

### Lesson no. 7 - Native Advertising

#### What Is Native Advertising?

Simply put, native advertising is paid content. Articles, infographics, videos, you name it – if a content producer can make it, corporations can buy it and publishing platforms can promote it.

Now, you might be thinking, "How does a native advertisement differ from an advertorial?" Well, in order to be considered a true native advertisement, the content should align with the publication or site's established editorial style and tone, and must also provide the kind of information that the publication's audience typically expects.

These qualities are what make native advertisements difficult to spot, as they often blend in with the "organic" content extremely well. This is made even more challenging by the fact that there are no defined rules or guidelines on how publishers must label native ads, and standards of transparency vary widely from one publication to another.

It's also worth noting that native advertising is not necessarily the same thing as content advertising. Unfortunately, the overlap between the two disciplines and their similarity in name often result in confusion.

### Why Is Native Advertising So Controversial?

This was the advice of Eric Goeres, director of innovation at Time magazine, speaking at the recent Contently Summit. Goeres spoke during the "Truth in Advertising" panel at the event, during which the topic of native advertising took center stage. Goeres' words of warning refer to the trust between a publisher and its audience, and he emphasized the dangers of angering readers by resorting to trickery and deception to make a quick buck.



# **Online Display Advertising**



Brands and advertisers love native ads, mainly because the click-through rates tend to be much higher than typical advertisements and engagement is usually much stronger. However, not everyone is as enamored with native ads, particularly consumers.

Several professional organizations have weighed in on the often-vague nature of native advertising. The Federal Trade Commission is considering implementing regulatory measures on brands using native ads to promote their products, and the FTC has also indicated it may monitor the market closely to ensure that native advertising is being used in a manner that benefits consumers. The American Society of Magazine Editors has also called for greater transparency and oversight when it comes to native advertising.

The reason that many publishers see native advertising as a risky proposition is the potential for this kind of content to erode the public's trust. After all, if The New York Times publishes a "story" by Dell in exchange for money, can the Times objectively report on matters relating to Dell, or has every mention of the company been paid for? This is the dilemma facing publishers today.



# **Online Display Advertising**



#### **Native Advertising Statistics**

Before we look at some of the best native advertising examples (and a rogue's gallery of some of the worst), let's acquaint ourselves with the state of the native advertising landscape:

Almost half of consumers have no idea what native advertising is

Of those consumers who do, 51% are skeptical

Three out of four publishers offer some form of native advertising on their sites

90% of publishers either have or plan to launch native advertising campaigns

41% of brands are currently using native advertising as part of wider promotional efforts

