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Native Advertising: Attitudes, Value and Purchase Intention

by

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Thesis

Presented to the Faculty of the Graduate School of

The University of Texas at Austin

in Partial Fulfillment

of the Requirements

for the Degree of

Master of Arts

The University of Texas at Austin

May 2015

Acknowledgements

I want to express special thanks to my supervisor Matthew S. Eastin for unequivocal confidence in my ideas, useful guidance and ongoing support.

Abstract

Native Advertising: Attitudes, Value and Purchase Intention

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Native-form advertising in the digital space can most easily be defined as

promotional content constructed to mimic the form and structure of the website that it is

embedded on. With the rise of user generated content and social media, digital native

advertising is fast becoming a popular promotional tactic for brands looking to engage

with an online audience. This study examines whether this form of advertising

significantly impacts consumer attitudes towards the ad, value of the ad and purchase

intention of the promoted product across three product categories. Although not

significant, results suggest that native advertising positively impacts entertainment- and

lifestyle-based products, while information-based service industries, including cyber

security, saw a negative reaction from respondents. That said, product category did

influence attitude toward the ad and ad value regardless of the ad type. Moreover, a

strong positive correlation between product involvement and purchase intention was

found, indicating the need to target specific audiences with online native advertising.

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Introduction

The rise of digital media and proliferation of user-generated content in 21st century has undoubtedly revolutionized the communications landscape for both consumers and marketers. Online media users are increasingly saturated with real-time, relevant content that can travel at unprecedented speeds across a consumer base through social communities. These consumers are now better informed more involved and increasingly resourceful (Berthon 2012, Thurman 2008) Conversely, the lines between authentic journalism and paid content are becoming increasingly blurred, allowing marketers to leverage the horde of quality content online to project their advertising and branding communications to targeted consumer segments. One key and controversial example of this phenomenon is the case of online native advertising.

Native-form Advertising is a broad and diverse reference to sponsored message placements concealed or disguised as original content. From long-established print advertorials to product placement and user-generated content, this form of promotions is continuously evolving as a marketing technique. For the purposes of this paper, native advertising will be defined exclusively in the realm of digital media. That is, any paid or sponsored online collateral structured in a way that intends lead the consumer to believe, at least momentarily, that it is original content. Couldry and Turow (2014) provide a similar definition that will be useful for the purpose of this study. They see native advertising as a "textual, pictorial, and/or audiovisual material that supports the aims of an advertiser (and is paid for by the advertiser) while it mimics the format and editorial style of the publisher that carries it"(Couldry & Turow 2014).

Digital media publishers have hailed online native advertising as a premium service for brands, with sweeping claims of increased engagement, optimal brand consistency and quality control (Konrad 2015). Kristin Laird of Marketing Magazine attributes the performance superiority of native ads to their contextual nature and content quality(Laird 2013). This is clearly reflected by the increase in spending on online native advertising (eMarketer 2014). Business Insider Intelligence projected that marketing spend on native advertising in the United states would climb 34.5% in 2015, to around \$10.7 billion (eMarketer 2014). These increases are industry wide, as evidenced by research suggesting 55% of all US client-side marketers plan to increase their native ad budgets in 2015 (eMarketer 2014). In order to gauge, however, the true impact of the native-form ad it is essential to empirically explore its inherent theoretical assumptions.

The theoretical foundation of using native advertising can be discussed using various popular mass communications frameworks including the Persuasive Knowledge Model (Wright & Friestad 1994), Heuristics (Chaiken 1987) and Uses & Gratifications Theory (Katz 1987). To this end, this study will use a series of comparison tests to distinguish the differences in persuasive outcomes between native and display advertisements, while keeping content consistent. In this case, this study will use regular online display advertisements as a controlled variable, while examining the incremental differences between native advertising structures on attitude toward the advertising, value and purchase intention. Simply, this study will assess whether the digital native advertising format influences attitudes towards the ad, increases engagement and incites greater purchase intention.

Literature Review

The key benefits underpinning native online advertising as a premium media offered by mass publishers are promises of greater engagement, interaction and purchase intention (derived by framing persuasive messaging in a disguised format). In order to validate these sweeping assumptions, however, it is essential to examine the efficacy of the visual structure of the advertisement itself.

COGNITIVE RESISTANCE & HEURISTICS

As mentioned, media publishers sell native advertising on the assumption that it incites greater engagement and drives stronger purchase intention (Konrad 2015). This assertion is based around the idea that native content lowers the cognitive resistance to an advertised product, a theory rooted in Wright's (1973) study into consumer responses to advertising. His findings were that message acceptance is primarily moderated by cognitive response processes, including counter arguments. Wright (1994) went on to apply his findings to the development of the Persuasion Knowledge Model (PKM), identifying that consumers respond to persuasion attempts by identifying how and when advertisers are trying to influence them (Wright & Friestad 1994). As such, advertisers often seek ways to minimize consumer recognition of sponsored content through methods such as interactivity and humor (Sundar & Kim 2009). For example, Sundar and Kim's (2009) research into persuasive tactics online shows that interactivity is a strong cue aiding to the persuasive function of online ads. They argue that interactivity enhances involvement with the product, leading to more positive user evaluations. Moreover, Wei's (2008) study into activating persuasive knowledge and covert marketing revealed that consumer likelihood of recognizing the persuasion attempt is moderated by the appropriateness of the marketing tactic and by product category involvement. In the case of native advertising, media publishers are constructing a non-traditional vehicle for branding and promotions that attempt to lower what Wright saw as cognitive resistance to persuasion, increasing message resonance and consequently purchase intention.

The ability for to consumers to simply recognize their own exposure to native content online is a popular topic in the marketing industry. A study of 10,000 media consumers across the globe found that over 50% of advertising respondents could not recognize sponsored advertising, nor did they know what this form of advertising was (Steigrad 2013). The results of Franklin's study has significant implications if one assumes that minimal audience awareness of native advertising techniques allows publishers to create branded content on a larger scale without consumers identifying its inherently persuasive nature. By the assumptions inherent in the PKM, and the high proven incidence of respondents unaware of promoted content across the globe, it stands to reason that native content has the capacity to lower cognitive resistance to advertising.

In addition to examining native-form advertising within the assumptions created by the PKM, it is crucial to deconstruct native advertisements using an analysis of consumer motivations and media attributes. The foundations of our analysis will examine the impact of native advertising in relation to the Heuristic Model of Persuasion (HMP). Chaiken's (1987) HMP reinforces the idea that the perceived structure of an advertisement will significantly impact its persuasive efficiency. The model dictates that people exert minimal cognitive resources when judging the validity of persuasive communications. Rather, individuals base their acceptance of a message on "a superficial assessment of a variety of extrinsic persuasion cues such as surface or structural characteristics of the message itself, communication characteristics and audience characteristics" (Chaiken 1987, p. 3). Moreover, Thompson and Hamilton (2009) assert that when advertising format is compatible with processing mode (analytical vs imagery

processing) information process ability is enhanced, persuasiveness increases and brand evaluations and purchase intention increase (Thompson & Hamilton 2009). Psychologist Barbara Loken (2006) similarly suggests that advertising is more effective when the persuasive cues are congruent with product information. It is therefore plausible to assert that according to the HMP, by altering the perceived structure and content of a persuasive message, native-form content may impact the audience's superficial analysis of the advertisement and thus the outcome of the persuasion attempt.

USES AND GRATIFICATIONS THEORY

The impact of native advertising on persuasive effectiveness can also be explored by examining the inherent motivations that drive media consumption within the uses and gratifications framework. The core proposition of this framework is that gratifications sought explain individual media exposure (LaRose & Eastin 2004). For example, if an Internet user seeks information when engaging with media, the persuasive outcome of an advertisement will be influenced by how seamlessly the content gratifies their initial need or motivation.

Ruggiero (2000) examines the application of uses and gratifications theory to the contemporary media consumer, highlighting its resurging significance in the face of Internet media consumption (Ruggiero 2000). In the traditional application of uses and gratifications, one would argue that by satisfying the basic needs for information and entertainment, advertising impacts consumer attitudes and behavioral intention (Katz 1987). In Ruggiero's analysis, however, it is asserted that contemporary models of uses and gratifications theory include aspects of "interactivity, demassification, hypertextuality and asynchroneity" (Ruggiero 2000). Korgaonkar & Wolin (1999) similarly draws attention to the gratification dimensions of information, interactive and

economic control when analyzing online media exposure. The level of interactivity in online media has a particularly profound impact on the traditional uses and gratifications framework. Ruggiero notes that for self-indulging individuals, the playfulness and choice associated with interactive content satisfies basic entertainment needs, while task orientated users see the connectedness dimension satisfy their need for information (Ruggiero 2000). Other scholars, including Eighmey and McCord have found that Internet media consumers exhibit similar uses and gratifications behavior than those of traditional mediums such as television and radio (Eighmey et al 1998, Luo 2002). Papacharissi and Ruben (2000) propose the value of interpersonal communications gratifications made possible with the rise of emails and real-time chatrooms (Papacharissi & Ruben 2000). This creates an entirely new framework of gratifications sought depending on how two-parties interact in an online setting. Moreover, Song, Eastin and Lin's (2004) gratification study concerning virtual communities asserts the importance of new social forums when consumers interact in the digital realm. The rise of social media has embedded this gratification in the mind of cyber consumers (Song et al 2004).

By manipulating the perceived structure of promoted content, native advertising is increasing brands abilities to satisfy both the traditional informative and entertainment-based desires of its consumers and the nuanced gratifications of interactivity and hypertextuality, thereby increasing persuasive efficiency and purchase intention (Ruggerio 2000, Song et. al. 2004, Papacharissi & Ruben 2000, Korgaonkar & Wolin 2004).

ENGAGEMENT & PURCHASE INTENTION

In order to truly explore the effectiveness of product and brand advertising it is essential to establish key performance indicators and what relationship they have to overall campaign objectives. Two such indicators that will be identified in this text are engagement and purchase intention. In the realm of digital media, engagement is often defined as the concrete indicator of communicative efficiency. Calder et al. (2008) assert that viewer engagement can be perceived in two ways: Firstly by engagement with the medium itself, or rather the structure in which the audience consumes the content. Secondly, they note engagement with the brand and products. Native advertising seeks to alter both the structure and content of branded messaging, thereby dynamically increasing engagement potential.

Content relevance and business transparency have significant implications on consumer engagement and purchase intention. Wang (2006) proposes that engagement is driven, and in some ways defined by contextual relevance. Higher relevance, he asserts, will increase advertising recall, message involvement and message delivery (Wang 2006). This relevance is the foundation on which native advertising seeks to increase consumer engagement and purchase intention by personalizing content to the responder.

Furthermore, in order to understand the value of native advertising in executing a company's marketing objectives one must examine the implications it has on consumer purchase intention. It is essential to use intention to purchase as a key conative measure to anticipate audience response from advertising stimuli (Li et al 2002). By gauging whether consumers have an intention to purchase a product following exposure to advertised content, it is possible to establish an overall framework for persuasive efficiency (Andrews et al 1992). Similarly, Lafferty (2002) asserts that by increasing persuasive efficiency, purchase intention for the advertised product is likely to rise (Lafferty et al 2002). Moreover, an understanding of business transparency is key when analyzing consumer responses (particularly purchase intention) to native advertising content. Creyer (1997) found that consumers will frequently analyze the ethical

transparency of a firm's communications and adjust their purchasing behavior. Bhaduri and Ha-Brookshire (2011) concur, highlighting the positive impact of transparency on consumer attitudes and purchase intention (Bhaduri & Ha-Brookshire 2011). This may have negative consequences for native advertisers who are essentially trying to conceal their involvement in promotional content. Simply put, by tampering with advertising transparency the marketer is risking audience purchase intention. As previously stated, increased engagement frequently leads to greater persuasive efficiency. Moreover, it can be seen that by increasing persuasive efficiency, purchase intention for the advertised product is likely to rise (Lafferty et al 2002).

Essentially, by increasing perceived content relevance ad publishers are seeking to increase user purchase intention through this native content, while by tampering with advertising transparency the marketer is risking negative responses from the audience.

The purpose of native-form advertising, therefore, can be hypothesized to increase engagement through changes in content and structure. This in turn will impact persuasive efficiency and positively impact consumer purchase intention.

ATTITUDES TOWARDS THE ADVERTISEMENT

In examining the impact of native advertising in its full complexity, it is essential to look at consumer attitudes. As audiences respond to advertising content, they are acting on pre-existing attitudes towards the brand and medium. Moreover, following exposure to an advertisement, consumer attitudes may be altered depending on how they respond to the message. Attitudes, in turn, play a pivotal role in creating purchase intention (Biehal et al 1992). For instance, previous research (Biehal et al 1992, Hartmann & Apaolaza-Ibáñez 2012) has suggested that attitudes towards the advertisement itself have a direct and positive impact on brand choice and purchase

intention. Similarly, scholars have found that positive attitudes towards a specific advertisement have a strong correlation with positive attitudes towards the brand (Brown et al 1992, Bian & Forsythe 2012). Framing an advertisement as more informative and authentic may impact cognitive and emotional attitudes towards the promoted content itself (Crever 1997; Bhaduri & Ha-Brookshire 2011). This looks beyond just ad relevance and measured response, to complex emotional reactions on an individual level, moderated by values, ambivalence and accessibility (Petty et al 1997).

Combining the previous research into the impact of attitudes towards the ad and structural benefits of native online advertising therefore may suggest a connection between this form of advertising and increased purchase intention. Petty et al note the HSM contains various motives (specifically accuracy, defense and impression) when creating attitude changes (Petty et al 1997). This mix of consumer motivations may be modified by exposure to native-form content, creating the potential for attitude change in the responder. In turn, these attitude changes can be seen to have resounding implications for brand building and purchase intention.

TRADITIONAL METRICS VS TRUE ADVERTISING EFFECTIVENESS

In analyzing the impact of native advertising on consumer attitudes and purchase behavior it is essential to look beyond the traditional metrics for digital campaign analysis. In order to gain a dynamic understanding of how an audience consumes native advertising and what impact it has on purchase intentions one must look at traditional, digital and emotional-measuring metrics. Burns (2011) notes the correct metric for holistic advertising effectiveness is not yet agreed upon, and generalized averages including CPM & CPC won't provide sufficient insight to examine the complete impact of a digital advertisement. In fact, a McKinsey analysis into the use of digital metrics

argues the digital practitioners are facing challenges because the online platform is developing faster than the tools necessary to measure it (Bughin et al 2008). They go on to assert this issue "has made it difficult for marketers to fully exploit the Web's promise as the most targetable and measurable medium in the history of marketing" (Bughin et al 2008, p. 1). To find a solution, Burns asserts the tools for measuring digital campaign effectiveness should be required to meet the standards of all contemporary scientific research (Burns 2011). That is, they need to be statistically reliable, involving representative standards and industry-wide vetting (Burns 2011). The current research on native advertising effects will attempt to use both scholarly benchmarks and industry-approved analysis to establish a holistic understanding of how native advertising is consumed by consumers.

ROLE OF USER GENERATED CONTENT

The rapid upsurge of user-generated content has been a primary driver behind the rise of digital native advertising, with increasing opportunities for brands to gain huge engagement with unprecedented authenticity through industry pioneers like Buzzfeed. Thurman (2008) examines the rise of user-generated content and it's impact on online media and journalism. He asserts the growth of independently published websites (Like Blogger and Buzzfeed) is annexing the space traditionally occupied by the mainstream news media. He also highlights that mainstream news sites are providing greater opportunity for readers and users to submit original content to be published through their high-traffic web forums (Thurman 2008). Similarly, Berthon et al's (2012) examination of "web 2.0" it is noted that media power has shifted away from the firm and towards the creative consumer. This represents new territory for advertisers as social media and usergenerated content (reddit, facebook, buzzfeed) allow brands to infiltrate word-of-mouth

conversations with greater pervasiveness than ever before. Berthon and colleagues go on to examine the impact of social media and user-generated content on media consumption itself. Here, they assert the impact is three-fold: facilitating the rapid dissemination of information, allowing accelerated speed and coalescence of interpretive frameworks to make sense of the information and the swift coordination of action (Berthon et al 2012). By implanting promoted advertising framed as user-generated content it would stand to reason that the audience would disseminate and interact with the brand at a faster and greater rate than ever before.

THE BENEFITS OF NATIVE ADVERTISING

As established earlier in this paper, the perceived benefit of advertising collateral can directly influence purchase intention and ad effectiveness. Steigrad (2013) argues that native content increases the perceived benefit of ad content in the mind of consumers, thereby positively influencing its effectiveness. Here, consumers are actively seeking out sponsored content and native media in order to better interact with their preferred brands (Steigrad, 2013). The benefits of native advertising are affirmed through research stating that this form of promoted content "can be appealing because of it's seamlessness and appearance of being embedded in a publisher's overall experience"(eMarketer, 2014). Forbes similarly notes that the higher price tag of native advertising is a reflection of increased quality control, brand consistency and relevance (Konrad 2015)

Berthon suggests that marketers in web 2.0 need to learn to engage, rather than bully customers into content consumption and take a personal (rather than officious tone) in addressing their audience (Berthon et all 1997) Similarly, Harrrison and Barthel (2009) indicate that audiences are now more active than ever before, creating and sharing information at unprecedented rates. It is important, therefore, for advertisers to engage

their audience through relevance and novelty. Native advertising can be seen as a step in the right direction, by focusing on what the customer wants to consume rather than what they need to hear in order to promote a brand.

Initial survey research by Business Insider Intelligence, Polar Media Group and Celtra found that native advertising does indeed out-perform traditional display ads in terms of click-through-rates (CTR), with particular impact on mobile devices (BII, 2015). Their study found that mobile-based native advertisements averaged a CTR of over 1%, which is significantly higher than industry benchmarks (BII, 2015). The current study will extrapolate beyond merely average internet metrics to understand cognitive consumer responses to the native-form content.

Hypothesis

Assuming that personal preferences and ad content remain constant, this study is proposing that native-form advertising will increase perceived value of the ad, purchase intention and positive attitudes towards the ad. Therefore, this research will propose the following hypothesis:

H1: Advertisements presented in native format will be perceived as more valuable than an ad presented in display format.

H2: Consumer attitudes toward the ad will be greater for native advertisements compared to display advertisements.

H3: Native-structured advertisements will produce greater purchase intention compared to display advertisements.

H4a: Product involvement will be positively related purchase intent.

H4b: Product involvement will be positively related attitude toward the advertisements.

H4c: Product involvement will be positively related perceived advertisement value.

RQ1: How does product-type differ for ad effectiveness?

Methodology

SUBJECTS

One hundred and thirteen subjects were surveyed during the process of this research. Participants ranged between the ages 18-67, 50% of whom held a bachelors degree or higher. Participants were 51% female and 49% male, and there was a relatively even spread in relationship status with 31% Single, 31% in a relationship and 37.2% married.

A human intelligence task was created using Amazon's Mechanical Turk, a crowd sourcing website and participants were recruited from the Mechanical Turk's pool of workers. As such, the pool of participants was reflective of the Mechanical Turk population. Each participant was only permitted to take the survey one time, and provided a unique participation number to ensure completion and prevent repeat participation. Subjects were not required to provide any specific identification data to promote confidentiality. Each participant was exposed to one of six advertising stimuli, and asked a set of questions to measure their immediate response to this content.

RESEARCH DESIGN

This study was designed to measure consumer responses to native-form advertising between industries. This test will be repeated across 3 industries to compare and contrast whether native advertising is more effective for different product categories. To this end, participants were randomly assigned to view one of six conditions (Display Ad-Industry 1, Native Ad-Industry 1, Display Ad-Industry 2, Native Ad-Industry 2, Display Ad-Industry 3, Native Ad-Industry 3) and then asked to complete a survey where their attitude towards the ad, perceived value of the ad and purchase intention of the advertised product were assessed.

PRODUCT CATEGORIES

In order to identify whether the impact of native-form advertising varies across industries and product categories multiple comparison tests were executed and subsequently analyzed. The products used as stimuli in this experiment were chosen based on the following criteria; Whether the product is relevant to a high proportion of the US population (Smith & Duggan 2013) and whether online advertising would ordinarily have a direct and measurable effect to sales conversion.

As such, the following three product categories were incorporated: cyber security (A \$60 billion industry in the USA), online dating (11% of US population are active users) and consumer electronics (\$223 billion industry in the USA) (CEA 2015; Stiennon 2013; Smith & Duggan 2013). Cyber security refers to software products marketed at keeping your computer or digital files safe from viruses or other potentially damaging malware. Online dating can be defined as any services based online geared towards facilitating romantic connection for individuals. Lastly, consumer electronics was refined in the case of this study to include consumer-focused, studio quality headphones. Each brand was fictional and created for the purposes of gathering the most accurate data from the respondent. By comparing these product categories through survey testing, we were able to assess whether native advertising has a varied impact depending on what content is used.

STIMULI

Six unique advertisements were created for the three product categories. Respondents were randomly exposed to only one of these unique executions, and allowed 15 seconds to view it before prompted to survey questions. Within each product category, participants were randomly assigned to view either a native-form advertisement or regular display execution. Content was perfectly consistent between the two types of

advertising in each product category to ensure comparison validity. The display executions were structured in a traditional manner, with images and text scattered in a visually appealing way. In contrast, the native-form advertisements were structured more formally to mimic publisher content.



Illustration 1: Consumer technology display advertisement



Illustration 2: Cyber security display advertisement

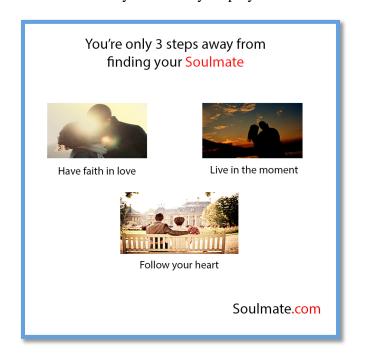


Illustration 3: Online dating display advertisement



Illustration 4: Consumer technology native advertisement



Illustration 5: Cyber security native advertisement



Illustration 6: Online dating native advertisement

MEASURES

The survey used to distinguish attitudes towards the ad, value of the ad and respondent purchase intention was designed using a variety of scales adapted from previous research.

Independent Variable

While keeping the controlled variables of content and ad size constant, the key independent variable manipulated in this study is the basic structure or layout of the advertisement (native vs traditional display structure).

Dependent Variables

Attitude toward the Ad. Adapted from previous research (Choi et al 2012; Muehling 1987), attitudes towards the advertisement was measured using a three-item,

seven point semantic differential scale (bad-good, negative-positive, unfavorable-favorable, like-dislike) (M = 4.68, SD = 1.54, $\alpha = .92$).

Value of the Advertisement. Value of the advertisement was measured using a three-item, five-point likert-type scale (useful to me, valuable, an important source of information to me) ranging from strongly disagree (score = 1) to strongly agree (score = 5)(M = 2.71, SD = 1.18, $\alpha = .95$) (Zeng et al 2009: Ducoffe 1995).

Purchase Intention. Purchase intention was measured using a four-item, 7-point semantic differential scale (Unlikely-likely, improbable-probable, uncertain-certain, definitely not-definitely) (M = 3.51, SD = 1.85, $\alpha = .92$) (Bearden 1984).

Product Involvement. Product involvement was measured using a single likerttype item ranging from strongly disagree (score = 1) to strongly agree (score = 5)(M = 3.08, SD = 0.90, α = .845) (Jin et al 2009).

The questions containing these scales were adapted to each product category to ensure that each was relevant to the advertising exposure and potential product consumption.

PRE-TEST

Prior to official testing, a 10-person pre-test was initiated to ensure survey integrity. Minor edits and alterations were made to optimize the survey for the primary sample population.

Results

DATA ANALYSIS

Hypothesis Testing

Independent sample T-Tests were used to determine the significance of mean differences between native and display advertisement responses across each individual product categories. Hypothesis 1 predicted that advertisements presented in native format are perceived as more valuable than a display format across all industries. Across all three product categories, the data failed to support this hypothesis (Cyber Security: t(1)=0.749, p>0.05, Native (M=3.15, SD=1.12), Display (M= 3.41, SD=0.95); Online Dating: (t(1) = -0.223, p >0.05, Native (M=2.27, SD=1.28), Display (M= 2.19, SD=1.03); Consumer Technology: t(1) = 0.301, p >0.05, Native (M=2.62, SD=1.21) Display (M= 2.73, SD=0.98).

Hypothesis 2 predicted that consumer attitudes toward the ad are greater for native ads compared to display ads. Similar to the prior results, this hypothesis was supported by the data across any of the product categories (Cyber Security: t(1)= -0.432, p>0.05, Native (M=5.17, SD=1.13) Display (m=4.98, SD= 1.45); Online Dating t(1)= -0.283, p>0.05, Native (m=5.21, SD=1.67) Display (m=4.49, SD= 1.82); Consumer Technology: (t(1)= -0.317, p>0.05, Native (m=4.10, SD=1.43) Display (m=3.95, SD= 1.25).

Hypothesis 3 predicted that native-structured ads will produce greater purchase intention compared to display ads. This hypothesis was also not supported by the data t (Cyber Security: t(1) = 0.282, p >0.05, Native (M=3.86 sd=1.84) Display (m=4.03 sd=1.90); Online Dating: t(1) = -0.156, p >0.05, Native (M=3.13 sd=2.08) Display

(M=3.03 sd=1.71); Consumer Technology: t(1) = -0.096, p >0.05, Native (m=3.53 SD=1.96) Display (m=3.47 sd=1.51).

Hypothesis 4 predicted that product involvement would be positively related to purchase intention, attitudes towards the advertisement and values towards the advertisement. In order to examine these predictions, three correlation tests were executed and results were examined using a correlation coefficient. As predicted, hypothesis 4asaw a strong and significant positive relationship between product involvement and purchase intention (r=0.53, p<0.001). Conversely, H4b revealed a weak, negative relationship that was not significant between product involvement and attitudes towards the advertisement (r=0.21, p>0.05). Lastly, supporting H4c data indicated a strong and significant positive correlation between product involvement and value of the advertisement in the mind of the consumer (r=0.62, p<=0.001).

Given the lack of statistical difference for ad type, Research Question 1 was assessed using an Analysis of Variance (ANOVA) to compare means among the three product types. Data indicated that product category significantly differed for attitude toward the ad, F(2,110) = 4.96, p < .05. Here, the cyber security category (M = 5.08, SD = 1.29) significantly differed from the consumer technology category (M = 4.04, SD = 1.34) but not the online dating category (M = 4.87, SD = 1.76). Online dating approached statistical significance (p = .06) when compared to consumer technology.

Turning to value of the ad, data indicated that product category significantly differed, F(2,110) = 8.44, p < .05. Here, the cyber security category (M = 3.28, SD = 1.03) significantly differed from online dating (M = 2.23, SD = 1.17) and approached statistical significance for consumer technology (M = 2.67, SD = 1.10, p = .07) Online dating did not differ from consumer technology for value of the ad.

Finally, data did not indicate a statistical difference among product category for purchase intention, F(2,110) = 2.09, p > .05).

Discussion

The fact that a significance test did not validate our initial hypotheses that native advertising positively influences ad attitudes, values and purchase intention raises important questions pertaining to the growth of this tactic within the marketing industry. However, the survey results do indicate a slight improvement in purchase intention across the native category for online dating and consumer technology. It is therefore essential, from a practitioner's perspective, to measure the difference between the incrementally higher price of native advertising and the projected increase in purchase intention illustrated by this study. That said, product category did influence attitude toward the ad and ad value regardless of the ad type. Moreover, our analysis did prove a significant correlation between product involvement and purchase intention. This will have a significant impact for marketers, particularly as programmatic media buying and personalized retargeting continue to grow.

Firstly, our analysis revealed that across all industries there was no validated increase in positive attitudes, value or purchase intention after recalibrating the advertisement into a native format. In fact, in some cases the display advertisement outperformed the native version. This implies that a marketer cannot impact the aforementioned outcomes by merely altering the perceptual structure of the ad. We speculate that by keeping content consistent between both formats (not allowing the native version to present new and additional content in journalistic format), It was easier for the viewer to recognize the native execution as sponsored content and consequently heighten their resistance to the advertised message (via Wright's Persuasion Knowledge Model). This, in some cases, may have even caused a negative reaction in the audience. For example, some responders may have reacted negatively upon realizing that the

advertiser is attempting the conceal their persuasive nature, while the respondents to the display ad were aware from the beginning that the content was persuasive and did not harbor the same negative sentiments. This assertion has significant implication for advertising practitioners paying premium media prices for native placements. In particular, it seems that the value in such ads lies in the additional or manipulated content rather than the visual structure of the advertisement itself. Time and budget would be, in this case, better spent on content marketing rather than media buys. Moreover, it could be argued that changing the content structure of a basic advertisement to native format, may lead to audience confusion and therefore lower engagement and purchase intention.

Analysis indicates the variance in results for attitude toward the ad and value of the ad is among product categories rather than advertising type. A Variance of Analysis (ANOVA) test explained that the mean differences were derived from the ad category itself rather than the manipulation of ad type. The online dating product category saw the greatest positive change in purchase intention and attitudes towards the advertisement after the restructuring the advertisement to native format (3% and 16% respectively). Although this data was not proven statistically significant, marketing professionals may see this finding as valuable as it pertains to large media budgets. The increased positive attitudes towards the advertisement in this category is likely due to the incorporation of romantic sentiments and the light hearted nature of the content. Conversely, native-form advertising structure saw a slight negative impact on the purchase intention in cyber security product category (4% decrease). By examining this finding on the same scale, it could be argued that the serious nature of the product category lead consumers to be more critical of the product being advertised.

Unsurprisingly, our hypothesis that product involvement is positively related to attitudes towards the advertisement and purchase intention was validated by a correlation

analysis. Although this was not the core purpose of our investigation, it has significant implications for advertising professionals in addition to mass communication scholars. With recent developments in online retargeting and advertising personalization, advertisers have the capacity to identify and target consumers with unprecedented accuracy. Similarly, programmatic marketing technology allows media publishers to execute these target ads, at scale. When considering our finding that higher product involvement is positively correlated to higher purchase intention, one can optimize ROI through this new technology. Effectively, by targeting advertising campaigns to unaware nonconsumers and potential customers that are less informed, a brand can increase product involvement and simultaneously grow purchase volume. Conversely, by targeting potential customers who have been proven to harbor high product involvement, marketing professionals can maximize sales conversion and bottom line revenue. This is a win/win situation for the digitally savvy advertising professional, and should be leveraged across all industries.

In order to effectively understand consumer responses to native advertising it is important to consider the potential pitfalls of this content, particularly pertaining to consumer frustration and negative brand implications. This exploration requires a thorough understanding of new media ethics, audience attitudes and channel characteristics. eMarketer warns marketing professionals of the dangers that native content present in confusing or misleading their audience (eMarketer 2014). Moreover, Krashinsky notes that "there's no agreement on what native advertising is or on how to measure its effectiveness. And that's before the content itself is even created, a process that by its nature is fraught because the ad has to serve the advertiser without annoying the reader" (Krashinsky 2013, p. 1). Berthon similarly notes that the language of engagement in new media is yet to be completely understood (Berthon et al 1997).

Moreover, Berthon notes that senior decision makers in business, who hold powerful sway over purchase decisions, see social media and user-generated content as a wasteful pastime for youths (Berthon et all 2012). This may present problems for B2B focused native advertising in particular.

Furthermore, the emergence of native advertising in the digital space raises a myriad of ethical questions pertaining to the authenticity of online content. These ethical questions have the potential to challenge the integrity of premium online publishers, and thereby diminish the advertising effectiveness on these platforms. Laura Brett of AdAge highlights this issue using the example of a scientology advertisement placed in native form with the Atlantic in January 2013 (Brett 2013). The publisher experienced a horde of criticism because the content was riddled with paid ideological propaganda, disguised as user-generated content (Brett, 2013). The argument was that any indicators of promotional material, like "sponsored content" buttons, we're too small for the audience to reasonably assume the nature of the content (Brett 2013).

The proposed solution to the ethical questions raised by proponents of journalistic authenticity could be as simple as governing this content with strict principles surrounding author recognition and evidence of sponsorship (Brett 2013).

LIMITATIONS

The core limitation of our investigation was the lack of content variance between the display and native executions. Our examination asserted that the structure and format of the native execution was the driver behind increased purchase intention, attitudes and values. We did not consider that it may have been the manipulated content itself that influenced the aforementioned outcomes. In market, native advertising typically incorporates a higher volume of copy, tweaked to mimic the platform of which it is being published through. In our examination, however, it was essential to keep content consistent across both advertisements to limit the additional variables that come with changing the copy. Changing this copy would make it difficult to distinguish whether changes in attitudes, values and purchase intention were derived from the native format or the manipulated content within the advertisement. It is recommended that future studies incorporate content variance in examining different forms of advertising and their effect on ROI.

Furthermore, our analysis was limited by the sample size in each testing category. With participants split between 6 testing conditions, sample sizes varied between 15-25 participants. If each of these conditions were projected to a higher sample population there may have been a more distinguishable difference in outcomes and significance may have been verified.

Conclusion

Digital native advertising is becoming increasingly ubiquitous, blurring the lines between authentic content creation and brand-sponsored messaging. This type of media placement comes at increased cost with publishers recognizing the popularity of this medium. Therefore, from the standpoint of the advertiser the biggest question is: does this form of advertising actually increase engagement and product purchase intention?

This study aimed to distinguish whether the visual structure or format of native advertising created a viable impact on attitudes, values and purchase intention. Our results found that in fact, the structure of native advertising did not have a significant and verifiable impact the aforementioned marketing outcomes. It did, however, identify variances in the influence of native advertising between product categories. Further analysis would delve deeper into the impact of native advertising on entertainment-based products compared to utility-based services.

Furthermore, our findings that product involvement is directly correlated to purchase intention pave the way for further studies into the impact of product personalization and programmatic targeting on purchase intention and advertising attitudes.

AREAS FOR FUTURE RESEARCH

In order to distinguish whether native advertising substantially impacts marketing outcomes it is essential to test the influence of content and publisher credibility on audience responses. By examining the ways content can be manipulated in a native format and testing its influence on purchase intention and brand attitudes, researchers will be able to better understand the value of native advertising to marketing professionals.

Moreover, a significant area of research into the native advertising phenomenon that was not considered in this study is the impact of publisher credibility and publisher relevance to the advertised product. Credibility has long been considered an influential component within the persuasion literature. By examining the difference in purchase intention for products placed on credible or relevant sources verses unknown alternatives, one could effectively discover the role of the publisher in optimizing native advertisements.

Appendix

SURVEY QUESTIONS

In your opinion, this advertisement is:

	1	2	3	4	5	6	7
Bad:Good	O	O	O	O	O	O	O
Negetive:Positive	O	O	O	O	O	O	O
Unfavorable:Favorable	•	O	O	O	O	O	O

To what extent do you like/dislike the advertisement itself?

	1	2	3	4	5	6	7
Dislike:Like	0	0	0	0	0	0	0

The service being advertised is:

The service comp devertised is:								
	1	2	3	4	5	6	7	
Bad:Good	0	0	0	0	0	0	0	
Unappealing:Appealing	O	O	O	O	0	O	O	
Unpleasant:Pleasant	O	O	O	O	•	O	O	
Unattractive: Attractive	O	O	O	O	O	O	O	
Boring:Interesting	O	O	O	O	O	O	O	

In your opinion, Cyber-security is:

	1	2	3	4	5	6	7
Bad:Good	•	0	0	0	0	0	O
Negetive:Positive	•	O	O	O	•	•	O
Unfavorable:Favorable	•	O	O	O	O	O	O

This Advertisement is:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Useful to me	O	O	O	O	O
Valuable to me	•	•	•	O	O
An important source of information to me	•	O	•	O	•

How likely are you to purchase this service?

,	1	2	3	4	5	6	7
Unlikely:Likely	0	0	O	O	0	0	0
Improbable:Probable	O	O	O	O	O	O	O
Uncertain:Certain	O	O	O	O	O	O	O
Definitely not:Definitely	O	O	O	O	O	O	O

Cybersecurity in general is:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Important to me:	•	•	0	•	0
Fun for me:	O	O	O	O	O
Relevant to me:	•	•	•	0	O

	Have you ever used a cybersecurity service/product?			
\mathbf{O}	Yes			
O	No			
	In what year ware you harn?			
	In what year were you born?			
	How would you classify your relationship status?			
O	Single			
\mathbf{O}	In a relationship			
0	Married			
_	What is the highest degree or level of school you have complete			
	No schooling completed			
0	Nursery school to 8th grade			
O	Some high school, no diploma			
O	High school graduate, diploma or the equivalent (for example: GED)			
0	Some college credit, no degree			
\mathbf{O}	Trade/technical/vocational training			
\mathbf{O}	Associate degree			
\mathbf{O}	Bachelor's degree			
\mathbf{C}	Master's degree			
0	Professional degree			
O	Doctorate degree			
	What is your sex?			
0	Male			
0	Female			

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