journals or conference proceedings. Similarly, to spread the word about the perspectives and findings of the project our researchers have went round to both national and international academic conferences throughout the 2 years. To mention some of the conferences our researchers have attended the most important ones have been International Communication Association's (ICA) annual conference in Puerto Rico at 21–25 May 2015 and Institute for Public Relations Research's (IPRRC) conference in Miami at 3–8 March 2015.

In addition to the mobility of our own researchers, we have also invited our close international collaborators to visit us. For example, prof. Katerina Tsetsura from University of Oklahoma and prof. Craig Carroll from New York University have visited us related to media transparency and transparency signaling – the former several times, including our end seminar, Transparency Day, on 13 November 2015 in Jyväskylä.

We should also not forget to mention the important and significant work that our six Master's thesis and Bachelor thesis students have made in contributing the empirical materials and literature reviews to our project. These excellent works have considered such relevant topics as "theoretical reviews of transparency", "integrative analysis of sponsored content", and empirical examinations of "life-style magazine editors" and "consumers of sponsored content". Each of these works has been used for the purposes of follow-up scientific work and publications.

Among the most important results reported in the published studies are the suggested theoretical models and found novel practices of the transparent organizations in relation with the new hybrid forms of content (*Public relations Review*; *Journal of Media Ethics*), the development of codes of ethics of journalism in the age of sponsored content (*Journal of Media Ethics*), and empirical examinations related to the emerging editorial challenges and ethical considerations associated with the use of sponsored content (*International Journal on Media Management*), as well as the perspective consumers on credibility of sponsored content (*American Behavioral Scientist*). Together these findings point towards two emerging trends based on the findings of our research project:

"Trust is borrowed when content is sponsored"

First, trust is borrowed – media companies enjoy a lot of legitimacy within their audiences. This trust can be borrowed, but all the interests need to be declared transparently in order to ensure that the legitimacy entail. This necessitates the development of codes of ethics, as well as novel tools for assessment and evaluation of transparency.

"Roles Entangle"

Secondly, roles entangle – novel professional roles, such as hybrid editors occupying multiple roles simultaneously are emerging in the news media industry: for instance, the hats of a producer, advertiser, business and brand manager are becoming more and more familiar to managing journalists. The world of advertising as well as media is going towards increasingly participative and dialogic world, where the roles of users, consumers, sponsors, and journalists get blurred. This finding points around an increasing demand of engagement with audiences for media companies and brands. This can be beneficial for media companies in terms of providing new opportunities to serve publics and engage with them. However, it also poses threat to media companies who are not transparent enough, because of consumers' increasing attention towards transparency issues. For example, "transparency settings" of media consumers or hacking of nontransparent actors may be seen in the future.

"Credibility is re-negotiated"

What these trends have in common is, first of all, the increasing importance of credibility of content, both sponsored and non-advertising. Because "credibility" is not a simple but a multifaceted phenomenon, its assessment is a complex task, involving several different parties, such as audience, media outlet, and advertiser. This theme has been contributed within our research project in a form of industry–research dialogue and the development of self-assessment tools and their applications (see the next sections).

"Ethics rise in importance"

Ethical considerations in the everyday editorial practices become more and more important. It can be even stated that "values drive branded content", meaning that each media brand need to develop clear values stating its position and identity towards important ethical aspects clearly. These values will be of importance in guiding the production of credible content. This is the case especially with the new emerging professions like "hybrid editors" (Poutanen, Luoma-aho & Suhanko, tuleva).

Assessment and self-evaluation tools, and codes of ethics for sponsored content

One of the important area in our research project has been the effectiveness and impact of it in terms of media and advertising



practitioners. Since our project involves an examination of changing occupational roles, media industry at large in flux, as well as the considerations of democratic ideals of journalism and the ethical codes securing them, rich interaction between different non-academic parties has been an apparent choice. This is evident both in numerous media articles, active online presence and blogging, as well as many presentations and guest lectures conducted by our researchers in the events organized by different stakeholder, such as unions of journalists and PR practitioners, as well as marketing and advertising professionals. In addition, we organized Transparency seminar around the issues of transparency and new forms of online advertising, with around 200 practitioners and experts in the audience. (See the list of invited talks, presentations, and guest lectures, as well as media hits and blogging in the end of this document.)

However, in addition to our good visibility and presence, as well as real dialogue and interaction, we have also applied the results of our research project in developing real transparency tools for practitioners, in an attempt to engage with them and get practitioners to adopt our research findings as a part of their work. For example, Taiminnen, Luoma-aho and Tsetsura (2015) have developed a transparency self-evaluation test in their article for practitioners, based on industry interviews. Similarly, based on the work of master's thesis student Markus Lehti, Poutanen et al. have started to develop an assessment tool for evaluating content credibility from the point of view of consumers. These tools can be important for the producers of sponsored content in securing the transparency and credibility. One of the practical solution based on these findings was developed in collaboration with a technical developer resulting an online tool for self-assessment of media content transparency.

Find the online tool at here:

http://transparency.cc.jyu.fi/

Future insights

The research project has several suggestions for establishing a future research agenda. However, of the most prominent and of importance are the ones related to our main findings. The key future research areas that we need to know more and which were found as the most pressing during our research project are the following:

- 1) The changing expectations of media audiences and users
- 2) Novel emerging occupational roles in the interface of journalism, marketing, entrepreneurship, and advertising and brand management
- 3) The codes of ethics and their development in the age of sponsored content.

Based on our own experiences, we eagerly suggest that more empirical research and case studies of emerging practices should be conducted, and that at the best, this research will be done simultaneously engaging industry collaborators, to ensure that the findings will be tested, applied and adopted. On the other hand, since the issues are very complex and society-wise of utmost importance, it is necessary that academic research and theory-building continues in this area of research. This is especially important because of the ethical nature of the research questions and because so much commercial research and market research has been conducted in this area, of which transparency and credibility we, as academics, can not always be so sure.

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The team

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TAO Progress

Publications

- 1. Poutanen, P., Luoma-aho, V., Lehti, M.A., & Säteri, A. (forthcoming) Defining Sposored Content Credibility And Introducing A Credibility Assessment Scheme. American Behavioral Scientist (manuscript to be sent for a special issue by 15 Jan 2016).
- 2. Poutanen, P., Luoma-aho, V. & Suhanko, E. (forthcoming) Ethical Challenges of Hybrid Editors. International Journal of Media Management (under review, 3rd round)
- 3. Taiminen, K, Lievonen, M. & Luoma-aho, V. (forthcoming) Towards a more established practices of transparency in media organization's native advertising activities, Journal of Media Ethics (under review)
- 4. Ikonen, P., Luoma-aho, V. & Bowen, S. (forthcoming) Codes of Ethics in the Sponsored Content Era. Journal of Media Ethics (under review)
- 5. Taiminen, K., Luoma-aho, V. & Toivanen, K. (2015) "The Transparent communicative organization and new hybrid forms of content", Public Relations Review, in press.
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Scientific presentations

- 1. Journalistirockin etkot ProCom 2015 seminaari, alustus: Huomiotyö. (V. Luoma-aho)
- 2. Markkinointiviestinnän viikko 2015, Keynote: Tappaako datankeruu Mainonnan? (Luoma-aho)
- 3. ProCom ry:n Lehtipäivä 26.11.2015, Presentation: Natiivia vai naiivia? Mediamainonnan uudet muodot ja läpinäkyvyys koetuksella. (Poutanen)
- 4. HeadOffice Finland, workshop: Läpinäkyvyys: salainen ase (branded content credibility), Helsinki, August 5th, 2015.
- 5. Datan visualisointiseminaari, 2015, keynote, JYU (V. Luoma-aho)
- 6. Journalismin päivä 17.10.2014 Speaker: Mitä kaikkea on Sponsoroitu sisältö? (V. Luoma-aho)
- 7. Journalismin päivä 17.10.2014 Speaker: Who paid for my news? (K. Tsetsura)
- 8. Journalismin päivä 17.10.2014 Speaker: Uudet mediamainonnan muodot (K. Taiminen)
- 9. PRForum Academic 2014, Madrid, Spain: Hybrid forms of PR (V. Luoma-aho, K. Taiminen, K. Tolvanen)

Interviews and comments in media

- 1. Helsingin Sanomat, TV "Munaruuhka ja matopakit" 5.11.2015 (V. Luoma-aho)
- 2. Markkinointi & Mainonta 7.10.2015 "Tutkija VEETin Facebookmainonnasta: Kääntyy pahasti itseään vastaan" (V. Luoma-aho)
- 3. Helsingin Sanomat 5.9.2015: "Tunnista mainostermit" (K. Taiminen)
- 4. Journalisti 6.11.2015: Mainos jutun vaatteissa. (V. Luoma-aho, K. Tsetsura, K. Taiminen) http://www.journalisti.fi/artikkelit/2014/13/mainontaa-jutun-vaatteissa/

- 5. Poutanen, P. (November 2015) Tietoaineistojen avaajan ei kannata jättää viestintää hyödyntämättä. Helsingin kaupungin avoimen datan projektin Helsinki Region Infosharen blogi. http://www.hri.fi/fi/ajankohtaista/bloggaukset/tietoaineistojen-avaajan-ei-kannata-jattaa-viestintaa-hyodyntamatta/
- 6. El Molinillo, July 2015: Compolitica: "I think listening is important to reputation" http://compolitica.com/wp-content/uploads/N%C3%BAm.-77-El-Molinillo-de-ACOP-Junio2015-1.pdf (V. Luoma-aho)
- 7. Helsingin Sanomat 30.6.2014 "Yritykset panivat kummeliksi somessa" Interview on wild brand behaviour around the soccer world cup 2014, (V. Luoma-aho) http://www.hs.fi/talous/a1404094676712
- 8. Keskisuomalainen 26.6.2014 "Onko tämä juttu vai mainos?" Interview on the difference between branded content, editorial stories and advertising. (V.Luoma-aho)
- 9. Suur-Jyväskylän Lehti 25.6.2014 "Kaikki lähtee kuuntelemisesta", (V. Luoma-aho)
- 10. Julkaisija 6/2015 "Läpinäkyvä viestintä vaatii ja antaa paljon". Interview on transparent communication.
- 11. Poutanen, P. (10.7.2015) "Mediamainonnan uudet muodot hämmentävät." http://organisaatioviestinta.com/2015/07/10/mediamainonnan-uudet-muodot-hammentavat/
- 12. Kauppalehti 24.2.2014 "Mainonta ja Journalismi kohusuhteeseen", Interview on new forms of advertising (V. Luoma-aho)
- 13. Profiili, 2/2014 "Lisää tunnetta viestintään", ProCom Ry
- 14. Smocka, 4.2.2014 "Facebook fyller 10 år" http://www.smocka.fi/nyhet/tis-42-2014-1121/foregangaren-facebook-fyller-tio-ar
- 15. Yle uutiset, 17.1.2014 "Asiantuntijat: Nämä ovat sosiaalisen median trendit vuonna 2014" http://yle.fi/uutiset/asiantuntijat_nama_ovat_sosiaalisen_median_trendit_vuonna_2014/702857 (V. Luoma-aho)
- 16. Yle Keskisuomi, 7.1.2014, Live Interview on the new professorship & trends in research

Trips and scientific conferences

- 1. Engagement research symposium, Hunter Valley, Australia, December 2015,
- 2. Transparency Day, Sponsoroidun sisällön seminaari, Jyväskylä 13.11.2015
- 3. "Future of the Chief Communication Officer", Arthur W. Page Society Annual Conference, Chicago, IL, September 6-9 2015. (V. Luoma-aho)
- 4. 2015 Mediatutkimuksen päivät, Vaasan yliopisto, Huhtikuu 2014, (K. Taiminen)
- 5. 2015 ICA 65th Annual Conference of the International Communication Association, 21-25. May, Paper & Presentation, Puerto Rico.
- 6. 2015 IPRRC Institute for Public Relations Research Conference, Miami, Florida; Paper & Presentation, March 3rd-8th 2015.
- 7. 2014 Public Relations pre-conference on Engagement, ICA Annual conference, Seattle, Washington, USA, May 2014. Paper & presentation.

Additional

- 1. MA Thesis. Sulku, A. "Towards transparency with disclosure theoretical review". University of Jyväskylä.
- 2. MA Thesis. Lehto, M. "Sponsored content credibility. An integrative Analysis". University of Ivväskylä.
- 3. MA Thesis. Ikonen, P. "Sponsored content and Transparency". University of Jyväskylä.
- 4. MA Thesis. Brandt, K. "Advertising theories and today's practice". University of Jyväskylä.
- 5. MA Thesis. Suhanko, E. "Lifestyle magazine editors' new leverage and outside influences". University of Jyväskylä.
- 6. MA Thesis. Säteri, A. "Authenticity in organizational content creation activities". University of Jyväskylä