
# The Effects of Native Advertising Disclosure and Advertising Recognition on Perceptions of News Story and News Website Credibility: A Consumer Neuroscience Approach

by

**Jessica Loko Mule (MLXJES001)**

Research report submitted in fulfilment of the requirements for the degree

Master of Business Science in Marketing

in the

School of Management Studies

at the

University of Cape Town

Supervisor: Dr Pragasen Pillay

Co-supervisors: Dr David Rosenstein and Mr Mark Drummond

2020

**SCHOOL OF MANAGEMENT STUDIES**

**UNIVERSITY OF CAPE TOWN**

**BUS5000W**

**DECLARATION REGARDING PLAGIARISM**

By indicating my signature on this page, I agree to the following:

1. I know that using another person's ideas and pretending that they are one's own constitute plagiarism. I am aware of the potential penalties for this misdemeanour.
2. This project is my own work.
3. I have not allowed, and will not allow, anyone to copy this work with the intention of passing it off as his/her/their own work.

Signed by candidate

_____ 6th April 2021

Signature of Student Date

Turnitin: 5%

**ACKNOWLEDGEMENTS**

I would like to begin by thanking my selfless and hardworking parents, Peter Mule Makau and Ruth Kalemela Mule, for their undying love, constant support, and unwavering confidence in my abilities to complete this journey. Thank you Mum for the comfort of your calm spirit, which has held me together in times when I felt overwhelmed by this research process. Thank you Dad for your wise and tenacious words of encouragement that fueled my commitment in times when I felt like giving up. I will be forever grateful for the sacrifices you have both made to allow me to be in a position to better myself. I would also like to thank my older brother, Ryan Musembi Mule, for being a role model I proudly look up to, as well as thank my sister-in-law, Rahab Mule, and cousin, Stephanie Farrar, for their advice and encouragement.

In equal measure, my gratitude goes to my supervisor, Dr. Pragasen Pillay, and co-supervisors from Neural Sense, Dr. David Rosenstein and Mr. Mark Drummond, for their guidance. To Dr. Pillay, thank you for your counsel, patience and empathy. You played a pivotal role in elevating the focus of my research and expanding my critical thinking by introducing me to Dr. Rosenstein and Mr. Drummond and, for that, I am grateful. To Dr. Rosenstein and Mr. Drummond, thank you for opening my eyes to new and exciting ways of looking at marketing research through the lenses of neuroscience. I have expanded my knowledge on neuromarketing and gained invaluable insight on how to develop a sound experimental methodology, thanks to your expertise. I am forever grateful for your time and the graciousness of the Neural Sense Company in providing me with the equipment and software to conduct my eye-tracking study.

Last, but not least, I would like to thank my dearest friends, Aisha Mugo, Chaze Matakala, and Marion Rugunda, for their sisterhood which strengthened me in more ways than I can describe. Thank you for being my ‘home away from home’.

**ABSTRACT**

The use of Native Advertising has sparked ethical concerns, due to its controversial nature inherent in its definition - a paid form of advertising that disguises persuasive communications as the editorial content of the publishing media outlet. The growing popularity of Native Advertising practices over the past decade in online news publishing has contributed towards the increasingly blurred lines between commercial and editorial content which in turn engenders feelings of deception in consumers and threatens to lower the trustworthiness of news publishers as an objective source. Therefore, the purpose of this study was to undertake theory testing guided by the tenets of the Persuasion Knowledge Model [PKM] (Friestad & Wright, 1994) to uncover insights on whether disclosure serves as an effective measure in publishers' efforts of mitigating the potential of consumer deception. In particular, this study investigated the relationships between: (1) effect of disclosure label positioning on advertising recognition; (2) mediating influence of visual attention on the aforementioned relationship; and (3) effect of advertising recognition on Inference of Manipulation [IMI] and perceptions of the online news publishers' credibility. The study used a quantitative multi-methodology research approach. An innovative Neuromarketing approach was undertaken through a psychophysiological-based analysis of visual attention to disclosure, measured as Fixation (ms/m) using eye-tracking technology, in addition to self-reported measures obtained via an online survey. In line with similar past studies, this study used convenience non-probability sampling and random assignment of participants to experimental groups, on a sample of 87 students between the ages of 20-29 years from the University of Cape Town (UCT).

Findings showed no significant difference in the likelihood of advertising recognition, neither between the groups presented with a disclosure and those not, nor between the varying positions of disclosure. Additionally, advertising recognition had a positive influence on perceptions of credibility, contrary to theory and evidence from past studies (described in the Literature Review). Thus, it was concluded that disclosure and advertising recognition are necessary antecedents for critical processing and formation of judgement, but by themselves are not sufficient for perceived transparency and subsequent evaluations of the publisher's credibility. This study presents design implications for practitioners in the online news publishing industry and marketers: the perceived utility of the sponsored content, along with sponsorship transparency through disclosure, plays an important role in minimizing the negative influence of advertising recognition on perceived credibility.

***Keywords: Native Advertising, Advertorials, Disclosure, Consumer Deception, Persuasion Knowledge Model (PKM), Neuromarketing, Eye-Tracking.***

**LIST OF ABBREVIATIONS**

| | |
|---|---|
| AOI | Areas of Interest |
| ASA | Advertising Standards Authority |
| CARE | Covert Advertising Recognition and Effect |
| C-HIP | Communications-Human Information Processing |
| CPA | Consumer Protection Act |
| IMI | Inference of Manipulative Intent |
| NSC | News Story Credibility |
| NWC | News Website Credibility |
| PIT | Prominence Interpretation Theory |
| PKM | Persuasion Knowledge Model |
| SPSS | Statistical Package for the Social Sciences |
| UCT | University of Cape Town |

# TABLE OF CONTENTS

## LIST OF TABLES



## LIST OF FIGURES

## LIST OF APPENDICES

# CHAPTER ONE: INTRODUCTION

## 1.1. INTRODUCTION

In today's world of information overload, the digitization of everyday life has elicited a greater need for content that surpasses the function of informing, to that which, instead provides greater engagement for the consumer (An, Kerr & Jin, 2019; Newman, 2015). Subsequently, the shift in media consumption from traditional broadcast media to online digital media has pushed news publishers and marketers to develop new approaches to delivering advertising that better captures the attention of consumers in a digitally driven world. With this objective in mind, Native Advertising has presented itself as a viable solution (Wojdynski & Golan, 2016). Native Advertising is a marketing communication tool that seeks to present persuasive attempts from a sponsor brand, in a way that seamlessly integrates paid marketing messages through a broad variety of content delivery approaches (Amazeen & Wojdynski, 2020; Wojdynski, 2016). The present research was focused on the online news publishing industry in order to gain insights into consumers' response to Native Advertising in the form of an advertorial. An advertorial refers to a covert format of marketing whereby the persuasive intent of the advertisement is camouflaged as unsponsored editorial content, in the form of an article that caters to the interest of the publisher's audiences (Kim & Hancock, 2017; Wojdynski, 2016).

The online news publishing industry encompasses enterprises that produce and distribute newspapers and sell advertising space in both print and electronic formats, excluding publications that only publish in print (IBISWorld, 2020). Globally, the industry is characterized with an audience where majority of online readers typically are not prepared to pay for news either through subscriptions, donations, and other one-off payments (Newman *et al.,* 2019). And based on forecasted trends reported in Reuters Institute Digital News Report (Newman *et al.,* 2019) most people will be unlikely to pay for news in the future, given the kind of news they are able to access for free online through social communication platforms such as WhatsApp which has become a primary network for discussing and sharing news in global south countries like South Africa, Brazil, and Malaysia.

Another growing global trend in the online news publishing industry is increased concern by audiences on the ability to separate what is real and fake on the internet. According to reports by Newman *et al*. (2019) concerns are highest in emerging markets in the global south such as South Africa and Brazil, and less in western countries such as Netherlands and Germany which tend to be less polarized politically.

In line with trend is the concern that the separation between commercial and editorial content has become increasingly blurred in the digital advertising landscape as opposed to the traditional advertising landscape of two decades ago. This is in part owning to the popularity of Native Advertising and the use of ad-blocker plug-ins, both of which began to grow at a fast pace since 2010 (Ferrer Conill, 2016; Pasandaran & Mutmainnah, 2020). Ad-blocker plug-ins are browser extensions that prevent unwanted online adverts from being displayed while a user browses online to allow the user to consume only the content that is native to the webpage (Thomas, 2018). Reports published by the Statista Research Department (2021) indicate that there were 763.5 million ad block users worldwide in the last quarter of 2019, demonstrating a significant increase from 54 million active ad block users worldwide reported in 2013. Hence, in today's digital advertising landscape, non-disruptive advertising practices such as native adverting have significantly increased because traditional forms of online advertising, such as banner ads, are more susceptible to the advertising avoidance attitudes of consumers, and subsequently less successful in generating revenue for publishers and advertisers (Pasandaran & Mutmainnah, 2020).

However, while advertorials have helped news publishers in the digital media landscape to obtain new streams of revenue, its use of has remained controversial since its advent because of how closely the sponsored content resembles editorial content. Hence, the proliferation of Native Advertising has ignited vehement ethical debates regarding its potentially deceptive effects on consumers.

On one hand, publishers and advertisers who embrace Native Advertising believe that current levels of self-regulation, in terms of sponsorship transparency, are sufficient; considering the regulatory challenge of standardizing policies across a wide array of online platforms (Sahni & Nair, 2016). Wojdynski, Evans and Hoy (2018) define sponsorship transparency as the degree to which a sponsored communication message makes both its paid nature and the sponsor's identity noticeable to the consumer. On the other hand, consumer protection regulators are concerned about the possibility of consumer deception, either when the commercial nature of the content is not properly disclosed, particularly if there is an absence of a sponsorship disclosure label, or if the disclosure label is not clearly understood by viewers (Interactive Advertising Bureau [IAB], 2013, 2019; Federal Trade Commission [FTC], 2015). There is substantial evidence from covert advertising research that indicates that the likelihood of advertising recognition is increased with the presence of disclosure labels in both earlier

conventional contexts of Native Advertising (Nelson *et al.,* 2009; Wood *et al*., 2008) as well as in more recent digital settings of Native Advertising in comparison to Native Advertising without disclosure. Furthermore, past research has shown through eye-tracking that visual attention is an impelling force behind the effect of disclosure position on advertising recognition (Wojdynski & Evans, 2016; Wojdynski *et al.,* 2017). However, studies have also revealed that the bulk of participants often fail to notice disclosure labels when these are presented to them and, subsequently, do not recognise the paid content as advertising (Boerman & Van Rejismersdal, 2016; Wojdynski & Evans, 2016). Recent studies have demonstrated that consumers may feel deceived or manipulated, particularly because initially they may not recognize sponsored content as advertising. Therefore, this sense of deception leads them to develop negative evaluations of the message, advertiser or publisher when they realize the persuasive intent only after engaging with the article (An, Kerr & Jin, 2019; Campbell, 1995; Krouwer, Poels & Paulussen, 2017; Lunardo & Mbengue, 2013; Wojdynski, 2016; Youn & Kim, 2019).

The finding discussed above presents important considerations in terms of disclosure efficacy. For one, the inability to recall disclosure may suggest that such labels are ineffective cues to trigger Native Advertising recognition. Perhaps, this fact may be due to the flux in delivery approaches of Native Advertising formats, given today's wide variety of digital platforms and display variations across devices (e.g. mobile versus desktop display); therefore, consumers have yet to develop adequate advertising schema that will improve their ability to critically and accurately process and interpret the purpose and meaning of disclosures. Conversely, the presence of a disclosure may hinder publishers' perceived credibility because such disclosure may inform consumers' advertising recognition in a way that, subsequently, would trigger adverse psychological reactions, such as scepticism, counter-arguing/contesting or avoidance, as a coping mechanism against attempts of persuasion.

These conflicting outcomes as they pertain to the effect of Native Advertising disclosure on consumers' perception of deceptive advertising practices, highlights the need for research to help editors and marketers in the online news publishing industry gain a better understanding of how consumers recognise and respond to covert marketing tactics. However, despite wide industry acknowledgement of the potential risks faced by both the publishers and sponsor brands, only a limited number of studies, drawing from tenets of the Persuasion Knowledge Model [PKM] (Friestad & Wright, 1994), have investigated how consumers process and evaluate advertorials and have recorded contradictory findings (Amazeen & Wojdynski, 2020, 2019; Sahni & Nair, 2016; Wojdynski, 2016; Wojdynski & Evans, 2016; Wu *et al.,* 2016).

Moreover, few studies have attempted to further develop the theoretical framework using neuromarketing techniques, namely eye-tracking, to investigate how consumers' visual attention mediates the relationship between disclosure position and advertising recognition (Aribarg & Schwart, 2017; Boerman, Van Reijmersdal & Neijens, 2015; Wojdynski & Evans, 2016). Rather than relying solely on participants' conscious verbal responses, which are subject to biases that may arise from artificial testing environments, eye-tracking offers researchers the ability to measure visual, emotional and spontaneous responses to a communication (Pretorius & Calitz, 2011; Tobii Technology, 2010). Hence, in contributing towards existing theory, the present research adopted the use of the neuromarketing technique of eye-tracking, in addition to a quantitative self-reporting survey, in order to conduct further investigations on consumers' psychological reactance to online Native Advertising. The next section presents the background of the study to highlight the concerns of transparency in Native Advertising in the online news publishing industry, as well as to provide a brief overview of the theoretical framework supporting this study.

## 1.2. BACKGROUND OF RESEARCH

The following section defines the key constructs and underlying theory of this study. Firstly, Native Advertising is introduced, followed by a review of the existing academic and industry debate present in research literature pertaining to sponsorship disclosure within paid/sponsored articles published on online news platforms. Secondly, the contextual setting of this research is presented through a discussion of Native Advertising in the South African digital publishing landscape. Lastly, a brief overview of the theoretical model upon which this study was grounded is discussed.

### 1.2.1. Native Advertising, In-Feed Ad Units and Advertorials

Native Advertising, also referred to as sponsored content, is a marketing tool that is broadly defined in media related literature as any form of paid content that has a placement, layout and theme that simulates the publisher's original content (Wojdynski & Golan, 2016). Native Advertising has two distinguishing features; firstly, the format of the commercial message matches or is "native" to the format of non-paid content presented by the publisher; and secondly, the content of the message presented is paid advertising by a sponsoring brand (Wojdynski, 2016). There are three native formats most commonly deployed on digital platforms - in-feed/in-content Native Advertising, content recommendation advertisements, and branded/native content (IAB, 2019). From the various applications of online Native Advertising currently in use, this research focused on 'in-feed ad units' and, more specifically, 'content feeds' in the form of news advertorials.

An in-feed ad unit refers to an advertisement that promotes sponsored content that has been customised to fit within the unique format and tone of a publication's natural index of articles, such that the paid content blends into the publisher's native experience (IAB, 2019; Olenski, 2015). Out of the three core categories of native advertisements mentioned above, in-feed ad units have the widest variation in execution, and range from content which is editorial text, to content recommendations, images, video and audio, all of which can appear on social platforms, product pages or within content on article pages (IAB, 2019). A content feed refers to advertising content that is primarily presented via articles, images and videos (IAB, 2019). An advertorial, which comprises an article style of content feed, is defined as a paid advertisement by a sponsoring brand presented in the form of an editorial article (Kim, Pasadeos & Barban, 2001; Wojdynski, 2016). An editorial on the other hand is a non-sponsored/non-paid newspaper (or magazine) article presenting editors or journalists' opinions on ongoing topics (Sagheer, 2017).

Having defined the key constructs of Native Advertising, the section to follow contextualises its use by highlighting the current ethical concerns in the online news publishing and advertising industry regarding consumers' perceptions of Native Advertising as a form of covert marketing.

### 1.2.2. Ethical Concerns of Deceptive Advertising and the Role of Disclosure

The proliferation of Native Advertising has ignited vehement ethical and policy debates regarding its effects on consumers, with importance placed on questioning its potentially deceptive nature. Kim (2015), as well as Tutaj and Van Reijmersdal (2012), attest that consumers tend to respond more positively to Native Advertising because it is relatively less intrusive in nature, in comparison to traditional online display or banner advertising. Nevertheless, although evidence exists to show that Native Advertising is more engaging than more conventional forms of online advertising (Sterling, 2015; Tutaj & Van Reijmersdal, 2012), it has become a contentious issue when the sponsored messages appear as though they are independent and unmediated editorial content, particularly if there is either an absence of disclosure or if the disclosure label is not clearly understood by viewers.

The American Federal Trade Commission (FTC) defines deceptive or false advertising as that which is misleading in material respect (FTC, 1983). Advertising practices that may possibly impede consumers' ability to identify that they are engaging with a persuasive attempt fall within the category of deceptiveness (FTC, 2015). The FTC (FTC, 2015), therefore, requires that disclosure acts as a clear means of identifying content as advertising. However, if

disclosure labels are ineffective in signalling content as advertising, as some advertising studies have demonstrated, (Boerman & Van Rejismersdal, 2016; Wojdynski & Evans, 2016; Wojdynski *et al.,* 2017), practitioners in the online news publishing industry face the risk of violating journalistic norms of transparency, while the sponsor brand risks eliciting negative consumer attitudes arising from consumers feeling manipulated by disguised persuasive attempts. What further complicates the debate around Native Advertising is the lack of standardization for disclosure labelling in the online news publishing industry, which, in turn, gives critics the space to contend that the inconsistencies in establishing clear conventions belie publishers' claims of transparency (Amazeen & Wojdynski, 2020; Carlson, 2015; Einstein, 2016; Garfield, 2016). The next section discusses the contextual setting in which this study is premised through an overview of consumers' perceptions of news advertorials within the online news publishing industry in South Africa.

### 1.2.3. Contextual Setting of this Study

South African online publications, such as the Times Media, Moneyweb, Kagiso Media and Yahoo South Africa, feature a variety of Native Advertising in-feed units (Fanache & Morosaun, 2016). In 2017, there were over 200 million native ad impressions available programmatically for local advertisers and agencies aiming to engage their target audiences across South Africa (Fanache & Morosaun, 2017). A recent digital news report by the Reuters Institute (Roper, Newman & Schulz, 2019) indicates that 49% of South Africans surveyed have trust in news reports, however, a staggering 70% find it difficult to separate fact from fiction when it comes to online content. Despite the growing attraction of Native Advertising, regulators in South Africa have yet to establish specific rules governing this form of advertising (Thomson, 2018; "Should South African…", 2017). In lieu of this deficiency, marketing and journalism practitioners have to rely on the Consumer Protection Act (CPA) 68 of 2008 (CPA, 2008) and the Advertising Standards Authority's (ASA) Code of Advertising Practice (ASA, 2020), both of which prescribe general standards relating to the advertising of products and/or services to protect the public from being misled (Thomson, 2018). However, neither the ASA nor the CPA prescribe guidelines that deal specifically with covert marketing, such as Native Advertising.

Media related studies suggest that consumers are driven to look for content that satisfies their needs (Amazeen & Wojdynski, 2019; Katz, Blumler & Gurevitch, 1973, 1974). With regard to news consumption literature, the commonly studied motivations that align with substantiated measures from research undertaken in the area of uses and gratifications theory, include social, entertainment and surveillance motivations (Amazeen & Wojdynski, 2019; Choi, 2016; Ruggiero, 2000). A social motivation refers to viewers who consume news in anticipation of

discussing the issues with other people to gratify social needs (Atkin, 1972; Ruggiero, 2000). The reviewed studies have presented inconsistent findings as to whether or not the motivation for entertainment leads to negative or positive attitudes towards the news. However, as Amazeen and Wojdynski (2019) suggest, viewers with social and entertainment motivation may be less likely to notice sponsorship disclosure, either because their gratification needs lie in cultivating social relationships through sharing news and views with others, or simply to pass the time. Conversely, viewers who engage with news to seek information are said to be surveillance motivated. This type of news consumers tend to be more curious about and attentive to the news environment, as well as eager to learn more knowledge from news (Eveland, 2001, 2002; Eveland, Shah & Kwak, 2003) and, resultantly, they may notice sponsorship disclosure which, thus, would enable their cognitive accessibility to persuasion knowledge (Friestad & Wright, 1994).

Given the foregoing information, this study chose to use a news story article that had content with the potential of offering reader social and entertainment gratification, in order to investigate the influence that the manipulation of sponsorship disclosure labelling played on readers/viewers' evaluation of the news publisher. The core stimulus treatment for this research was based on a real advertorial sponsored by the South African restaurant chain brand, Nando's, featuring their *"#rightmyname campaign",* published (in both print and online platforms) in the *Sunday Times* (South Africa) newspaper on the 11th of March 2018 (refer to Appendix A.6. for treatments used in this research) ("Check it out:…", 2018). The campaign was launched by Nando's with the aim of creating a database of local names that are often regarded as mistakes by electronic and online writing applications (Bhengu, 2018). Through the campaign, a digital platform was created for South Africans to add their names to the database, which could be downloaded from the website created by Nando's (in this study, when referring to this company's website, brand or article "#rightmyname", the possessive form of the restaurant's name will be written as 'Nando's') to update the user's computer dictionary (Nando's, 2018). From the perspective of the *Sunday Times*, partnering with Nando's in the campaign was viewed as an opportunity to invite its viewers to celebrate the diversity of South Africa (Pienaar, 2018). To date, the campaign has received massive attention and earned Nando's several awards (Bhengu, 2018). By the end of 2018, this campaign which is now recognised globally, had received over 70,000 name submissions, and has pulled in 38 million digital impressions and over 1.5 million interactions (Bratt, 2018).

Although the metrics, awards and positive public reception demonstrate the campaign's success for the sponsor's brand, Nando's, the same cannot be said in regard to how the

journalism industry and its viewers responded towards the news publisher's support and execution of the Native Advertising (refer to Appendix B.6.). The leading concern among editors in the South African Journalism industry, such as William Bird, director of Media Monitoring Africa, and Raymond Joseph, a former *Sunday Times* news editor, is that the execution of the advertorial crossed editorial lines. Bird cautions that such subtle interventions have the potential to create uncertainty and confusion within viewers about other content in the newspaper, which risk undermining the credibility of the *Sunday Times* (Nevill, 2018a, 2018b).

In general, in spite of the positive intention behind *Sunday Times'* partnership with Nando's to unify its viewers through the campaign, the concerns expressed by practitioners in the journalism industry over the potential endangering of the newspaper's credibility and viewers' trust, thus warrants the need for empirical research, to not only better understand how consumers respond to online advertorials, but to also investigate the most effective way to communicate sponsorship transparency to viewers through disclosure labelling. The next section briefly introduces the core theoretical framework that guided this study.

### 1.2.4. Theoretical Framework

The PKM by Friestad and Wright (1994) is the theoretical framework that has predominately been used to examine the ability of consumers to make distinctions between editorial and advertorial content. Through this model, Friestad and Wright (1994:3) posit that consumers' persuasion knowledge enables them to "recognise, analyse, interpret, evaluate and remember persuasion attempts and to select and execute coping tactics believed to be effective and appropriate". The PKM (Friestad & Wright, 1994) summarises that the ability to recognise advertising is based on past experience with both persuasive messaging and advertising, encompassed by the construct known as conceptual persuasion knowledge; wherein the activation of conceptual knowledge is a precondition for activation of critical processing and attitude formation, encompassed by the construct attitudinal persuasion knowledge (Evans & Park, 2015; Wojdynski, 2018). Conceptual persuasion knowledge can be described as a consumer's cumulative knowledge, abilities, skills, exposure to and experience of persuasion and advertising (Ham, Nelson & Das, 2015). Attitudinal persuasion knowledge refers to "evaluations and behaviours consumers carry out in response to the recognition of persuasive communication or advertising" (Wojdynski *et al.,* 2017:5).

Considering how the nature of Native Advertising has contributed towards increasingly blurring the boundaries between commercial and editorial content, consumers may be unable to use their existing conceptual persuasion knowledge structures to adequately activate advertising

recognition, even when the persuasive agent makes an effort towards communicating sponsorship transparency (Evans, 2014; Evans & Park, 2015). Disclosure of sponsored content is often the only differentiating characteristic that acts as a cue for consumers to identify the content as a form of advertising (Amazeen & Wojdynski, 2020).

While disclosure seeks to mitigate feelings of manipulation or deception for audiences encountering Native Advertising, it is also suggested that it increases the likelihood of consumers perceiving the message as being an advertisement, which typically leads to negative evaluations of the message and the source of this information (Wojdynski & Evans, 2020). Drawing from the PKM (Friestad & Wright, 1994), the recognition of advertising often elicits protective mechanisms, such as increased critical processing, consumer scepticism and increased Inference of Manipulative Intent [IMI] (Campbell, 1995), that generally negatively influence consumers' attitudes toward, and perceptions of, advertising content or the sponsor brand (Boerman, Van Reijmersdal & Neijens, 2015; Evans & Park, 2015; Shrum *et al.,* 2012). The following section highlights the research problem investigated in this study.

### 1.3. RESEARCH PROBLEM AND PURPOSE OF STUDY

Forced exposure internet advertisements, such as 'pop-up ads', threaten consumers' freedom to engage with content online without disruption to the browsing experience, by pushing advertising content into the forefront of the web-user's attention (Shore, 2020). In like manner, Native Advertising threatens consumers' ability to avoid unwanted advertising by weakening their capacity to use clear format cues to identify advertising, for example through the masking of persuasive messaging in 'editorial-looking' sponsored articles. As such, the use of Native Advertising may result in general distrust of the message and message source if consumers perceive they have been misled and believe the normative foundation of trust between them and the advertiser or sponsor brand has been violated. Similarly, the consumer may place blame on the media source i.e. the news publisher, for breaching the normative journalistic expectation for separation of advertising and editorial content (Carlson, 2015; Darke, Ashworth & Ritchie, 2008).

So far, the media industry's' best effort of sponsored content transparency has been through the presentation of disclosure labels. Past research has established that positioning disclosure in the middle, with respect to the article content, has the greatest influence on fostering advertising recognition compared to any other location (i.e. placement at the top or bottom of the article) (Boerman, Van Reijmersdal & Neijens 2014; Kim & Hancock, 2017; Wojdynski,

2016; Wojdynski & Evans, 2016). However, recent studies have shown that very few consumers are able to distinguish between editorial and advertorial content even with disclosures present; less than 15% of study participants who read online sponsored articles that had a disclosure label were able to correctly identify the content as a form of advertising (Amazeen & Muddiman, 2018; Wojdynski, 2016; Wojdynski and Evans, 2016). This finding indicates that online news editors are not only faced with the challenge of ensuing that disclosure labels are salient enough for consumers to notice and remember, they must also ensure that the consumer can correctly interpret the information that they need to pay attention to.

In essence, the controversy over the potential blurring of lines between editorial and sponsored content, owing to growing popularity of online news advertorials, thus warrants the need for and relevancy of further investigation into the effects of disclosure on Native Advertising recognition and the direction of subsequent evaluations of the publisher's credibility. Therefore, the purpose of this study is to undertake theory testing guided by the tenets of the PKM (Friestad & Wright, 1994) to investigate the relationships between: (1) effect of disclosure label positioning on advertising recognition; (2) mediating influence of visual attention on the aforementioned relationship; and (3) effect of advertising recognition on IMI and perceptions of the publishers' credibility.

### 1.4. RESEARCH QUESTIONS AND OBJECTIVES

Against the background discussed and research problem highlighted above, this research aimed to answer the following **primary research questions**:

***RQ1).*** "*How does the position of a disclosure label of sponsored content influence viewer's ability to correctly identify an article that is paid advertising (i.e. an online advertorial)?*

The **primary objective for RQ1** was:

i). To determine if disclosure positioned in the middle of the article led to a greater likelihood of participants recognising the article as Native Advertising compared to disclosure positioned at the bottom of the article.

The **secondary objectives for RQ1** were:

i). To determine if participants' visual attention to the disclosure label was greater when it was positioned in the middle of the article compared to it being positioned at the bottom of the article.

ii). To determine if participants' visual attention to the disclosure label mediated the effect of disclosure label positioning on advertising recognition.

***RQ2).*** *"How does the presence or absence of Native Advertising recognition influence viewers' perceptions of News Story Credibility and News Website Credibility?"*

The **primary objective for RQ2** was:

i). To determine if recognition of the article as a form of paid advertising, i.e. Native Advertising, would have a negative effect on participants' perception of News Story Credibility and News Website Credibility.

The **secondary objectives for RQ2** were:

i). To determine if participants' Inference of Manipulative Intent mediated the effect of advertising recognition on perception of News Story Credibility and News Website Credibility

ii). To determine if participants' level of Involvement with the article would moderate the effect of advertising recognition on perception of News Story Credibility and News Website Credibility.

The next section details elements of the methodology used in this study.

## 1.5. METHODOLOGY

This section presents a synopsis of the methodology chosen to investigate the research problem outlined above. This study is conclusive in nature because it seeks to examine relationships between constructs through hypotheses testing (Malhotra, 2010). A more comprehensive discussion of the methodology is offered in Chapter 3.

### 1.5.1. Research Design and Method

A multi-method approach was taken for this study. More specifically, this research study combined two quantitative methods of data collection, i.e. the use of eye-tracking technology and an online survey. The growing popularity of multi-method studies in recent years demonstrates the approach as one that can offer more robust causal inferences in the social sciences (Beach & Rohlfing, 2018; Goertz, 2017; Humphreys & Jacobs, 2015; Seawright, 2016).

This research study comprised a conclusive experimental design, specifically a causal research design. The causal research design method is a true experimental design, specifically a two-group post-test only control group design with random assignment of participants into experimental groups. A post-test only control group design was used because it was relatively simple to implement and the absence of pre-test measurements eliminates testing effects (Malhotra, Nunan & Birks, 2017).

The experimental design can be illustrated as follows:

CG: R X1 O1

EG1: R X2 O2

EG2: R X3 O3

Where R = systematic random assignment of participants; O = observation; X1= advertorial without disclosure; X2 = advertorial with discloser in the middle of article; X3 = advertorial with disclosure at the end of article.

### 1.5.2. Target Population and Size

The target population for this study comprised students from UCT, aged between 20 and 29 years. This research used university students in line with similar studies that incorporated neuromarketing techniques to investigate consumer subconscious and implicit responses to advertising (Slanzi, Balazs & Velasquez, 2017; Wojdynski & Evans, 2016). In line with similar studies that utilised eye-tracking in examining effects of disclosure in online advertorials (Wojdynski & Evans, 2016; Wojdynski *et al.*, 2017), the target sample size for this research was 90 participants in total i.e. 30 participants for each of the three treatment conditions.

### 1.5.3. Sampling Design

Non-probability convenience sampling was used for the recruitment of participants for this study. Non-probability sampling techniques means that the selection of the sample is based on the subjective judgement of the researcher, rather than random or chance selection procedures (Adler & Clark, 2014:118). The convenience sampling method occurs when members of the target population, who are easily accessible or available at a given time to participate, are included in the sample for the purpose of the study (Malhotra, Nunan & Birks, 2017). While selection of the sample was not randomized, the assignment of participants to experimental groups was systematically randomized in order to create equivalent groups, thus providing a higher degree of internal validity. Systematic random sampling entails selecting a random starting point from the total list of sampled participants, and then picking every '*i*th' element in succession to ensure that every sampled test unit has an equal probability of being assigned to any of the experimental groups (Malhotra, Nunan & Birks, 2017).

### 1.5.4. Data Collection and Data Analysis

Data was collected in a controlled laboratory environment at UCT, where an eye-tracking experiment was set up in accordance with eye-tracking best practices as recommended by iMotions (2018). This study used two measuring instruments, the first being an eye-tracking device to measure participants' visual attention to disclosure as presented in the treatments, and the second was an online questionnaire that participants completed after exposure to the treatment. The analysis of descriptive statistics and statistical hypothesis tests run on the aggregated data was conducted using the Statistical Package for the Social Sciences (SPSS) version 26. The next section details the academic contributions of this study to the field of covert marketing research, together with the managerial contributions to the online news publishing industry as it pertains to Native Advertising.

## 1.6. JUSTIFICATION AND CONTRIBUTIONS OF THIS STUDY

There has been significant research conducted over the last four decades towards understanding how different disclosure elements (e.g. placement, size) in advertising affect consumers' abilities to comprehend and recall the message communicated through the disclosure (Morgan & Stoltman, 2002; Murray, Manrai & Manrai 1993, 1998; Thomas, Fowler & Kolbe 2011). However, little focus has been directed towards research that goes beyond investigating the efficacy of physical attributes of disclosure on consumer comprehension and recall, and seeks to examine whether consumers' attitude towards the disclosure may adversely affect consumers' perception of the publisher and, thereby, hinder publishers' use of disclosure. Furthermore, studies often fail to consider the implications of agents of persuasion, other than the advertising brand; therefore, this gap in research literature merits both the need for and significance of the present study's contributions towards developing a better understanding of the implications of Native Advertising disclosure that publishers face as stakeholders of the persuasive communication.

In relation to academic contributions, this research endeavoured to take a novel approach to analysing consumers' evaluation of native advertisements, specifically in the form of an advertorial. This practice was conducted through a psychophysiological-based analysis using eye-tracking to reveal objective quantitative data of consumers' subconscious cognitive process of visual attention; a practice that cannot reliably be measured solely through self-reporting techniques such as surveys. Hence, the research hoped to widen the existing knowledge base of Native Advertising by adapting the methodological approach of

neuromarketing in probing the effects of Native Advertising in online news publishing as conceptualised through the PKM (Friestad & Wright, 1994).

In relation to managerial contributions, the research aims to offer insight for practitioners in digital marketing, specifically within the online news publishing industry, into the way consumers process and respond to Native Advertising. Statistics show that in emerging markets such as South Africa, 31% of consumers are characterised by a heavy reliance on, and addiction to, smartphones and are referred to as ”mobile first” audiences; compared to 15% in Europe and 18% in North America (M&M Global, 2017). Bearing this in mind, brands using Native Advertising ought to pay close attention to consumers who identify as mobile-first members, because they exhibit relatively higher rates of conversion; they are four-times more likely to report that they often notice advertising on social media and eight-times more prone to share content than those labelled as “mobile disengaged” (audiences characterised by a lack of interest in the empowering potential of their smartphones) (M&M Global, 2017). Hence, taking into consideration that research literature on online Native Advertising is still in in its infancy (Lee, Kim, & Ham, 2016; Noguti & Waller, 2020), the nature of the demographic chosen for this study makes it an appropriate population from which to sample. In this regard, the research endeavoured toward delivering material insight that can guide both local and international digital marketers in strategic decision-making, in relation both to the deployment of sponsored content disclosure and in managing the potential negative evaluations that may arise from Native Advertising being perceived as deceptive or manipulative. The next section presents the ethical considerations underpinning this study.

## 1.7. ETHICAL CONSIDERATIONS

The following ethical considerations were taken into account in this study. Approval to conduct this study was obtained from UCT Research Ethics Committee and permission to sample UCT students and send research invitations to the UCT mailing list was granted by UCT Department of Student Affairs (DSA) (refer to Appendix A.1.). All participants provided their written consent prior to commencing the study (refer to Appendix A.5.). The participation consent form assured participants that their privacy would be maintained and their anonymity guaranteed. The study did not subject participants to any emotional, mental or physical harm. The next section details the organisation of this study.

## 1.8. ORGANISATION OF THE STUDY

The study comprises six chapters, organised as follows:

**Chapter 1: Introduction** – Presents an overview that serves to introduce the context, establish the research problem, and present the research questions and objectives of this study. In addition, this chapter lays the foundations for the chapters that follow.

**Chapter 2: Theoretical Framework** – The first half of this chapter discusses the construct of Native Advertising, specifically in relation to the online news publishing industry and concerns over disclosure of sponsored content. The latter half of the chapter focuses on the theoretical framework of this study, specifically the PKM (Friestad & Wright, 1994) which hypothesizes consumers' coping mechanisms toward attempts of persuasion in marketing communications.

**Chapter 3: Literature Review** – Presents the review of past studies in the fields of covert marketing and Native Advertising. Also, in this chapter, hypotheses are formulated, which were derived from gaps and inconsistencies illuminated in the Literature Review, to address the objectives of this study. The chapter culminates with the presentation of the conceptual model employed in this study, namely the PKM for Online News Advertorials.

**Chapter 4: Methodology** – Presents the research methodology for this research study that serves in providing viewers with insight into how the study was conducted. This chapter details the research paradigm and design, research method, target population and sampling design, measurement instruments, scaling and treatment design, data collection, data analysis and, lastly, the ethical considerations of this study.

**Chapter 5: Presentation and Interpretation of Findings** – Presents the data collected and provides detailed statistical analysis of results and interpretation of this study's findings.

**Chapter 6: Conclusions and Recommendations** – Summarises the findings presented in Chapter 5 into a series of conclusions, managerial implications and recommendations aligned to address the objectives of this study, which were introduced in Chapter 1. Thereafter, the chapter illuminates the theoretical contributions of this study to the area of Native Advertising research, specifically within the context of the online news publishing industry. Lastly, the chapter highlights the limitations of this study and provides recommendations for future research.

## 1.9. CONCLUSION

In conclusion, the purpose of this introductory chapter was to establish the background for the research problem at hand. The chapter introduced literature on Native Advertising and the ethical concerns regarding its potential to deceive and manipulate consumers. The contextual setting of this study was also discussed. The PKM by Friestad and Wright (1994) was

introduced as the underlying theoretical framework for this study. This chapter highlighted the purpose of this study, and outlined the research questions, objectives and quantitative methodology guiding the research. Thereafter, the academic and managerial contributions of this study were presented, followed by the ethical considerations. The chapter concluded with an outline of the contents in the remaining chapters of this report. The next chapter provides a comprehensive discussion of the theoretical framework of this study.

# CHAPTER TWO: THEORETICAL FRAMEWORK

## 2.1. INTRODUCTION

This study focused on Native Advertising in the form of online advertorials published on the media platform of a news website, with the purpose of investigating the relationships between three key variables - disclosure of sponsored news content, recognition of Native Advertising, and consumers' perception of news story credibility (NSC) and news website credibility (NWC). At present, the existing knowledge base, in the area of consumers' information processing of covert marketing, has yet to offer an empirically tested theoretical framework that specifically explains the relationship between these three variables. This gap in literature is mainly owning to the infancy of online Native Advertising research (Lee, Kim, & Ham, 2016; Noguti & Waller, 2020), as well as the constant flux in presentation and execution styles of Native Advertising formats across the many digital media platforms available today. To this end, the study explored the use of the PKM framework (Friestad & Wright, 1994) relating to how people cope with persuasive attempts, and applied this model to the context of Native Advertising in online news publishing. The nature of this research serves as a theory-application based study, with the objective of scientifically testing theories, not to draw generalised conclusions on a population, but rather to formulate corollaries that may contribute towards filling gaps and/or examining inconsistencies in the theoretical base of knowledge present in existing relevant literature.

Hence, this study expounded on the relationship between Native Advertising variables as guided by the PKM framework (Friestad & Wright, 1994) via an amalgamation analysis of several prominent theories and existing models on communication, visual information processing and credibility assessments including, but not limited to, the models of Communications-Human Information Processing [C-HIP] (Wogalter, Dejoy & Laughery, 1999), Information Utility Theory (Speck & Elliot, 1997), Prominence Interpretation Theory [PIT] (Fogg, 2003), Psychological Reactance Theory [PRT] (Brehm, 1966) and Visual Hierarchy Model (Faraday, 2000). These theories provided a foundation for understanding how the dimensions of the PKM (Friestad & Wright, 1994) function in relation to how viewers' process and respond to attempts of persuasion delivered through covert marketing tactics such as Native Advertising.

Before delving into an examination of the theoretical framework that underpins this study, this chapter will begin by introducing and defining the concepts of covert marketing, Native Advertising and online advertorials, followed by a discussion that calls to attention the role,

impact and ethical debate surrounding the use of online advertorials in the online news publishing industry. Thereafter, the theoretical framework grounding this study, namely the PKM (Friestad & Wright, 1994) is defined, followed by an analysis of the measure of persuasion knowledge, specifically conceptual persuasion knowledge and attitudinal persuasion knowledge; the relationship between advertising-schema development and advertising recognition; and the role and potential mediating influence of visual attention on activation of persuasion knowledge to evoke advertising recognition. Next this chapter will discuss the relationship between Native Advertising recognition and IMI; the advertising resistance strategies consumers use; the measure of perceived credibility in the context of the interplay between journalism and advertising; the relationship between viewers' Native Advertising recognition and perceptions of NSC (i.e. message credibility) and NWC (i.e. media source credibility) and, lastly, the role and potentially moderating influence of viewers' involvement with the article on perceptions of credibility.

## 2.2. COVERT MARKETING AND NATIVE ADVERTISING IN NEWS PUBLISHING

The various media modalities offered and integrated through the World Wide Web have created a digital landscape in which paid advertising has become increasingly varied in form. With the ever expanding variation of digital medium comes an increasing number of marketing communication methods. Consequently, consumers and web audiences, deluged by advertising, have adopted ways to filter out their exposure to the clutter of persuasive attempts from advertisers. One such tactic is by avoiding advertisements using technology such as Ad Blockers, which reduce the number of online advertisements displayed on mobile phones or desktops (Sandvig, Bajwa & Ross, 2011). Another way is simply by not paying attention to the advertisements (Petty & Andrews, 2008). Thus, to counter consumers' avoidance of and resistance to online advertising, marketers have been forced to create new methods of communication that consumers do not easily identify as persuasive marketing attempts (Kaikati & Kaikati, 2004), thereby giving rise to the popularity of covert (also referred to as masked or stealth) marketing (Petty & Andrews, 2008).

Covert marketing represents tactics of marketing communication in which consumers would not easily identify the persuasive nature and intent of the message (Campbell, Morh & Verlegh, 2012; Wojdynski, Evans & Hoy, 2018). As Darke and Ritchie (2007) suggest, such tactics are more effective at gaining customers' attention because consumers are generally more accepting of messages when they do not appear to come from a commercial source. Covert marketing tactics also function as a means for marketers to minimize the disruption to

consumer's online experience (Campbell & Marks, 2015) by fitting marketing messages organically within a consumer's natural online activity stream. Native Advertising is one of the ways covert marketing is executed.

### 2.2.1. Native Advertising Formats

Native Advertising, which is also commonly referred to as sponsored advertising/content, refers to any form of paid advertising/content which imitates the format, style and tone of the non-paid content surrounding it, to make it appear as "native" or organic to the publisher's platform (Amazeen & Wojdynski, 2019). For several years now, Native Advertising has grown to become the primary engine driving the online marketing economy. According to analysis provided by the Native Advertising technology firm AdYouLike (2019), global expenditure on Native Advertising is forecast to increase by 372% from 2020 to 2025 and projected to be worth in total $402 Billion by 2025 (Glenday, 2019). The popularity of Native Advertising is evident and highlights marketers and publishers' dedication to keeping pace with consumers' shifting media habits to embrace the digital landscape (Hof, 2014; Khang, Ki & Ye, 2012; Sebastian, 2014; Wojdynski & Evans, 2016).

Although the use of Native Advertising has more recently been popularised in the area of online marketing, the practice of blending advertising into non-paid content is many decades old and has clear antecedents in several traditional media formats, such as conventional broadcast media (Wojdynski, 2016). Native Advertising dates as far back as the early days of radio in the 1960s, featuring paid on-air advertising spots delivered seamlessly by the radio host personality (Spalding, 1963), to more controversial covert tactics of product placement said to have been introduced in the 1982 film *E.T. The Extra-Terrestrial* (Spielberg, 1982), as well as in television infomercials in the 1990s (Sandler & Secunda, 1993; Singh, Siva & Chakraborty, 2000). Yet despite the practice of Native Advertising being widely recognised in both traditional and online marketing landscapes, research literature appears to be polarised when it comes to establishing an official universal definition for Native Advertising. For the most part this lack of consensus is due to the wide variety of online content in terms of its style and presentation formats (Wojdynski, Evans & Hoy, 2017). Moreover, there appears to be no industry consensus on a universal definition of Native Advertising due to this phenomenon being relatively new in online publishing (IAB, 2013; Moore, 2014). Nevertheless, regardless of the evolving nature of the Native Advertising practice on online platforms, this form of advertising continues to bear two common threads that have defined its core purpose and functionality over the past decade. Firstly, the format, style and tone of the message matches or is "native" to that of the accompanying non-paid content presented by the publisher, such that viewers feels the paid content belongs there, and secondly, the content of the message

presented is a form of paid advertising, or in other words commercial content provided by a sponsoring brand (IAB, 2019; Wojdynski, 2016). The foregoing description is the definition of Native Advertising adopted in this study.

According to the Interactive Advertising Bureau (IAB) (2019), there are three native formats most commonly deployed on digital platforms: in-feed/in-content Native Advertising, content recommendation advertisements and branded/native content. In particular, in-feed native advertisements which reflect persuasive messages that are fully integrated within the platform's surrounding content, are the driving forces behind the above mentioned forecasted rise in global Native Advertising expenditure over the coming years (AdYouLike, 2019; Glenday, 2019). Therefore, this study focused on the 'In-feed' native advertisements, and more specifically, content feeds in the form of news advertorials.

An in-feed advertising unit refers to an advertisement that promotes sponsored content that has been customised to fit within the unique look and feel of a publication's natural index of articles such that the paid content blends into the publisher's native experience (IAB, 2019; Olenski, 2015). Out of the three core categories of native advertisements mentioned above, in-feed ad units have the widest variation in execution, and range from content which is editorial text, to content recommendations, images, video and audio, all of which can appear on social platforms, product pages or within content on article pages (IAB, 2019). In-feed ad units can further be categorised as content feed − advertising content that is primarily presented via articles, images and videos; product feeds – 'apps' or websites that display products, services, and app listings; and social feeds − business and user posts, status updates and videos on social media sites (IAB, 2019).

An advertorial is a paid advertisement by a sponsoring brand presented in the form of an editorial article (Kim, Pasadeos & Barban, 2001; Wojdynski, 2016). The defining characteristic of advertorials is the degree to which the paid article content appears relatively indistinguishable from the actual editorial content hosted on the publication (Wojdynski, 2016). An editorial on the other hand is a non-sponsored/non-paid newspaper (or magazine) article presenting editors or journalists' opinions on ongoing topics (Sagheer, 2017). News editorials represent the only section in a newspaper/news website where opinions from the collective institutional voice of the news organisations can be explicitly presented (Firmstone, 2019), and, as such, are aimed to promote critical thinking, influence public opinion and/or encourage people to take action on an issue (Weintraut, n.d.).

### 2.1.2. Potential Deceptiveness of Native Advertising and the Role of Disclosure

Native Advertising has helped revolutionise the business model for the newspaper industry facing diminishing sales of physical copies and declines in revenue from conventional forms of advertising (McPhillips & Merlo, 2008; Ming & Yazdanifard, 2014). Research statistics indicate that 92% of the most visited online news websites engaged in Native Advertising between 2015 and 2016, and almost three out of five online publishers offer Native Advertising opportunities to brands (Amazeen & Wojdynski, 2020). However, conversely, proponents argue that Native Advertising also presents numerous challenges for the majority of news publishers (Brook, 2016). Much of the controversy and debate around Native Advertising in existing research studies has been focused around the ethical delivery of advertorials (Bunn, 1997; Dvorkin, 2013; Wasserman, 2013; Wojdynski, 2016). According to Brook (2016) the key challenge encountered by practitioners in the newspaper industry is the trade-off between maintaining profitability through innovative advertising tactics, such as Native Advertising, while, at the same time, remaining respectful of journalistic virtues; in this context the most important virtue being credibility through transparency.

The key to distinguishing editorial content from advertorial content is the presence of a disclosure label that identifies the content in an advertorial as a form of advertising (Wojdynski, 2016). The use and execution of disclosure of paid articles (also referred to as sponsored content) is typically at the discretion of the publisher and, as such, it is important that marketers and publishers understand how to disclose an 'in-feed content ad unit' as paid advertising, particularly in light of more in-feed advertisements being traded programmatically (IAB, 2015). Furthermore, Carlson (2015) asserts that a clear separation between content that is advertising and that which is editorial is essential for developing and retaining viewers' perceived credibility of media content, especially when sustaining business models that rely heavily on advertising as a source of revenue. However, this separation is becoming increasingly blurred in the digital publishing landscape in which the distinction between editorial and advertising content has become harder to establish (Evans, 2014; Evans & Park, 2015; Wojdynski & Evans, 2016). Taking the above-discussed context into account, the section that follows details the theoretical framework that forms the basis of this study.

## 2.3. INFORMATION PROCESSING AND THE PERSUASION KNOWLEDGE MODEL

Researchers' understanding of how consumers process and perceive mediated messages has been a topic of considerable interest in an array of fields, ranging from communication (Bryant & Comisky, 1978; O'Keefe & Jensen, 2008), marketing (Meyers-Levy & Malaviya,

1999), psychology (Chaiken & Eagly, 1976; Sherman, Mann & Updegraff, 2006), to information science (Ferrara & Yang, 2015; Yovits, Foulk & Rose, 1981). Yet, as mentioned earlier in Section 2.1., the existing scholarship on Native Advertising has yet to provide an empirically tested model as an established universal framework to explain the relationship between consumers' ability to recognise covert attempts of persuasion, and their subsequent behaviour in terms of the evaluations and judgments formed towards the media source that publishes the Native Advertising. Despite this deficit, it is worth acknowledging that more recently, substantial efforts have been made by Wojdynski and Evans (2020) toward developing and proposing the Covert Advertising Recognition and Effect (CARE) model to help guide future empirical research on covert advertising. The CARE model (Wojdynski & Evans, 2020) proposes an outline of potential top-down antecedents (disclosure characteristic), bottom-down antecedents (message characteristics; delivery context characteristics), and processes that drive the recognition of covert advertising. The CARE model (Wojdynski & Evans, 2020) also delineates the potential behavioural, attitudinal and cognitive outcomes that are dependent on advertising recognition, taking into account the perceived relevance that the information and its perceived presentation have to the consumers motivational goals. However, at the time that this study was undertaken, Wojdynski and Evans' CARE model (2020) had yet to be published.

Previous researchers have relied predominantly on the PKM (Friestad & Wright, 1994) as the cornerstone theoretical framework to examine consumers' ability to distinguish between editorial and advertising content. As Shoemaker, Tankard and Lasorsa (2004) explain, the framework of the PKM can be applied across a broad variety of persuasion context, and it functions as a model to describe the process, as well as an aid in making predictions about how an individual's understanding of persuasion may affect the actual process of persuasion. Through the PKM Friestad and Wright (1994:3) posit that consumers' persuasion knowledge enables them to "recognise, analyse, interpret, evaluate and remember persuasion attempts and to select and execute coping tactics believed to be effective and appropriate". These coping tactics refer to consumers' defence mechanisms to guard themselves against attempts of persuasion.

Originally, the PKM (Friestad & Wright, 1994) focussed on how three structures of knowledge interacted to form the outcome to attempts of persuasion (Ham, Nelson & Das, 2015). The three knowledge structures are: (1) Agent Knowledge – which refers to the beliefs about the goals, competencies and traits of the agent of persuasion e.g. an advertiser; (2) Topic Knowledge – which refers to beliefs about the subject or theme of the message e.g. service,

product, or social cause; and lastly (3) (the target's or the agent's) Persuasion Knowledge – as previously defined. In contextualising the PKM to Native Advertising, this research study will assume that there are two agents of persuasion, these being the sponsoring brand as the advertiser and the news publisher as the media source through which persuasive messaging is being delivered. From the perspective of the agents of persuasion, an increase in persuasion knowledge may translate into a decision to choose a tactic of persuasion that will offer the most relevant persuasion or information possible for the target. In this case, Native Advertising is considered to be the tactic of choice in the context of online advertising that seeks to provide better engagement for audiences, compared to conventional forced exposure online advertising, such as banner advertisements. From the perspective of the targets of persuasion, an increase in persuasion knowledge may result in the response of ignoring or contesting a misleading claim in an effort to cope with the event of persuasion, particularly when persuasion is perceived to be delivered in an unfair or unacceptable manner (Ham, Nelson & Das, 2015). Hence, this study focused on how the consumers' persuasion knowledge leads them to respond to persuasion tactics in the form of online news advertorials.

The two commonly used measures of consumers' persuasion knowledge are categorized by Ham, Nelson and Das (2015) into two sequential dimensions: (1) Conceptual Persuasion Knowledge and (2) Attitudinal Persuasions Knowledge. The constructs of conceptual and attitudinal persuasion knowledge approach our understanding of the phenomena of persuasion in advertising through the same principles as those of the PKM, which hold that the accumulation of a life-time's exposure to, and experience with, persuasive content influences individuals' ability to infer persuasive motives from various agents, recognise advertising, activate their knowledge of persuasion and form attitudes, irrespective of the advertising format (Friestad & Wright, 1994; Ham, Nelson & Das, 2015; Wojdynski, Evans & Hoy, 2018). The next two sections define conceptual and attitudinal persuasion knowledge in the context of how consumers may process and respond to Native Advertising.

### 2.3.1. Conceptual Persuasion Knowledge, Schema Development and Advertising Recognition

Before consumers can react to the persuasive attempts of advertising, they must first observe and recognise that a persuasive attempt is taking place (Friestad & Wright, 1994). In the case of a native advertisement, a consumer's recognition process would require an ability to discern a certain message, presented in a format not ordinarily used for advertising, as fitting into a wider classification of unconventional advertising (Wojdynski & Evans, 2020). The ability to observe the change of meaning in terms of the intent behind the message is informed by the

consumer's conceptual persuasion knowledge (Friestad & Wright, 1994; Ham, Nelson & Das, 2015; Wojdynski *et al.,* 2018). This knowledge structure is also referred to as *Schemer Schema* (Wright, 1986). Conceptual persuasion knowledge can be described as a consumer's cumulative knowledge, abilities, skills, exposure to, and experience with, persuasion and advertising (Ham, Nelson & Das, 2015). Adjacent to the construct of conceptual persuasion knowledge is the construct of Schemata, which Lewis and Porter (2010: 48) define as knowledge structures that represent individuals' cognitive models or expectations about other people, objects, content or messages. Research on the relationship between advertising recognition and the development of advertising schemata suggest that individuals draw upon their existing advertising schemata as a mechanism for guiding their subsequent processing, interpretation and evaluation of covert advertising attempts (Evans & Park, 2015).

According to Wojdynski, Evans and Hoy (2018), on the basis of the tenants of schema theory, recognition of covert advertising is likely to occur in one of two ways: (1) the individual has developed the schemata for specific types of covert advertising communications; or (2) the agents of persuasion decide either to explicitly identify themselves, for instance through disclosures of advertising or sponsorship, or implicitly make the paid nature and the identity of the sponsor more noticeable through information presented in the communication. However, in both of these cases, when considering how Native Advertising has contributed towards increasingly blurring the boundaries between commercial and editorial content, consumers may be unable to use their existing conceptual persuasion knowledge structures to adequately activate advertising recognition, even when the persuasive agent makes an effort to communicate sponsorship transparency (Evans, 2014; Evans & Park, 2015). The reason for this incompetence may be because consumers have little exposure to and/or experience of the persuasive attempts of native advertisements, or they lack the advertising literacy to correctly interpret informational or stylistic cues that distinguish the persuasive nature or commercial intent behind advertorials from the editorial content surrounding it, all of which are owing to the infancy of the application of Native Advertising online.

Considering that Native Advertising aims to blend in with non-commercial (i.e. editorial) content, disclosure is often the only differentiating characteristic that acts as a cue for consumers to identify the content as a form of advertising (Amazeen & Wojdynski, 2020). In line with tenets of PKM (Friestad & Wright, 1994), the FTC (2013; 2015) requires that the placement of disclosure in Native Advertising is clear and prominent, in order to increase the likelihood of consumers recognising the agents' attempt to influence them and, thereby, reduce engendering consumer deception. While some studies have demonstrated that the

use of disclosure in different forms of Native Advertising has increased the likelihood of consumers' advertising recognition (Amazeen & Muddiman, 2018; Campbell, Mohr & Verlegh, 2013; Iversen & Knudsen, 2017; Kim & Hancock, 2017; Wojdynski, 2016; Wojdynski & Evans, 2016; Wu *et al.,* 2016), empirical findings have often shown that less than 2% of participants who have read online sponsored articles (i.e. news advertorials) that contained a disclosure label were able to correctly identify the content as a form of advertising (Amazeen & Muddiman, 2018; Wojdynski, 2016; Wojdynski & Evans, 2016).

Drawing from the Framing Theory (Goffman, 1974), the way in which an individual interprets content may be influenced by the metaphorical "boundaries surrounding the context within which information is presented" (Amazeen & Muddiman, 2018:4) i.e. put simply, the way in which information is framed. In the case of Native Advertising, it is critical that the framing of paid content is salient in its consistency with the tone and style of the editorial content surrounding it, while, simultaneously, endeavouring to make the source of the paid content less salient, in an effort to deliver advertising that is less disruptive or intrusive to the consumers' online experience. Hence, even when disclosure labels such as "sponsored content" or "sponsored by..." are clearly employed in print or online advertorials, studies have shown that not only do the majority of people fail to notice these disclosure labels but also do not understand what the word "sponsored" is intended to imply, or what it conveys about the relationship between the publisher and the advertiser (i.e. sponsoring brand) (Gilley, 2013; Kim, Pasadeos & Barban, 2001; Lazauskas, 2014; Wojdynski & Evans 2016; Wojdynski, Evans & Hoy, 2018).

Moreover, the existing advertising schema that consumers have may not work well as an effective guide, because contemporary practices of Native Advertising online continue to evolve in terms of their presentation format (Evans & Park, 2015; Wojdynski, 2016). The wording of disclosure labels used by advertisers and publishers of online news advertorials varies widely, ranging from statements such "In association with…", "Partner Content", "Brand-voice", "Presented by", "Advertisement", "Advertisement by…", "Sponsored Content" to "Sponsored by…" (Einstein, 2016; Garfield, 2016; Wojdynski & Evans, 2016). In addition, what further complicates consumers' development of Native Advertising schema and, thereby, belies news publisher's efforts towards sponsorship transparency through the means of disclosure**,** is that policy makers and editors in the digital journalism industry struggle to arrive at universal standardized best practices in terms of regulating the approach for disclosure because in-feed Native Advertising can be delivered through a broad variety of ways (as previously defined in Section 2.2.).

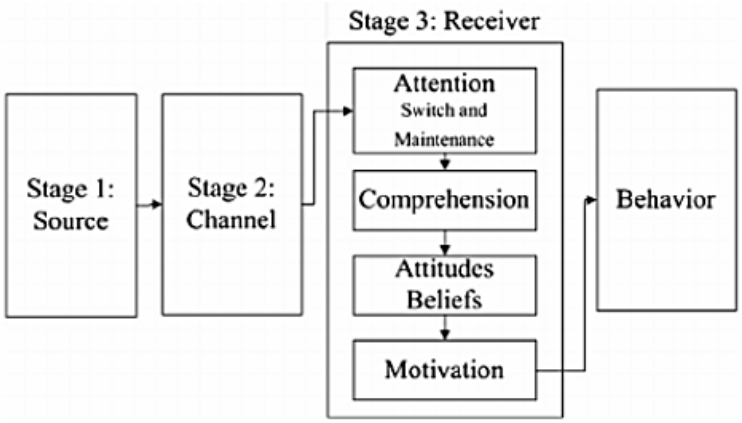
Another point of consideration in terms of disclosure is that recent literature suggests that "digital natives" are more likely to recognise Native Advertising in comparison to "digital immigrants". Digital Immigrants are individuals born before 1980 whom, Prensky (2001) describes as always retaining to some degree, 'a foot in the past' or possessing a "digital immigrant accent", while adapting to digital paradigm shifts in the process of learning the new language associated with using technology. The digital immigrant accent is exemplified for instance as the tendency to turn to the Internet as a second rather than a first source of information (Kivunja, 2014; Prensky, 2001). Conversely, digital natives are individuals born after 1980 during the aggressive penetration of technology taking place over the last two decades of the 20th century and who, consequently, have grown up in a world surrounded by the use of modern technological tools and toys (e.g. computers, cell phones, video games) and, thus, have the necessary skills for digital fluency. Other characteristics of digital natives that contribute to their digital fluency being relatively higher compared to digital immigrants, include attributes of curiosity, self-reliance, adaptability, high self-esteem and a global orientation (Autry & Berge, 2011; Tapscott, 1998). As a result of these traits, younger adults, i.e. digital natives, are more inclined to make distinctions between editorial content and disguised sponsored content online because they consume more of their news digitally and, therefore, have a more developed advertising schema (Amazeen & Wojdynski, 2019). Based upon this assumption, the next section discusses how the construct of visual attention may be, potentially, the cognitive processing mechanism by which disclosure may increase the likelihood of Native Advertising recognition.

### 2.3.2. Visual Attention to Disclosure and Advertising Recognition

Fogg (2003) proposed the PIT through which he postulated that there are two threats that may affect an individual's interpretation of an object: (1) the user either fails to notice and/or understand the object; and (2) the individual does not factor the information contained within the object into the evaluation process. Hence, online news editors are not only faced with the challenge of ensuing that disclosure labels are salient enough for consumers to notice and remember, they must also ensure that consumers can correctly interpret the information on which they need to focus attention. Thus, effective disclosure of sponsorship requires that viewers be given the opportunity to process the message in the disclosure label effectively in order to adequately apply their conceptual persuasion knowledge to inform their advertising recognition (Boerman, Van Reijmersdal & Neijens, 2012; 2014; 2015). This level of processing requires high visual attention to the disclosure label.

Muñoz-Leiva, Hernández-Méndez and Gómez-Carmona (2019:2) define attention as a "processing stage of short-term, immediate responses". Attention is well documented as being a key mechanism linked with advertising recognition (Duff & Sar, 2015; Pieters, Wedel & Zhang, 2007; Wedel & Pieters, 2008). As Muñoz-Leiva and colleagues (2019) point out, studies regarding the localization, detection and recognition of stimulus objects in a specified visual field of interest, have demonstrated human visual perception as a two-stage theory. Stage 1 is referred to as the "pre-attentive mode". During this stage, simple features over the entire visual field are processed rapidly and in parallel (Muñoz-Leiva, Hernández-Méndez & Gómez-Carmona, 2015). Stage 2, which is known as the "attentive mode", describes the point at which the focus of attention is directed to particular locations in the visual field, thereby facilitating the analysis of complex forms and recognition of objects (Muñoz-Leiva, Hernández-Méndez & Gómez-Carmona, 2015). The C-HIP model (Wogalter, Dejoy & Laughery, 1999) offers another way of looking at how individuals attend to, detect and recognise certain stimulus objects, in this case being disclosure labels, by further contextualising researchers' understanding of the role of visual attention in relation to information processing in the field of advertising recognition.

Figure 1: Communications-Human Information Processing [C-HIP] model




SOURCE: Siswandari & Shuping (2015)

The C-HIP model (Wogalter, Dejoy & Laughery, 1999) is a theoretical framework that represents the flows and processing of information from a source to a receiver, whereby the latter processes the information, subsequently producing behaviour as illustrated in Figure 1 above. The tenets of this model would suggest that in order for a disclosure to effectively communicate information and influence behaviour, it must first cause the viewer to focus attention on it and then ensure this attention is maintained long enough for the viewer to identify the necessary information from the disclosure label (Wogalter, 2004). Likewise, the PKM (Friestad & Wright, 1994) suggests that as attention to disclosure labels increases, so

would the likelihood that disclosure will act as a function to prime viewers to activate their conceptual persuasion knowledge towards recognising persuasive attempts (Boerman, Van Reijmersdal & Neijens, 2015). Hence, the viewers' visual attention to the disclosure label may play an important role in mediating the relationship between disclosure positions and advertising recognition.

Although increased visual attention may be necessary to increase the likelihood of advertising recognition, alone it may not be sufficient to do so, due to the second threat of PIT (Fogg, 2003) that was mentioned earlier in this section, i.e. the individual does not factor the information contained within the object into the evaluation process. It is possible to understand how this practice occur by drawing from studies on top-down theories of information processing and attention interpretations. For instance, earlier work by Janiszewski (1998) demonstrated that individuals' goals in content consumption may act as a factor governing their attentional process, and recent works by Amazeen and Wojdynski (2019) concur with this assumption. When consumers engage with a native advertisement, their information-processing goals are likely to revolve around a default state of consuming the content, rather than to actively seek out Native Advertising disclosure because online news advertorials are designed to blend into the editorial content that the consumers would naturally attend to while browsing on the news website. Hence in this vein, an important point of consideration for researchers when examining viewers' visual attention to disclosure labels is that it can be assumed that such attention is very likely driven by the characteristics of the individual rather than solely by those of the disclosure. Having discussed how conceptual persuasion knowledge plays into the likelihood of consumers' recognizing Native Advertising, the next section examines attitudinal persuasion knowledge and how this concept factors into the way consumers make inferences of manipulative intent to inform how they evaluate the credibility of the publisher.

### 2.3.3. Attitudinal Persuasion Knowledge, Advertising Recognition and Inference of Manipulative Intent

Attitudinal persuasion knowledge refers to "evaluations and behaviours consumers carry out in response to the recognition of persuasive communication or advertising" (Wojdynski, Evans & Hoy, 2018:119). Drawing from the PKM (Friestad & Wright, 1994), the recognition of advertising often elicits protective mechanisms, such as increased critical processing and consumer scepticism, that generally negatively influence consumers' attitudes toward, and perceptions of, advertising content or the sponsor brand (Boerman *et al.,* 2015; Evans & Park 2015; Shrum *et al.,* 2012). According to the Defensive Consumer Model (Darke, Ashworth &

Ritchie, 2008), Native Advertising may result in a general distrust of advertising if consumers feel they have been misled because they perceive that the normative foundation of trust between themselves and the advertiser or sponsor brand has been violated. Likewise, the consumer may place blame on the news publisher for violating the normative journalist expectation for separation of editorial and advertising content (Carlson, 2015).

Several situational scales have been used to measure consumers' attitudinal persuasion knowledge for analogue and digital conventions of advertising, including perceptions of persuasion effectiveness and appropriateness (Friestad & Wright, 1994), cognitive response strategies (Campbell & Kirmani, 2000) and understanding of persuasive selling intent (Tutaj & Van Reijmersdal, 2012; Wojdynski & Evans, 2016). Recent studies on Native Advertising (Amazeen & Wojdynski, 2019; An, Kerr & Jin, 2019; Ham, Nelson & Das, 2015; Krouwer, Poels & Paulssen, 2017) frequently considered the IMI scale developed by Campbell (1995) to be an appropriate measure of attitudinal persuasion knowledge. IMI refers to an individual's assessment of the extent to which the agent's (i.e. the advertiser and/or publisher) attempt at persuasion is inappropriate, manipulative or unfair (Campbell, 1995). This study used Campbell's IMI to operationalize attitudinal persuasion knowledge as discussed in the following section.

#### 2.3.3.1. Inference of Manipulative Intent

It is well acknowledged that IMI towards the sponsor is increased when consumers feel deceived about sources of information (An, Kerr & Jin, 2019; Campbell, 1995; Lunardo & Mbengue, 2013). The goal of Native Advertising is to foster consumers' immediate engagement with the marketing communication by mimicking editorial content. Viewers, however, may feel manipulated once they begin to realize that the content is advertising and not an independent news article, reflecting the opinions of the collective voice of the newspapers' team of journalists and editors, and as a result their engagement with the message may decrease. This notion of manipulation can be summarised as an incongruence between the consumers' initial belief (i.e. they are engaging with an independent news editorial) and their realisation (that the article is a form of advertising).

As Krouwer, Poels and Paulssen (2017) suggest, IMI is likely to increase in situations in which consumers feel that there is a disparity between their personal benefits (consuming engaging content that fulfils their needs and investments), the increased cognitive effort required to distinguish between commercial and editorial content, and the persuasive agents' investments and benefits from the advertisement. However, as recent studies suggest (An, Kerr & Jin, 2019; Wojdynski, 2016), if the consumer is able to comprehend the commercial nature of the

advertorial from the onset of engagement and they feel that the message still brings them value, they are less likely to infer an influence of manipulative intent. Nonetheless, there is evidence that supports the perspective that disclosure recognition can trigger activation of attitudinal persuasion knowledge that would elicit increased inference of manipulative intent and, thereby, lower consumers' evaluation of the advertisement's trustworthiness (Van Reijmersdal *et al.,* 2015; Wojdynski & Evans, 2016).

Parallel to this argument is the already referred to Psychological Reactance Theory (Brehm, 1966). The PRT comprises four components: freedom, threat to freedom, reactance, and restoration of freedom (Quick, Shen & Dillard, 2013). Freedom refers to beliefs regarding ways in which individuals can behave, and broadly includes the emotions, attitudes and actions. "Individuals possess freedoms only to the extent that they have knowledge of them and perceive that they are capable of enacting the behaviour" (Quick, Shen & Dillard, 2013: 167). A threat to freedom constitutes anything that makes it more difficult for people to exercise freedom of their emotions, attitudes and actions, while reactance is the motivation to restore a freedom when it is perceived to have been eliminated or threatened with elimination (Brehm, 1966). Reactance exists under the assumption that humans place high value on autonomy, control and choice (Quick, Shen & Dillard, 2013).

#### 2.3.3.2. Consumer Advertising Resistance Strategies

In the field of marketing research, the topic of reactance is classified as resistance to advertising (Fransen *et al.,* 2015). Krowles and Linn (2004) conceptualized resistance to advertising as a state in which individuals are motivated to preserve their current attitude or lessen behavioural or attitudinal change. To this end, Fransen *et al.* (2015) observed that avoidance and contesting are two strategies consumers can employ to resist persuasion. Consumers can avoid advertising in magazines or newspapers through physical avoidance strategies or cognitive 'ad-avoidance' strategies.

Physical avoidance strategies entail consciously selecting not to hear or see advertisements (Speck & Elliot, 1997). For example, using an eye-tracking methodology, Drèze and Hussherr (2003) noticed that consumers consciously avoided looking at online banner advertisements. Other methods of physical avoidance are facilitated through technology, such as online Ad-blocker plug-in software, "do not track" programs, email un-subscription options, and email filtering features (Fransen *et al.,* 2015). Cognitive ad-avoidance strategies entail consciously choosing not to pay attention to certain advertisements and include selective attention or selective exposure (Speck & Eliot, 1997). Selective attention and selective exposure refer to the tendency either to allocate less attention or avoid persuasive messages that are likely to

contradict consumers' existing opinions or beliefs (Knobloch-Westerwick & Meng, 2009). Literature on the determinants of avoidance behaviour has revealed that consumers are less disposed to exhibit avoidance to persuasive communication that is entertaining or emotional, in comparison to persuasive messages that are informative (Fransen *et al.,* 2015; Olney, Holbrook, & Batra, 1991).

Contesting strategy, also referred to as counter-arguing in persuasion literature (Jacks & Cameron, 2003; Wright, 1975), refers to a thought process that reduces the individual's agreement with a counter-attitudinal message (Festinger & Maccoby, 1964). Counter-arguing involves scrutinizing different elements of an advertisement, such as the source, the content and/or the persuasive tactics employed in the advertisement, in an attempt to find reasons to refute these elements (Fransen *et al.,* 2015). Counter arguing is often viewed as a mediating variable between persuasive communications and attitudinal or behavioural outcomes (Festinger & Maccoby, 1964; Fransen *et al.,* 2015). Source derogation is when an individual contests the source of the message by dismissing the source's validity (Fransen *et al.,* 2015). Dismissal of the source's validity involves questioning its motives, expertise or trustworthiness (Jacks & Cameron, 2003). Consequently, this practice will adversely affect the individuals' perception of message credibility and, thus, reduce the advertisement's impact (Fransen *et al.,* 2015).

Native Advertising aims to mitigating the opportunity for consumers to use physical or cognitive advertising avoidance strategies. Consumers faced with Native Advertising are more likely to demonstrate source derogation because the source of the message can be construed as biased. This reaction occurs because of the confusion that Native Advertising creates by making it difficult for the viewer to distinguish the sponsoring brand, as the source of the persuasive message, from the news publisher, as the media outlet distributing the sponsored message.

Based upon the views expressed above, it can be assumed that there is substantial scholarship exhibiting consumers' reactance when their freedom to avoid marketing communications is threatened (Allyn & Festinger, 1961; Ham, 2017; Hass & Grady 1975; Miron & Brehm, 2006); or when they encounter advertising messages intertwined with the content they sought, in a way that violates their expectations of content consumption, for instance via movie theatre commercials (Phillips & Noble, 2007) and via direct mail (Morimoto & Chang, 2006). In line with the PKM (Friestad & Wright, 1994) and Defensive Consumer Model (Darke, Ashworth & Ritchie, 2008), through PRT (Brehm, 1966) it follows that

consumers may react more defensively towards the source of the commercial message (in this case the publisher) in order to restore their freedom of autonomy or control which they believe has been threatened, for example, through perceived intrusiveness of the advertising or when the consumer perceives that the message seeks mainly to benefit the agents of persuasion and not themselves (Cotte, Coulter & Moore, 2005; Quick, Shen & Dillard, 2013; Wentzel, Tomczak, & Herrmann, 2010). Such perceptions are likely to decrease consumers' receptiveness to the advertising message and taint the trust consumers have in the publisher to present content that is editorially independent from marketing messaging (Han, Drumwright & Goo, 2018; Rousseau *et al.,* 1998).

### 2.3.4. Effects of Native Advertising on Perception of the Publisher's Credibility

Traditional forms of advertising seem to suffer from less favourable consumer attitudes and reduced credibility because consumers over the years have developed substantial advertising schema towards conventional forms of persuasion (Li & Wang, 2018; Stafford & Stafford, 2002). In the case of Native Advertising in which the consumer has not fully developed their advertising schema to this practice of persuasion, studies have shown that advertorials may be perceived as more credible than traditional advertising if consumers are unable to recognise the commercial nature of the advertorial (Cole & Greer, 2013). Be that as it may, the initial failure to recognise the persuasive intent behind Native Advertising may damage consumers' perception of credibility if they eventually comprehend the commercial nature of the message. Studies have shown that increased resistance by the consumer, in the form of counterargument and negative evaluations, consequently, increased distrust of the message and message senders when consumers recognised the persuasive intent behind the message (Boerman, Van Reijmersdal & Neijens, 2012; Lee, Kim & Ham, 2016; Van Reijmersdal *et al.,* 2016).

Media scholars have been studying the concept of credibility for over 60 years, but despite decades of research, efforts to measure the credibility of media content and attempts to arrive at an agreed upon model have been stifled by the dearth in cohesion among academic scholars in terms of defining and measuring credibility (Appelman & Sundar, 2015; Sweetser *et al.,* 2016). Furthermore, a consensus among communications researchers regarding what constitutes credible communication remains stalled at a conceptual level in part largely owing to the internet, which has significantly changed the way messages are created, shared and distributed. Given these challenges, researchers have often relied on the pioneering works of psychologist Carl Hovland and colleagues, who established a theoretical framework that linked the credibility of persuasion based on the interaction between three field-specific dimensions – source (and often overlooked, media source), message, and audience/receiver

(Hovland & Weiss, 1951). From these key elements, reviewed literature on persuasion has revealed the significant influence that attributes of the source have on consumers' attitudes after exposure to the persuasive messaging, with credibility of the source being one of the most frequently examined attributes (Wilson & Sherrell, 1993; Wu *et al.,* 2016).

Source refers to agent from which the information/message originates (Berlo, 1960; Wu *et al.,* 2016). Hovland and Weisse (1951) distilled source credibility as a two-dimensional construct, these dimensions being trustworthiness and competency (or expertise). Trustworthiness relates to the morality and honesty of the source in presenting unbiased and objective information, while competency of a source refers to the extent to which the source's expertise and knowledge serve to validate the information (Wilson & Sherrell, 1993). Evaluation of credibility based on the source of information is complicated by the nature of the internet's environment because in many cases the transmission of information is attributed to multiple layers of sources (De Silva & Buddihika, 2019). Notably, while it is possible for the agent that creates the message to be the same as the agent that delivers it, in some cases the two may be different; thus the assessment of message source is often confused or interpreted interchangeably with the assessment of the message medium, which relates to how and where the information/message is published and distributed (Sweetser *et al.,* 2016).

In the context of Native Advertising, there are two perceivable sources of the message: the advertiser (i.e. the sponsoring brand), and the medium or media outlet (i.e. the media agency that publishes the native advertisement) (Wu *et al.,* 2016). In view of this situation, source credibility can be operationalised as either corporate credibility or media source credibility, the latter being the focus in this research. In line with Appleman and Sundar (2016: 74), this study relied on definitions of credibility that expressed source credibility and medium credibility as being distinct concepts. Thus, source credibility is defined as the origin of the information or, in other words, the quoted source of the information that has been published for audiences' consumption (Appelman & Sundar, 2016), while medium (or media source) credibility is defined as the extent to which consumers believe that the expertise or trustworthiness of a media publishing platform (e.g. print, web, broadcast, social) results in the provision of correct and unbiased information (Go, Jung, & Wu, 2014; Greer, 2003; Hass, 1981). While the evidence exists to support the PKM's (Friestad & Wright, 1994) assumptions that there may be a negative relationship between the consumers' advertising recognition and their attitudes toward the sponsor and the advertisement, less is known about the effect of advertising recognition on the consumers' perceptions of NSC and NWC. Although literature in this respect is scant, findings from a study of native advertising on radio shows by Wei, Fischer

and Main (2008) indicated that participants' negative evaluations of the sponsoring brand were carried over to entities affiliated with the brand, in this case the media outlet (the radio show engaged in airing the native advert). Nonetheless, this deficit highlights the need for further investigation in this area because news publishers have a vested interest in maintaining consumer trust and promoting positive perceptions of credibility, in order to uphold the reputation of unbiased and trustworthy journalistic virtues.

Therefore, this study exclusively examined the effect and potential implications of Native Advertising on consumers' perception of NSC (i.e. message credibility) and NWC (i.e. media source credibility). This particular focus was chosen because empirical marketing research studies undertaken thus far often tend to be skewed toward consumers' attitudes of the sponsor brand or the advertiser and, thereby, overlook the impact Native Advertising has on consumers' trust and the reputation of news publishers.

## 2.4. CONCLUSION

In essence, this chapter introduced readers to the definition, use and debate concerning the growing popularity of Native Advertising in the online news publishing landscape, and provided a detailed discussion of the theoretical work that forms the basis of this study. The cornerstone of this study's theoretical framework was underpinned by the tenets of the PKM (Friestad & Wright, 1994). In summary, the PKM predicts that the more existing persuasion knowledge consumers can activate, the higher the likelihood that they can evaluate the advertisement more critically, and, subsequently, form negative attitudes and perceptions of both the message and its publisher (Friestad & Wright, 1994). The next chapter presents a Literature Review of relevant past research reports with the aim of highlighting gaps or inconsistencies from existing empirical studies, which guided the formulation of hypotheses that were set out to address the objectives of this study presented in Chapter 1. The Literature Review will culminate with an illustration of the conceptual model which was adapted from the research conducted by well-established academics.

# CHAPTER THREE: LITERATURE REVIEW

## 3.1. INTRODUCTION

This chapter discusses key findings from past empirical studies on Native Advertising to synthesize the theoretical framework that was discussed in Chapter 2. The Literature Review is divided into three sections to address the key relationships between the constructs under investigation in this research, namely the relationships between: (1) effect of disclosure labels on advertising recognition; (2) mediating influence of visual attention on the aforementioned relationship; and (3) effect of advertising recognition on IMI and perceptions of the publisher's credibility. At the end of this chapter, the synthesis of empirical evidence against the PKM (Friestad & Wright, 1994), as the guiding theoretical framework for this research, will be elucidated though the presentation of this study's conceptual model.

## 3.2. DISCLOSURE AND ADVERTISING RECOGNITION

Perhaps the most heated media industry debate is the issue of disclosure, which has been extensively discussed in the FTC's (2015) Native Advertising Guidelines as well as the IAB's (2019) Native Advertising Playbook. This industry is still grappling with the challenge of reaching the right balance between sufficient disclosure labelling to reduce chances of engendering feelings of deception, but without undermining Native Advertising objectives of blending into editorial content to gain consumers' engagement with the message. While there are several antecedents that influence the likelihood of Native Advertising recognition, perhaps the chief variables are the bottom-up processing factors, such as the design element being among the principal variables that may affect the likelihood of noticing and, thereafter, properly understanding sponsorship disclosure (Wojdynski & Evans, 2020). Hence, the first significant finding from relevant media research is that the activation of persuasion knowledge and advertising recognition depends on the implementation of disclosure (i.e. the presence or absence of disclosure), and the characteristics of the disclosure label.

### 3.2.1. Presence versus Absence of Disclosure Labels

Studies in the area of covert marketing have presented overwhelming evidence that the presence of disclosure labels leads to greater chances of activating consumers' conceptual persuasion knowledge and advertising recognition, compared to advertisements without disclosure in both traditional contexts (Nelson *et al.*, 2009; Wood *et al.,* 2008) and newer digital contexts of Native Advertising (Boerman, Willemsen & Van Der Aa, 2017; Campbell & Evans, 2018; Evans *et al.,* 2017; Van Reijmersdal *et al.,* 2016; Wojdynski & Evans, 2016). However, there have also been a considerable number of studies that reveal that consumers often do

not notice disclosure labels and, therefore, suggest instead that the presence of disclosures may be ineffective in increasing the likelihood of advertising recognition (Boerman & Van Rejismersdal, 2016; Wojdynski & Evans, 2016). For instance, a study by Kim, Pasadeos and Barban (2001) found that less than one third of participants exposed to a labelled advertorial were able to recall the disclosure label, while a study by Wojdynski and Evans (2016) found that only about 18% of participants recognised what the labelled advertorials were advertising. Moreover, studies have also found that about only half the participants recognise advertising even when disclosure designs are optimized to be more recognizable by both children (De Jans *et al*., 2018) and adults (Wojdynski *et al*., 2017). Thus, in order to investigate the validity of the theoretical assumption that there is a positive association between the presence of disclosure and advertising recognition, the following hypothesis was formulated:

***H1:*** *Recognition of the disclosure label "Sponsored by Nando's" will be positively associated with participant's likelihood of recognising the article is paid/sponsored content.*

### 3.2.2. Positioning of Disclosure

Disclosure labels need to be seen and consciously processed in order to be effective, which, as the reviewed studies have demonstrated, are actions that depend on characteristics of disclosure. In particular, past research has established that wording, visual prominence (in form of colour and size) and positioning with respect to the content, influence the effectiveness of disclosure in fostering advertising recognition (Boerman, Van Reijmersdal & Neijens, 2014; Kim & Hancock, 2017; Wojdynski, 2016; Wojdynski & Evans, 2016). Due to the scope of this study, the present research focused on examining the position of disclosure with respect to the content of the article. The rationale behind this choice is that examining disclosure positioning may allow researchers to arrive at standardized guidelines that can be more flexibly applied across the advertorials of an array of different sponsor types and products, because disclosure positioning has fewer variations that are universally applicable, compared to wording and visual prominence variations in disclosure.

Supporting Friestad and Wright's (1994) PKM is Faraday's (2000) model of Visual Hierarchy. This model suggests that in order to effectively convey information, presented specifically on webpages, two sequential processes must occur. First, consumers must notice the disclosure label, and then be able to understand the messages being conveyed (Faraday, 2000). Studies on online reading/viewing behaviour often conclude that the placement of disclosure labels above the story headline or near the top left corner are more likely to activate the schema/conceptual persuasion knowledge necessary for recognition of advertising, because

they are more likely to be seen by viewers; followed by information branching rightwards and horizontally down the page from the top left, in the shape of an F (Boerman, Van Rejismersdal & Neijens, 2014; Shrestha & Lenz, 2007).

Although this finding may suggest supremacy of top disclosure positioning, evidence exists that online viewers often start their general F-shaped viewing pattern further down the page and, thus, give less attention to information above the fold (i.e. the portion of the webpage visible without scrolling), for instance information presented above the news headline (Wojdynski & Evans, 2016). Additionally, Wojdynski and Evans (2016) concluded, through their analysis of self-reported findings, that the traditional recommendation of top positioning was less effective than disclosure positioned in the middle or at the end of the article; and that middle positioning of disclosure was most likely to lead to advertising recognition. This fact may be because disclosure positioned above the headline is more likely to be ignored compared to middle or bottom positioning where the disclosure is in closer proximity to the content of the article (Wojdynski & Evans, 2016). Moreover, Wojdynski and Evans (2016) also suggested that middle placed disclosures may be more effective in helping viewers recognise sponsored articles as advertising because this placement interrupts the story content and, in doing so, attracts more attention. Based on these findings, the following hypothesis was formulated:

***H2:*** *The likelihood of Native Advertising Recognition will be greater when disclosure is positioned in the middle of the article compared to when it is positioned at the bottom of the article.*

While existing scholarship has established that visual attention to the disclosure is required to effectually process the message in the disclosure label (Boerman, Boerman, Van Rejismersdal & Neijens, 2012; 2014; 2015), only a few studies have used eye-tracking to objectively measure whether different disclosure positions lead to differences in visual attention (Aribarg & Schwart, 2017; Wojdynski & Evans, 2016). The next section reviews past empirical studies that used both self-reported measures, as well as eye-tracking measures, to investigate the mediating role of visual attention.

### 3.3.3. Mediating Effect of Visual Attention: Eye-Tracking in Native Advertising Recognition Research

Past research has shown through the process of eye-tracking that visual attention is a driving force behind the effect of disclosure position on advertising recognition (Wojdynski & Evans,

2016; Wojdynski *et al.,* 2017). However, very few Native Advertising studies have examined research participants' attention via eye-tracking. Therefore, this study aimed to contribute towards filling this gap in media and advertising literature. Rather than relying solely on participants' conscious verbal responses, which are subject to biases that may arise from artificial testing environments, eye-tracking offers researchers the ability to measure visual, emotional and spontaneous responses to a communication message (Pretorius & Calitz, 2011; Tobii Technology, 2010). Eye-tracking analysis of visual attention is based on captures of 'fixation', which refers to the time spent looking at an area of interest within an advertisement (Tobii Technology, 2010). According to Pretorius and Calitz (2011), fixation provides an understanding of visual perception and, in many cases, one is only able to clearly perceive and interpret something when fixating either directly or very closely on an object.

Early advertising eye-tracking research has demonstrated that consumers pay different levels of attention to different areas of an advertisement. Leven (1991) found that the centre of advertisements was fixated upon more frequently than anywhere else, with the upper-right corner fixated upon the least, findings which suggest that consumers only explore, rather than attend in depth, to the top of an advertisement. Leven's (1991) research also indicated a preferential scan path sequence of fixation beginning in the middle, moving to the top and ending in the lower-right corner. While eye-tracking provides researchers with a reliably objective measure, as Pretorius and Calitz (2011) caution, it is also important to incorporate self-reported measures of attention in order to gain a fuller understanding of why an individual has been fixating upon one area more than other areas. Recent studies conducted in the past decade have also shown scan path patterns of attention that are similar to Leven's (1991) findings. Wojdynski and Evans (2016) found for both eye-tracking measures and self-reported measures, that visual attention to the disclosure varied according to the disclosure positioning conditions, in which the middle condition attracted the attention of the largest percentage of participants, followed by the bottom condition, and lastly the top condition. Given the points discussed above, the following hypotheses were formulated to assess the potential mediating influence of visual advertising on the relationship between disclosure position and advertising recognition.

***$H3_a$:*** *Visual Attention measured as Fixation (ms/m) to the disclosure label; will be greater for those in the middle disclosure condition than for those in the bottom disclosure condition.*
***$H3_b$:*** *More participants will notice/recognize the disclosure in the middle disclosure condition compared to the bottom disclosure condition.*

***H4:*** *Fixation upon the disclosure label will have a positive influence on Native Advertising Recognition.*

***H5:*** *Visual Attention to the disclosure label will mediate the effect of disclosure label position on Native Advertising Recognition such that greater visual attention to the disclosure label will increase the likelihood of advertising recognition.*

### 3.3. EFFECTS OF ADVERTISING RECOGNITION ON INFERENCE OF MANIPULATIVE INTENT, NEWS STORY CREDIBILITY AND NEWS WEBSITE CREDIBILITY

To date, the majority of the empirical evidence indicates that when consumers cannot recognize sponsored content as advertising, they are more likely to report positive perception and attitudes relating to the message, the advertiser and/or the publisher in comparison to consumers who recognize the message as advertising (Boerman, Willemsen & Van Der Aa, 2017; Campbell & Evans, 2018; Van Reijmersdal *et al.,* 2016; Wojdynski & Evans, 2016). Wojdynski and Evans (2020) postulate that this finding may be because when native advertisements are veiled under the guise of content, consumers, accustomed to conventionally recognisable advertising, typically have the tendency to avoid/ignore advertising (such as banner advertisements) when browsing/engaging with content they have actively sought on a publisher's webpage (i.e. the content they would naturally attend to on the publisher's platform). As such, this practice makes schema associated with non-advertising messages more accessible, while disabling consumers' ability to access persuasion knowledge and initiate resistance strategies. While it may sometimes be the case that a lack of recognition may influence positive evaluations because of the foregoing spillover effect associated with non-advertising schema, there is still a strong concern within the journalism industry regarding the consequence of engendering feelings of deception among viewers. It is well documented that IMI increases when individuals feel deceived about the source of information (An, Kerr & Jin, 2019; Campbell, 1995; Krouwer, Poels & Paulussen, 2017; Lunardo & Mbengue, 2013; Wojdynski, 2016; Youn & Kim, 2019). The foregoing findings led to the formulation of the following hypotheses to examine the relationships between advertising recognition, IMI and credibility.

***H6:*** *Those who did not recognised the article as a Native Advertisement prior to being informed of the commercial and persuasive nature of the article, will have a higher Inference of Manipulative Intent than those who recognized the article as a Native Advertisement prior to being informed of the commercial and persuasive nature of the article.*

***H7:*** *Inference of Manipulative Intent is negatively related to News Story Credibility.*

***H8*** *Inference of Manipulative Intent is negatively related to News Website Credibility.*
***H9:*** *Inference of Manipulative Intent will mediate the effect of advertising recognition on News Story Credibility such that high IMI will increase the negative effect that recognition of the article as Native Advertising has on reader's perception of News Story Credibility.*
***H10:*** *Inference of Manipulative Intent will mediate the effect of advertising recognition on News Website Credibility such that high IMI will increase the negative effect that recognition of the article as Native Advertising has on reader's perception of News Website Credibility.*

Just as the bulk of evidence from the studies detailed above shows that a lack of advertising recognition may lead to positive evaluations, expectedly there is also substantial evidence that the presence of disclosure and advertising recognition leads to the lower evaluation of the native advertisements (Amazeen & Muddiman, 2018; Amazeen & Wojdynski, 2020; Wojdynski & Evans, 2016; Wu *et al.,* 2016). However, there are some studies in which disclosure and advertising recognition did not lead to increased attitudinal persuasion knowledge that influences the formation of negative evaluations of the advertisement and advertiser (Colliander & Erlandsson, 2015; Sweetser *et al.,* 2016). The reason behind this attitude may be owing to the consumers' degree of involvement with the content of the article. Studies have shown that when consumers perceive information in an advertisement to be useful or entertaining, then their evaluations of the article depend less on the source of information and the importance of media source credibility decreases because their focus is directed to the relevance of the message (Campbell, 1995; Cole & Greer, 2013; Petty & Cacioppo, 1981; Sweetser *et al.,* 2016).

Considering these points, the following hypotheses were formulated to examine whether the assumption of a negative relationship between Native Advertising recognition and perceptions of publishers' credibility holds true, as well as to examine whether the degree of involvement with the sponsored content can moderate the negative causal relationship.

***H11:*** *Those who recognize the article is a Native Advertisement will have a lower perception of News Story Credibility than those who do not recognize the article is a Native Advertisement.*
***H12:*** *Those who recognize the article is a Native Advertisement will have a lower perception of News Website Credibility than those who do not recognize the article is a Native Advertisement.*
***H13:*** *Involvement with the article will have a positive influence on the perception of News Story Credibility.*

***H14:*** *Involvement with the article will have a positive influence on the perception of News Website Credibility.*

***H15:*** *Involvement with the article will moderate the effect of advertising recognition on the perception of News Story Credibility.*

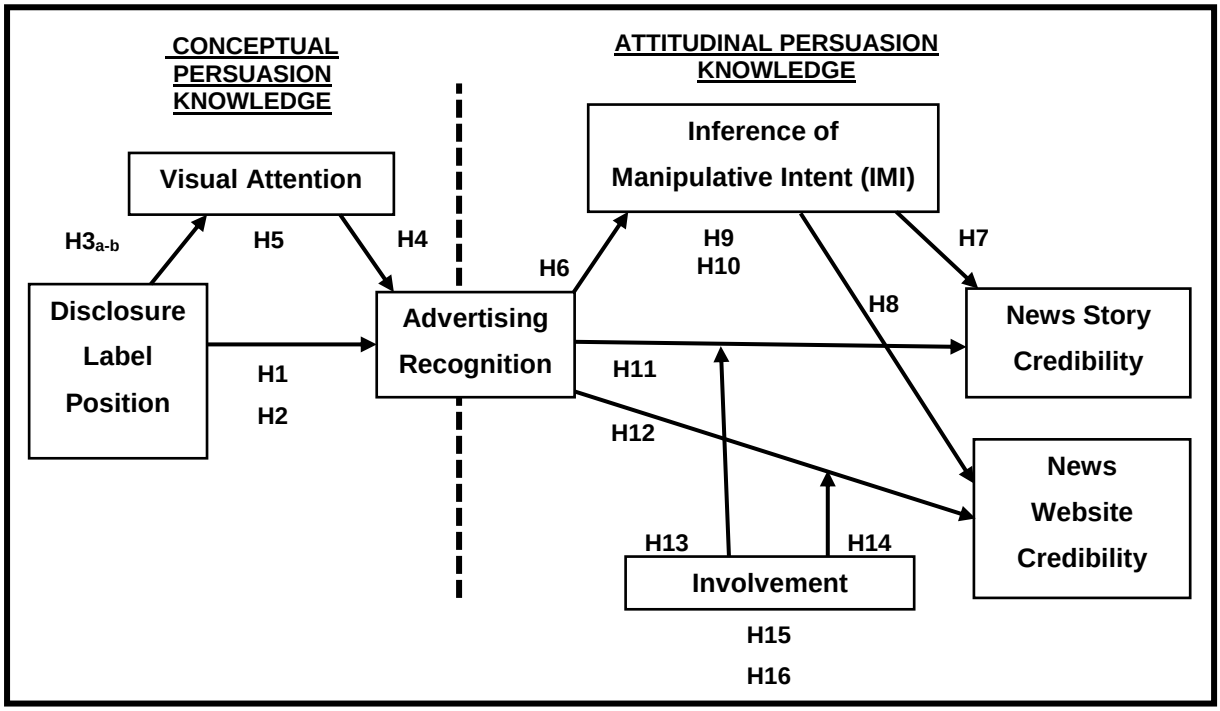
***H16:*** *Involvement with the article will moderate the effect of advertising recognition on the perception of News Website Credibility.*

Having exhausted the discussion of key findings from past Native Advertising studies, the section to follow summarizes this study's hypotheses as illustrated in the conceptual model in Figure 2 below.

### 3.4. CONCEPTUAL MODEL

Based on the forgoing review of key findings from recent empirical studies, this research presents the following conceptual model as depicted in Figure 2 below.

Figure 2: Persuasion Knowledge Model [PKM] for Online News Advertorials Conceptual Model




The conceptual model for this study adapted the PKM (Friestad & Wright, 1994) to fit the context of digital Native Advertising by drawing upon an analysis of key findings in recent empirical studies (An, Kerr & Jin, 2019; Amazeen & Muddimani, 2017; Amazeen & Wojdynski, 2019, 2020; Wojdynski & Evans, 2016) as outlined in the literature reviewed above. The

conceptual model for this study summarises that the ability to recognise Native Advertising is based on conceptual persuasion knowledge that is activated through visual attention to the disclosure label. In the reviewed literature advertising recognition is commonly credited with being able to activate the second dimension of persuasion knowledge, namely attitudinal persuasion, which when activated elicits critical processing and triggers psychological resistance strategies, such as scepticism, counter-arguing and avoidance as coping mechanisms against persuasive attempts. Advertising recognition, especially in situations in which consumers perceive the advertising tactic as being experienced in an unexpected manner, typically leads to increased IMI (Campbell, 1995), which researchers suggest mediates the negative effect recognition of persuasive attempts has on consumers' perception of the publishers' credibility.

### 3.5. CONCLUSION

This chapter concludes the comprehensive Literature Review of empirical scholarships of the effects of disclosure and Native Advertising recognition on consumers' IMI (Campbell, 1995) and perceptions of NSC and NWC. This chapter also presented the conceptual model of this study, the Persuasion Knowledge Model for Online News Advertorials, which was based on principles of Friestad and Wright's (1994) PKM and adapted from past empirical findings to address gaps and inconsistencies in the existing knowledge base. The reviewed literature in the field of Native Advertising revealed a series of conclusive and, at times, contradictory findings. In general, research shows that most audiences fail to notice disclosure, but nonetheless, disclosure increases the likelihood of advertising recognition, which then often has an adverse effect on consumers' perception of the publisher's credibility. However, some studies have found that the negative effects of Native Advertising recognition may be lessened depending on the degree of involvement and associated perceived informational utility the consumers believe the content offers them. Overall, these conflicting findings present a need for further investigation into the efficacy of disclosure. A better understanding of how consumers process and evaluate Native Advertising may offer important contributions for publishers concerned with safeguarding journalist integrity, through the means of achieving a clearer separation between editorial and advertorial content. In the next chapter, the methodology used in this study is discussed.

# CHAPTER FOUR: METHODOLOGY

## 4.1. INTRODUCTION

In this chapter, the research methodology used for this study is detailed. Firstly, justification is provided for the chosen research paradigm, followed by details of both the research design and research methods used in this study. The discussion on the research design foregrounds the conceptual structure used to investigate the hypotheses formulated in Chapter 3, while the explanation of the research method validates the data collection techniques used in this research. Thereafter, the chapter provides details of the following: target population, sampling method, measurement instruments, scales, data collection procedure, and data analysis techniques employed in this study. Lastly, the chapter records the ethical considerations taken for this study.

## 4.2. RESEARCH PARADIGM

The term 'research paradigm' was first introduced by Kuhn (1962) to signify a conceptual framework shared by a community of scientists, which allowed for the investigation of problems and solution finding based on a convenient model. Recent scholars (Babbie, 2013; Johnson & Christensen, 2010; Neuman, 2011; Wahyuni, 2012) have maintained that the term research paradigm describes a framework of thinking that guides the behaviour of a community of researchers based on a set of shared fundamental assumptions, accepted theories, beliefs, values, practices and concepts in terms of how the world is perceived. Accordingly, an understanding of the different types of research paradigms is imperative in order to establish appropriate ways to conduct and evaluate research. Research paradigms abound in the field of social science, including interpretivism, realism and positivism. This research study was based on the positivist paradigm (Johnson & Christensen, 2010).

The positivism paradigm is a theoretical framework that posits that reality is objective, contrary to other paradigms, such as the interpretivist paradigm, that uphold the philosophy that there is no single reality (Wimmner & Dominick, 2011). The purpose of social science research, guided by a positivism paradigm, is to discover and describe the self-governing, objective, and independent laws of nature, and the existence of truth to which human life if subjected, through scientific quantifiable research methodologies that produce systematic, precise, verifiable and theoretical answers to research questions or hypotheses (Aliyu *et al.*, 2014; Nel, 2016). Positivist methodologies are often involved with conducting experimental studies, whereby observable social realities are explained through quantitative terms that describe how variables interact to shape events and cause outcomes, all aimed at arriving at 'law-like'

generalisations (Saunders, Lewis & Thornhill, 2009; Tuli, 2010). The underlying benefit echoed through positivism is that the approach promises unambiguous and accurate results, or at least the closest statistically significant approximation of knowledge; based on hypotheses developed from existing theory; tested and either refuted or confirmed in whole or part, with the ultimate goal of furthering the development of theory for future research (Saunders, Lewis & Thornhill, 2009). It is for this reason that positivism is seen as an approach that leads to objective and, thus, reliable and valid knowledge generation of the natural sciences. Hence, the present research was based on the positivism paradigm, and a research design that was quantitative in nature. The next section describes the research design created for this study.

### 4.3. RESEARCH DESIGN

Malhotra, Nunan and Birks (2017) define the research design as the framework for conducting marketing research. Research designs are divided into exploratory research and conclusive research, the latter category is further classified into either descriptive research or causal research (Bryman, Harley & Bell, 2018). The aim of an exploratory research design is to provide an understanding of, and insight into, a research problem (Malhotra, Nunan & Birks, 2017). Data gathered through this design is qualitative in nature and the information required is often loosely defined (Bryman, Harley & Bell, 2018). The research problem of a study is addressed mainly through the collection of primary data by the researcher for the specific purpose of exploring the subject at hand (Zikmund & Babin, 2010). Exploratory research may also include the analysis of existing data i.e. secondary data that has been collected for purposes other than the research problem at hand; the secondary data may be analysed for assisting in identifying and defining the research problem faced by the researcher and the interpretation of the primary data (Malhotra, Nunan & Birks, 2017). Thus, the analysis of secondary data is often a prerequisite of primary data collection (Malhotra, Nunan & Birks, 2017). The present research examined secondary data in the Literature Review set out in Chapter 3.

A conclusive research design is a structured form of research that is used to test hypotheses and investigate the relationship between constructs (Malhotra, Nunan & Birks, 2017; Saunders, Lewis & Thornhill, 2009). Contrary to exploratory research, the information required for conclusive research is clearly defined and, thus, requires the use of primary data and. consequently, it calls for quantitative data collection methods for analysis (Saunders, Lewis &

Thornhill, 2009). Conclusive research is further divided into descriptive research and causal research. This study focused on causal research.

The purpose of a casual research design is to determine the nature of causality; the relationship between an event and a second event, whereby the probability of occurrence of the second event (i.e. dependent variable) is a consequence of the occurrence of the first event (i.e. independent variable) (Zikmund & Babin, 2010). Causal research design involves the manipulation and control of independent variables and the measurement of dependent variables (Silver *et al.,* 2012). Three conditions must be met in order to test cause and effect relationships (Malhotra, Nunan & Birks, 2017). The first condition is correlation/empirical or observable association – this proviso refers to the extent to which the dependent and independent variables occur or vary. The second condition is time order – which dictates that the cause (independent variable) must occur before or at the same time as the effect (dependent variable). The third condition is non-spuriousness – which occurs when the relationship between cause and effect variables is true, but not due to a variable that affects both the cause and the effect i.e. X should be the only possible condition that can cause Y.

There are three types of causal research designs: pre-experimental, true experimental and quasi-experimental (Leedy & Ormrod, 2001). This research study was based on a true experimental design, which involves the random assignment of participants to experimental groups/treatment conditions. This random assignment process creates groups that are equivalent (but not to be mistaken as generalizable), thus providing a higher degree of internal validity, resulting from a superior degree of control of extraneous variables in the experiments. Extraneous variables refer to variables that are unintentional or undesirable aspects of the environment, which may affect participants' behaviour (Malhotra, Nunan & Birks, 2017). Internal validity refers to the measure of accuracy of an experiment, which is assessed by the degree of control exercised over potential confounding variables; the lower the chance of confounding variables in a study, the greater confidence the researcher demonstrates in the chosen explanation for causality (Malhotra, Nunan & Birks, 2017). True experimental design can be conducted either as: 1) pre-test - post-test control group - two (or more) groups (e.g. a control group and experimental group(s)) measured before and after treatment exposure with randomization of assignment to groups; or 2) post-test only control group - no pre-measurement because the groups are assumed to be equal, based on the said randomization (Malhotra, Nunan & Birks, 2017). Grounded upon all the listed considerations, the present research study implemented a causal, true experimental design, with a two group post-test only control group design to investigate the cause-and-effect relationship between: (1)

disclosure position and advertising recognition - which examined the first dimension of the PKM (Friestad & Wright, 1994); activation of conceptual persuasion knowledge); and (2) advertising recognition and perception of NSC and NWC - which examined the second dimension of the PKM (Friestad & Wright, 1994); the activation of attitudinal persuasion knowledge. The next section describes the research method used in this study.

## 4.4. RESEARCH METHOD

In earlier sections of this chapter, it was established that the present research was conducted based on the positivist paradigm; a theoretical framework that prescribes that a quantitative approach is applied in order to uncover the closest statistically significant approximation of knowledge, based on hypotheses developed from existing theory. Conventional quantitative data collection methods include recording well-defined/quantifiable events through observation, and administering surveys with close-ended questions (e.g. online, face-to-face, mail or telephonic surveys). The aforementioned quantitative methods in comparison to qualitative methods (e.g. in-depth interviews and focus groups), are relatively cheaper to apply, quicker to administer and distribute and, in addition, easier to summarise, compare and generalise due to a high level of standardization (Dudovskiy, 2016). However, despite the ease, speed and cost effectiveness offered through conventional quantitative data collection, the present research acknowledges that there are limitations exerted on the internal validity of experimentation when data collection relies solely on self-reporting measures. Internal validity is the extent of accuracy to which the experimental design of a study can establish a reliable cause-and-effect relationship between a treatment and an outcome (Cunic, 2019). The following section presents a critical analysis of the data collection methods used in the present research.

### 4.4.1. Validity Assessment of Conventional Quantitative Data Collection

For several decades, researchers have expressed scepticism over the use of self-reported measures of consumer behaviour, owing to the complexity of thought and cognitive processing involved (Hsu, 2017; Nighswonger & Martin, 1981; Wiles & Cornwell, 1990; Zaltman, 2003). In this respect, Nosek, Hawkins and Frazier (2011) suggest that there are varieties of factors that limit the value of introspectively derived explicit measurement within the given context of a study. These factors include: (1) limits in respondents' motivation to report mental content they are aware of; (2) limits in respondents' opportunity to report the mental content e.g. the circumstances of measurement might constrain what is reported; as well as (3) limits in respondents' awareness i.e. the mental content may be inaccessible to introspect through self-report (Nosek, Hawkins & Frazier 2011). Additionally, Wang and Minor (2008) concur with

the limitations expressed by Nosek and colleagues (2011), cautioning that there is the possibility that respondents may provide socially acceptable or uncontemplated answers.

As discussed in Chapters 2 and 3 of this study, literature on the PKM (Friestad & Wright, 1994) emphasises that consumers' ability to recognise and discern paid content as advertising is contingent on consumers' visual attention to the disclosure label. As visual attention is at times a subconscious process, researchers cannot rely on consumers to accurately report on whether or not they paid attention to the disclosure label. Concern over the accuracy of conventional data collection, therefore, highlights a need for more precise, unbiased and comprehensive measurements of psychophysiological processes to reflect a deeper understanding of how consumers unconsciously react to external stimuli. Psychophysiology as Kroeber-Reil (1979) remarks is an interdisciplinary subject that combines psychology, physiology, and biology. Accordingly, Wang and Minor (2008) explain that marketing researchers are able to monitor consumers' concealed psychological processes and responses to stimuli through psychophysiological techniques, based on a number of physiological indicators. These psychological responses are represented by cognitive processing taking place in the mind. Eroglu, Machleit, and Davis (2001: 181) define cognitive processing as "everything that goes on in the consumer's minds concerning the acquisition, processing, retention and retrieval of information". They point out that quantitative measures of cognitive processing commonly include measures of knowledge, attention, attitude, beliefs, memory and recall (Eroglu, Machleit & Davis, 2001). In this regard, there has been a growing interest in a relatively new research discipline known as neuromarketing. Neuromarketing is an approach to marketing research that incorporates neuroscience data collection techniques to improve marketers' theoretical understanding and modelling of consumers' subconscious cognitive response to advertisements (Hsu, 2017).

Hence, in addition to the use of a structured survey presented to the control and experimental groups after treatment exposure, the present research study implemented a neuromarketing psychophysiological data collection technique, namely eye-tracking, to objectively measure the effect that participants' visual attention had on the relationship between disclosure label positioning and the likelihood of advertising recognition, thus addressing the inherent limitations of self-reporting. Through the implementation of multiple methods of quantitative data collection, the present research aimed to offer robust findings, which is the benefit most commonly expressed in the reviewed literature in relation to the use of multiple research methods (Boyer & Swink, 2009; Carter, Sanders & Dong, 2008; Davis, Golicic & Boerstler, 2009; Jick, 1979; Kirkwood & Campbell-Hunt, 2007). The following section defines

neuromarketing in further detail and provides justification to support the incorporation of the data collection technique of eye-tracking in this research study.

### 4.4.2. Neuromarketing and the Use of Eye-Tracking

Consumer neuroscience, as formally defined by Reimann *et al.* (2012), refers to the study of the neural conditions and processes that motivate consumption; encompassing both psychological meaning and behavioural consequence. Similarly, neuromarketing refers to the use of physiological and neuroscience research techniques to gain new and/or deeper insights that more accurately predict consumers' preferences, decision-making and behaviour, along with other aspects of human cognition related to marketing (Boksem & Smidts 2015; Sinnott-Armstrong & Huettel, 2017; Venkatraman *et al.* 2015). There are several data collection methods used in neuromarketing research to gain a deeper understanding of the subconscious motives that underpin consumers' preferences and decision-making processes. These methods include physiological techniques such as facial recognition analysis, GSR (galvanic skin responses) and eye-tracking; as well as brain imaging technologies such as FMRI, (functional magnetic resonance imaging) EEG (electroencephalography), and MEG (magneto-encephalography) (Fugate, 2017). As mentioned earlier, the present research incorporated the use of eye-tracking. Poole and Ball (2006) describe eye-tracking as a data collection technique whereby eye movements are measured to establish both where a person is looking at any given time (a process commonly known by the acronym AOI, which refers to 'areas of interest'), and the sequence in which the person's eyes are moving from one location to another (commonly referred to as the fixation sequence) (iMotions, 2015a).

In this study eye-tracking data was collected in addition to participants' self-reported measures of recognition of disclosure label, for several reasons. Firstly, this supplementary data collection technique sought to improve internal validity (i.e. accuracy) in investigating the mediating effect of visual attention on the relationship between disclosure positioning and advertising recognition, through the objective measure of visual attention. Hence, through this objective measure the researcher can better identify the elements of a complex stimulus (such as a Native Advertising) that receive somatic (voluntary) or autonomic (involuntary) attention. The rationale for the use of this additional data collection method is supported by findings in several reviewed studies that demonstrated that self-reported viewing is not always the same as measured actual viewing (Boerman, Van Reijmersdal & Neijens 2012; Campbell, Mohr & Verlegh, 2013; Tessitore & Geuens, 2013; Van Reijmersdal, Tutaj & Boerman, 2013; Wojdynski & Evans, 2016). Secondly, as Zurawicki (2010) remarked, eye-tracking can be used in marketing research as well as in HCI (human computer interactions) research and for the evaluation of website design and website browsing patterns, all of which are relevant areas of

interest in the context of the present research study. Therefore, this novel approach to data collection places the researcher in a better position to offer valuable theoretical and managerial implications and recommendations, in an effort to expand academic contributions to existing bases of knowledge and marketing practice, within the context of the online news publishing and journalism industry. The next section explains and justifies the target population and sampling procedure adopted in the present research study.

## 4.5. TARGET POPULATION AND SAMPLING DESIGN

A population refers to an aggregation of elements that share common sets of characteristics (Malhotra, 2010:371). Conducting market research to obtain information about parameters of an entire population can be exceedingly costly and timely and, because of this, researchers make use of a sample. A sample is a subgroup of a population chosen to participate in a research study, for the purpose of obtaining and statistically analysing data from which inferences can be made about the population as a whole (Malhotra, 2010:371). Hence, a sampling design comprises several steps, beginning with defining the target population of the study, followed by determining the sampling frame, sampling technique and sample size and, lastly, deciding upon the execution of the four previous steps. The following three sections in this chapter will discuss in greater detail the various steps of the sampling design implemented in this research study.

### 4.5.1. Target Population

A target population refers to a group of elements that hold the information sought by the researcher, from which inferences can be drawn (Malhotra, Nunan & Birks, 2017). The target population for this research comprises UCT students aged between 20 and 29 years.

This research uses university students in line with similar studies that incorporated the use of eye-tracking to investigate consumer subconscious and implicit responses to covert advertising (Slanzi, Balazs & Velasquez, 2017; Wojdynski & Evans, 2016). It would be reasonable to assume that because older adults (born before 1980) may have more experience with news media consumption, they intuitively ought to have greater knowledge of persuasion tactics. However, their experience lies more on consuming traditional news without native content, whereas younger adult audiences (born after 1980) who consume most of their news content online (Barthel *et al.*, 2016) have a greater chance of developing the critical skills necessary to correctly recognise and categorise the motives behind content they encounter online (Amazeen & Wojdynski, 2019). Amazeen and Wojdynski (2019) proposed, in their study of the antecedents and consequences of persuasion knowledge in digital news contexts, that

age and education serve as key predictors of Native Advertising recognition. Their findings suggest that younger and better-educated respondents (in terms of online viewing) were more likely to recognise Native Advertising compared to older adults (Amazeen & Wojdynski, 2019).

In addition, extant subject-specific literature advocates that critical thinking skills that are useful in scrutinizing content may be correlated to education level (Kickbusch, 2001; Moekotte, Brand-Gruwel & Ritzen, 2017). The terms “younger adults” and "older adults" are not well defined and there seems to be no consensus in the scientific literature (Carew & Comiskey, 2017). Hence, in this research, the terms “younger adults” refer to persons aged between 20-35, and “older adults” to persons aged 50 and over, based on categorization of age groups adopted from previous studies related to health behaviour change and aging aspects (Petry, 2002; Palmiero, Di Giacomo & Passafiume, 2017; Wang *et al.,* 2017). Given these points, it was felt appropriate to examine the manipulation of disclosure positioning on a sample of young adults who were relatively more familiar with modern forms of online advertising, in comparison to traditional forms of advertising, because one of the primary objectives of this research study was to make distinctions between which positioning of the disclosure label leads to a greater likelihood of advertising recognition and, in turn, compare which condition (i.e. consumers’ responses to modern or traditional forms of advertising) had the greater influence on their perceptions of the publisher’s credibility. Moreover, by sampling from a population from UCT (one of Africa’s leading universities) (uniRank, 2021), the research results may offer marketers and news publishers, both local and global, access to unique insights on Native Advertising, given the rich diversity of both South Africa and UCT.

### 4.5.2. Sampling Frame and Sampling Techniques

A sampling frame refers to a list or set of characteristics for identifying the elements that represent a target population (Malhotra, Nunan & Birks, 2017). The sampling frame for this research included the list of students on the UCT emailing list at the time of data collection. Sampling techniques refer to the process of selecting an appropriate representative portion (i.e. sample) of a population for defining parameters or characteristics of the whole population (McLeod, 2014; Polit & Beck, 2010). There are two types of sampling methods: probability sampling and non-probability sampling.

Probability sampling involves procedures in which each element of a target population has a fixed chance of being selected (Malhotra, Nunan & Birks, 2017). There are five types of probability sampling: simple-random, systematic, stratified, quota, and cluster sampling (Malhotra, Nunan & Birks, 2017). Such procedures involve randomization − the use of random selection of test units from a population, and random assignment of test units to treatments or

experimental groups, to improve external validity and internal validity respectively (Malhotra, Nunan & Birks, 2017). More specifically, random selection of a sample drawn from a well-defined target population aids in improving the external validity (also referred to as representativeness) of results (Malhotra, Nunan & Birks, 2017). External validity refers to the extent to which findings of a study can be generalised to the larger population (Dudovskiy, 2016). External validity is developed through statistical techniques that strengthen the confidence of assessments made about such generalisations, more precisely defined as statistical inferences. The random assignment of treatments (randomization) aids in improving internal validity. The probability sampling technique offers several advantages; mainly it limits sampling bias and improves representativeness of the sample and, thus, strengthens the reliability of statistical inferences (generalisations) made about a population (Zikmund & Babin, 2010). Hence, the present research study used systematic random sampling for the assignment of participants to different experimental groups. Systematic random sampling entails selecting a random starting point from the total list of sampled participants and, then, picking every "*i*th" element in succession to ensure that every sampled test unit has an equal probability of being assigned to any of the experimental groups (Malhotra, Nunan & Birks, 2017).

Randomised assignment ensures that no systematic bias exists between experimental groups and, thus, is considered a fundamental and absolute component to ensure an internally valid experimental design. Regretfully, in practice, few research studies, especially at a Master's dissertation level, are able to implement a truly random sample that is representative of the population at hand (Horton, Rand & Zeckhauser, 2011; Lund Research, 2012). This failure is often because researchers may be limited in resources, time or workforce, thus it is not feasible to access a list of the complete population sampling frame, owing either to the vastness of the population, lists being unavailable in the public domain or, if obtainable, too expensive to access (Etikan, Musa & Alkassim, 2016; Lund Research, 2012). Consequently, researchers have to compromise on the degree of external validity of the research results by settling for some form of non-probability sampling technique for the selection of participants.

Non-probability sampling techniques involve a process whereby the selection of the sample is based on the subjective judgement of the researcher, rather than random or chance selection procedures (Adler & Clark, 2014). There are four types of non-probability sampling: convenience, judgemental, quota and snowball sampling (Malhotra, Nunan & Birks, 2017). This study used convenience sampling in the selection of students drawn from the UCT emailing list, who were invited to volunteer their participation in this research. Convenience

sampling occurs when members of the target population, who are easily accessible or available at a given time to participate in the research project, are included in the sample for the purpose of the study (Malhotra, Nunan & Birks, 2017). Non-probability sampling, such as the convenience sampling of university students, is a relatively cheap and easy method because it allows the researcher to select test units simply due to their being readily available (Rubin & Babbie, 2010). However, this approach tends to be criticized due to the supposedly biased manner of the selection process, which eliminates the statistical advantage of generalization (Ellison, Farrant & Barwick, 2009).

Although, the subjective nature of non-probability sampling limits the degree of external validity and, in turn, limits the possibility of making generalisations from the research findings to the larger population, the techniques still has value particularly when the research does not aim specifically to generate results for the purpose of producing generalizations pertaining to the entire population (Etikan, Musa, & Alkassim, 2016). According to Sear (1986) it depends upon the objective nature of the study and whether or not the use of convenience student samples will automatically invalidate the research findings. Ashraf and Merunka (2017) expound on Sear's (1986) sentiment, by suggesting that the debate around the use of a student sample can be illustrated by contrasting "theory application studies" and "effect application studies". The objective of the latter is to estimate the extent of the effects between constructs and then generalising this result to the larger population at hand (Ashraf & Merunka, 2017). On the other hand, in theory application studies, the objective is to test scientific theories to draw conclusions about hypotheses rather than populations (Mook, 1983). Additionally, in line with the falsification approach to theory-testing (Popper, 1959) which dominates most social science research, the goal of testing theory is to provide evidence that a particular theory requires modification by creating a situation in which its theoretical predictions can be falsified (i.e. falsifying the null hypothesis), and if the existing theory fails falsification, confidence in the efficacy of that theory can be gained. The heterogeneity of participants reflected through the representativeness of the probability sampling technique is likely to increase variations in measurements which, in turn, may reduce the likelihood of identifying violations of a theory when it is false or, expressed differently, thus, may increase the likelihood of false rejections of the null hypotheses (Lucus, 2003;). Baring this fact in mind, variability in measurements and, subsequently, the likelihood for falsifying the null hypothesis would be relatively lower within nonprobability sampled undergraduate and postgraduate students from the same university because they are more homogenous than probability samples (Lucus, 2003). This argument highlights the significant advantage of using nonprobability-sampling techniques over probability-sampling techniques for theory testing through experimental research. Hence,

considering these points, the present study provides sufficient theoretical justification that convenience sampling of university students can represent a legitimate sample choice, given that the objective of the research is to test theories of fundamental human behaviour (Kardes, 1996; Krupnikov & Levine, 2014; Lucus, 2003). Altogether, the arguments supporting the use of non-probability sampling of university students are in line with the nature of the core objective of this research, which was to examine the mechanisms of the PKM (Friestad & Wright, 1994) in the context of the consequences that disclosure of sponsored content poses towards the credibility of online news publishers.

### 4.5.3. Sample Size and Execution of Sampling Design

The sample size defines the number of elements included in a study (Malhotra, 2010). According to neuroscience and human behaviour scientist Dr. Fischer (2018), 30 participants are sufficient for each treatment condition tested in an eye-tracking study. In line with similar studies (Wojdynski & Evans, 2016; Wojdynski *et al.*, 2017) that utilised eye-tracking in examining effects of disclosure in online advertorials through the tenants of PKM, the target sample size for this research was 90 participants in total, i.e. 30 participants for each of the three treatment conditions. With regard to the execution of the sampling design, an invitation to participate in the research study was sent to all students on the UCT emailing list. Thereafter, a list of the willing participants chosen, based on convenience sampling, was complied. After, systematic random probability sampling was executed to assign the selected participants between the three treatment conditions in order to have three equal groups of 30 test units each. The next section discusses the measurement instruments used in this research.

## 4.6. MEASUREMENT INSTRUMENTS

A measurement instrument refers to the set of questions and guidelines used for recording answers when obtaining primary data in a research study (Kimberlin & Winterstein, 2008). This research study made use of two research instruments: a screen-based eye-tracking device and a survey administered through an online questionnaire. The eye-tracking device was the first measurement instrument used to obtain objective measures on participants' visual attention to predetermined Areas of Interest (AOI) on the news story presented in the treatments to which participants were exposed. The measures of participants' visual attention was collected simultaneously in real time as participants viewed and read the treatment. At the end of a participant's exposure to the treatment, the researcher ended the eye-tracking session and redirected the participant to a different PC, in order to complete an online questionnaire, which was the second measurement instrument used to measure the level of

involvement with the article, advertising recognition, inference of manipulative intent and perception of NSC and NWC. Elements of both measurement instruments are discussed in further detail below.

### 4.6.1. Eye-Tracking

Eye-tracking allows for the recording and analysis of data obtained in controlled laboratory environments from responses to multimedia stimuli, ranging from images, videos, websites, games, mobile phones, software interfaces, to 3D environments, to offer deeper insights into people's visual attention (iMotions, 2020). Eye-tracking devices apply a high-resolution camera (or other optical sensors) along with near-infrared technology to track gaze direction (iMotions, 2015a). The camera's inbuilt eye-tracking device, tracks near-infrared light which is directed toward the centre of the respondents' eyes (pupil) to produce visible reflections in the cornea (outer-most optical element of the eye) (iMotions, 2015a, 2020). In simpler terms, eye-trackers measure eye movement by either recording the number of fixations or the time an individual's eyes dwells on an external stimulus (Stewart & Furse, 1982; Wang & Minor, 2008). Findings from previous marketing research studies have established that eye movement is related to attention (Pieters, Rosbergen & Wedel, 1999; Pieters & Wedel, 2004), memory (Krugman *et al.,* 1994; Wedel & Pieters, 2000), and information processing (Kroeber-Riel & Barton, 1980; Kroeber-Riel, 1984). With particular significance to the present study, findings by Wojdynski and Evans (2016) as well as Boerman, Van Reijmersdal and Neijens (2014) indicated that participants' attention to disclosure related information influenced their ability to recognize advertising.

There are two forms of eye-tracking devices − screen-based eye-trackers (also called remote, desktop or stationary eye-tracking), and mobile head-mounted eye-trackers (using eye-tracking glasses or a virtual-reality headset) (iMotions, 2015b). The choice of approach depends on the stimulus object being observed. Screen-based eye-trackers record eye movements at a distance and are suitable for the observation of static, 2D, or screen-based stimuli (i.e. stimuli shown on a computer monitor or screen). In a screen-based setup, the eye-tracker is positioned near the object to be tracked, in this case a computer monitor, and the respondent is placed in a stationary position in front of the screen-based eye-tracking setup (iMotions, 2015b). Mobile head-mounted eye-trackers (refer to Appendix A.3.) record eye activity from a close range through eye-tracking technology mounted onto lightweight eyeglass frames and, therefore, allow respondents to move around freely in observing stimulus objects (iMotions, 2015b). The use of mobile eye-trackers is appropriate when participants are observing stimulus objects with 3D structure, or for observations during which respondents need to be able to move freely, e.g. store environments for shopping behaviour or product

testing studies (iMotions, 2015b). The benefit of mobile eye-tracking devices is that head movements do not interfere with data capture if respondents have to move around, while a screen-based eye-tracker only allows for a certain frame in which the respondent's head can move without losing connection with the tracking mechanism (iMotions, 2015[b]). However, some respondents may find the eye-tracking glasses intrusive. Therefore, a screen-based eye-tracker may be better suited for setups with static stimulus, such as in the present study.

This research used the Tobii brand of screen-based eye-trackers designed for fixation-based research, specifically the Tobii Pro X2 eye-tracker, which captures gaze data at 60 Hz (Tobii, 2020). The data collected using the eye-tracker was recorded using iMotions software. iMotions software provides automated gaze-mapping technology, whereby the respondent's gaze from dynamic environments is transformed into static scenes for simpler aggregation and analysis of data (iMotions, 2020). Using the iMotions screen-based eye-tracking module, researchers have access to advanced analysis using tools such as heat-maps and AOI output metrics, for example, time to first fixation and time spent on an AOI. The software provided by iMotions offers several advantages, for instance, it accommodates for both data recording and data analysis (iMotions, 2016b) and, in addition, it tracks both stimulus categories such as screen-based stimuli e.g. images, as well as mobile environment based stimuli e.g. store layout (iMotions, 2016b). This software is scalable to research needs in that it allows for the addition of other biometric sensors that record cognitive, emotional and/or physiological processes (iMotions, 2016b). Additionally, iMotions (2016b) requires minimal technical skills for experimental setup and data acquisition and quantitative data on fixation metrics can easily be exported for further analyses, using other statistical software for data analysis.

### 4.6.2. Online Questionnaire

A questionnaire is a document consisting of questions and scaled items designed to collect the information required for analysis (Acharya, 2010). A questionnaire offers the advantage of being a convenient and fast means of obtaining information from a large target population but, at the same time, its major drawback is its low response rate (Marshall, 2005). Fortunately, however, this drawback can be countered by careful design planning and administration. This study attempted to overcome this drawback by offering participants a financial incentive of R40 to be paid on completion of the experiment, in an effort to encourage students to sign-up to attend an experimental session, which would run for approximately 15 to 20 minutes per person. The questionnaire, which was built on the online survey platform, Qualtrics, was designed using structured questions with predetermined options for the respondent to select. Consequently, the questionnaire was easier for respondents to complete, a fact which aided in reducing interviewer bias (Shiu *et al.,* 2009). Furthermore, the questionnaire was reasonably

short in an attempt to enhance respondents' willingness to respond (Walonick, 2004). The questionnaire comprised ten questions; six categorical questions and four sets of itemised scaled questions (refer to Appendix A.4).

The questionnaire commenced with a short introduction detailing the purpose of the research, the official UCT Commerce Faculty Ethics Committee's approval to conduct research and the instructions for participants to follow. Following this, the questionnaire addressed possible sampling frame errors by introducing filter questions requiring participants to indicate whether they were students at UCT and aged between 20 and 29 years (to ensure that respondents met the defined target population parameters) before they could proceed to answer the questions set for scale measurements (Wyner, 2007). Participants then responded to a series of statements relating to their involvement with the article, followed by their perception of NSC and NWC. Next, participants responded to a sequence of three questions to measure their recognition of both the article as a native advertisement and the disclosure label. The researcher chose to measure the participants' perception of credibility before their persuasion knowledge in an effort to ensure that their perceptions were as a result of the stimulus exposure and not owing to information in the questionnaire that may reveal the commercial nature of the advertorial. Once participants' advertising recognition had been measured, the questionnaire presented a short description of the commercial nature and intent behind the content in the article, revealing that the article was an advertorial sponsored by Nando's. Thereafter, participants responded to a series of statements to measure their IMI. The last question was demographic in nature and asked participants to indicate which gender they identify with. It offered fixed alternative responses, with one of the uniform responses being "prefer not to answer". The "prefer not to answer" response option was used to take into consideration that respondents might find demographic information personal and sensitive in nature, thus reducing their willingness to answer. The demographic question was placed at the end of the questionnaire in an attempt to assure that the study would not be affected if respondents preferred not to answer demographic questions (Lacobucci & Churchill, 2010; Malhotra, 2010). The purpose of the demographic question was to add segmentation-based insight, obtained from analysis of data collected. The questionnaire ended by politely thanking the respondents for their time and participation. The next section describes the scaling used in this study.

## 4.7. SCALING

Scaling can be defined as the creation of a continuum in which the measured objects are located (Malhotra, Nunan & Birks, 2017). This paper used non-comparative (itemized rating) Likert scales and a semantic differential scale. In non-comparative scales, each item is "scaled independent of the other items" (Malhotra, 2010; 289). In Likert scales, respondents must indicate their level of agreement or disagreement with a series of statements in reaction to a construct or stimulus object (Malhotra, 2010). A semantic differential scale requires respondents to rate an object on a 7-point rating scale, where each end is associated with a bipolar label that has semantic meaning such as "hot" and "old" (Malhotra, 2010). This research used the established scales derived from previous peer reviewed studies (see Table 1 below). Table 1 summarizes the items that were used to measure each scaled construct, and details the overall reliability of each scale and the source the scales were derived from.

Table 1: Measurement Scales, Items and Reliability

| Construct | | Source | Scale type & items | Reliability (∝) |
|---|---|---|---|---|
| Intent of Manipulative Influence (IMI) | | Campbell (1995) | 6 items, Likert scale | 0.89 |
| Involvement | | Zaichkowsky (1994) | 10 items, Semantic Differential scale | 0.94 |
| News Story Credibility | | Wojdynski & Evans (2016) | 5 items, Likert scale | 0.70 |
| News Website Credibility | | Krouwer & Poeles & Paulssen (2017) | 5 items, Likert scale | 0.64 |
| Advertising Recognition | | Tutaj & Van Reijmersdal, 2012; Wojdynski & Evans, 2016 | Nominal and ordinal measures | NA |
| Visual Attention | Fixation *(Objective measure)* | Wojdynski & Evans (2016) | Ratio measure (metric data – milliseconds per minute ) | NA |
| | Recognition of Disclosure Label *(Self-reported measure)* | | Nominal measure | |

All the Likert scales listed in Table 1 were made of seven points ranging from "7- Strongly Disagree" to "1- Strongly Agree".

***Inference of Manipulative Intent (IMI).*** The activation of attitudinal persuasion knowledge (i.e. activation of critical processing that elicits defence mechanisms such as scepticism) has been measured in similar studies (An, Kerr & Jin, 2019; Ham, Nelson & Das, 2015; Krouwer & Poels & Paulussen, 2017) using the IMI scale that was originally developed by Campbell (1995). IMI refers to consumers' inferences that an advertiser is attempting to persuade them through manipulative, unfair or inappropriate means (Campbell, 1995). Thus, IMI was measured on a six-item Likert scale through which participants rated their agreement with six statements e.g., "The way this ad tries to persuade people seems acceptable to me". After

reverse coding to match polarity, the items proved internally consistent (α = 0.89) and were averaged to create a single measure (M = 5.20, SD = 1.15).

***News Story Credibility***. Participants' perceptions of NSC were measured using five 7-point Likert scale derived from a similar study by Wojdynski and Evans (2016). Participants rated their agreement with five statements (e.g.: "I think the news story was honest"). After reverse coding to match polarity, the items proved internally consistent (α = 0.70) and were averaged to create a single measure (M = 5.63, SD = 0.88).

***News Website Credibility.*** Participants' perceptions of NWC were measured on a five-item Likert scale also derived from a similar study by Krouwer and Poels (2017). Participants rated their agreement with six statements e.g.: "The News Website is factual". After reverse coding to match polarity, the items proved internally consistent (α = 0.64) and were averaged to create a single measure (M = 4.71, SD = 1.19).

***Involvement.*** Participants' involvement with Nando's' *#rightmyname* article was measured on a personal involvement scale proposed by Zaichkowsky (1994), which consisted of ten seven-point semantic differential scale items e.g., "The article was: Important/unimportant". After reverse-coding to match polarity, the items proved internally consistent (α = 0.94) and were averaged to create a single measure (M = 5.63, SD = 1.11)

***Advertising Recognition.*** At the present time, there is no established empirically tested scale to measure advertising recognition. Therefore, in line with procedures used in similar studies (Tutaj & Van Reijmersdal, 2012; Wojdynski & Evans, 2016), participants' recognition of the article as advertising was measured by coding participants' responses to a sequence of two questions. First, participants were asked the dichotomous question (answering either Yes or No): "*Was there any advertising on the story page?",* and those who checked "Yes" were asked a follow-up open-ended question: "*Describe what in the news story indicated to you or made you think there was an advertising message in the story page*". Their responses were coded into three ordered data categories: 0 (*Don't' recognise any form of advertising*), 1 (*Recognise conventional online ads but don't recognise article as a Native ad*), and 2 *(Recognise article as Native ad*). Overall, two questions measured aspects of advertising recognition, namely recognition of online advertising, and recognition of article as Native Advertising, in which the two measures were recorded as nominal and ordinal variables respectively. A nominal variable (also known as categorical or dummy variable) is one that has two or more categories, whereby arbitrary values were assigned to the categories as

labels i.e. there is no intrinsic ordering to the categories (Reynolds, 1984). An ordinal variable is one that has two or more ranked/ordered categories whereby the values are discrete (i.e. values are separate and distinct, can be counted but cannot be measured) (Malhotra, Nunan & Birks, 2017).

**Visual Attention.** Visual attention to the disclosure label was measured twice. Firstly, eye-tracking objectively measured the duration (in millisecond per minute) of fixation to the disclosure label simultaneously as participants viewed the treatment. Secondly, though self-reported measure, participants were asked the dichotomous question: "*Did you notice the disclosure: "Sponsored by Nando's" on the news story?"* (answering either Yes or No). Both methods of measurement were derived from a study by Wojdynski and Evans (2017). The following section discusses the design of the stimulus treatments used in the experimentation.

### 4.8. TREATMENT DESIGN

The core stimulus treatment for this research was based on a real advertorial sponsored by the South African restaurant chain brand, Nando's, featuring their *"#rightmyname campaign",* published (in both print and online platforms) in the *Sunday Times* (South Africa) newspaper on the 11th of March 2018 (refer to Appendix A.6. for treatments used in this research) ("Check it out:..", 2018). The campaign was launched by Nando's with the aim of creating a database of local names that are often regarded as mistakes by electronic and online writing applications (Bhengu, 2018). Through the campaign, a digital platform was created for South Africans to add their names to a database, which can be downloaded from the Nando's' website to update the user's computer dictionary (Nando's, 2018).

Three versions of the advertorial were adapted from the original article to form one control group and two experimental groups (treatment groups) which differed only by the position of the disclosure label that identifies the article as being sponsored by Nando's (refer to Appendix A.6.). The article presented to the control group had no disclosure label, while the treatments for the other two experimental groups had disclosure labels; one group had the disclosure label positioned in the middle of the article's text body, while the other had the disclosure label positioned at the bottom of the article, directly under the end of the text body. Reviewed studies suggest that the presentation of more commonly used terminology, such as "sponsored by", leads to greater advertising recognition in comparison to more ambiguous wording, such as "presented by" (Boerman, Van Rejismersdal & Neijens, 2015; Wojdynski & Evans, 2016). Furthermore, in a study of Native Advertising in the form of a television product placement, Boerman, Van Reijmersdal and Neijens (2015) found that disclosure containing both text and

the sponsor's logo was more effective than when disclosure was presented in the form of only a logo. Based upon these findings, and in combination with the FTC and IAB guidelines for Native Advertising disclosure (refer to Appendix B.5.), the treatments for the two experimental groups had a disclosure label presented in bold red font, including a small Nando's' logo, after the wording "Sponsored by Nando's".

## 4.9. DATA COLLECTION PROCEDURE

Data was collected in a controlled laboratory environment on the UCT campus where an eye-tracking experiment was set up in accordance with the eye-tracking best practices recommended by iMotions (2018) and guided by recommendations for eye-tracking research in a study by Godfroid and Hui (2020).

### 4.9.1. Research Design Considerations for Eye-tracking Data Collection

The following research design considerations, as set forth by Godfroid and Hui (2020) were taken into account prior to data collection in order to safeguard both internal (accuracy) and external (representativeness) validity of the eye-tracking data collection procedure. First, eye-tracking data collection was executed in this study through a true experimental design (as was detailed earlier in section 4.3. Research Design). True experimental designs are considered to be ideal at demonstrating causality in areas of social science research (Creswell, 2019; Godfroid & Hui, 2020). This is because they are characterised by careful and deliberate manipulation of one or more independent variables and control over other variables, thus creating the conditions in which the researcher can propose valid design implications (as discussed later in Chapter 6. Conclusions and Recommendations) based on inferences drawn from data collected.

Secondly, spatial accuracy and precision were considered in the selection of the eye-tracking device to ensure that the eye-tracker's technical properties were aligned to the research design. The spatial accuracy of an eye-tracker refers to the distance between the observer's gaze as recorded on the eye tracker and their true gaze position (Godfroid & Hui, 2020). Contemporary eye trackers have an average accuracy range of 0.4$^{o}$ to 2.0$^{o}$, with the lower bound being the optimal (Orquin & Holmqvist, 2018). The eye-tracker used in this study, the Tobii Pro X2, has an average gaze accuracy of 0.4$^{o}$ when set-up in ideal conditions (Tobii Technology, 2014), which means that measures may be subject to a 0.4$^{o}$ offset between what the eye-tracker recorded and what the participant actually looked at. The spatial precision (or spatial resolution) of an eye-tracker reflects the spread/dispersion of recorded gaze points

during a fixation (i.e. standard deviation of gaze points) (Feit *et al.,* 2017). In other words, precision of an eye-tracker indicates the degree of reliability in recording the same position of information for consecutive eye data samples (Godfroid & Hui, 2020). Contemporary eye trackers have an average spatial precision of 0.5$^{o}$ (Orquin & Holmqvist, 2018). This study's eye-trackers has an average spatial precision 0.32 $^{o}$ which demonstrate an ideal and narrow standard deviation of gaze points.

Thirdly, to circumvent misclassification of fixations, the areas of interest on the treatments were defined in the eye-tracking software prior to data collection (refer to appendix B.2). Lastly, this study adopted the same eye-tracking measure for visual attention, i.e. Fixation (ms/m), in line with similar eye-tracking studies in Native Advertising literature (Boerman, Van Reijmersdal & Neijens, 2014; Wojdynski & Evans, 2016) to ensure comparability of results. The next section details the considerations which were taken to achieve a controlled laboratory set-up (as seen in figures 3) ideal for accurate and reliable recording of eye-tracking data.

### 4.9.2. Room Set-up Considerations for Eye-tracking Data Collection

The lighting in the room where the study took place was controlled for factors that could influence pupil dilation, such as changes in light intensity and sound. Lighting was controlled by a consistent source of lighting and blackout blinds, because sunlight contains infrared light, which would affect the quality of the measurements (iMotions, 2015a) (refer to figures 4 and 5.). Since soundproofing a room was beyond the means of this research, the room selected for the study was located in a quiet location within the Commerce Faculty office block away from lecture halls where noise interruptions would have been more likely. This study worked with a dual screen configuration whereby there were two screens (iMotions, 2015a). One screen was set up for the operator/primary researcher to monitor the data acquisition and control the experiment; the second screen was set up for stimulus presentations for the participants with the screen remaining blank until the stimulus was presented. Each participant was tested individually. The entire data collection procedure for each participant took approximately 15 minutes. The next section discusses the data collection procedure.

Figure 3: Eye-tracking Room Set-up

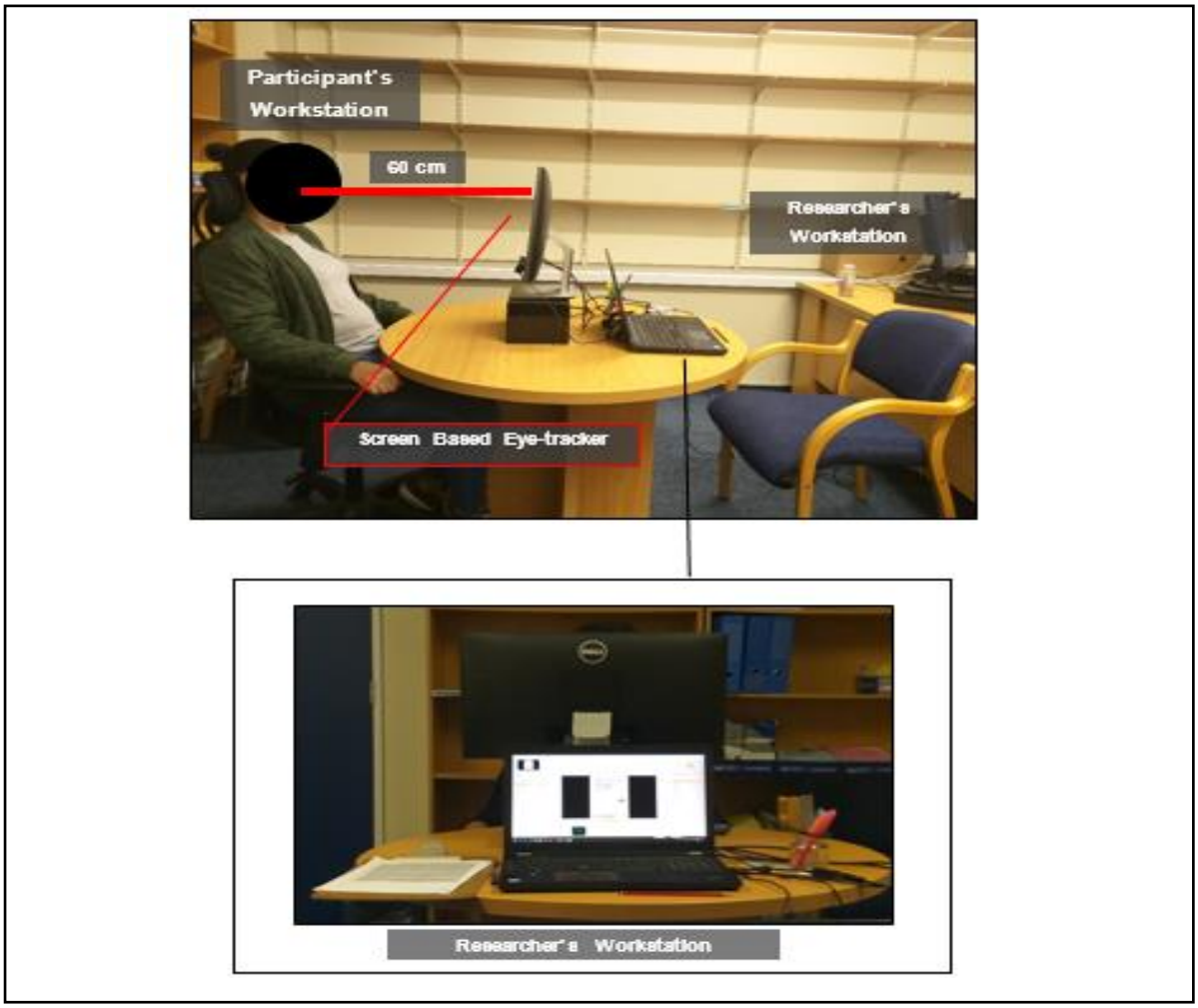
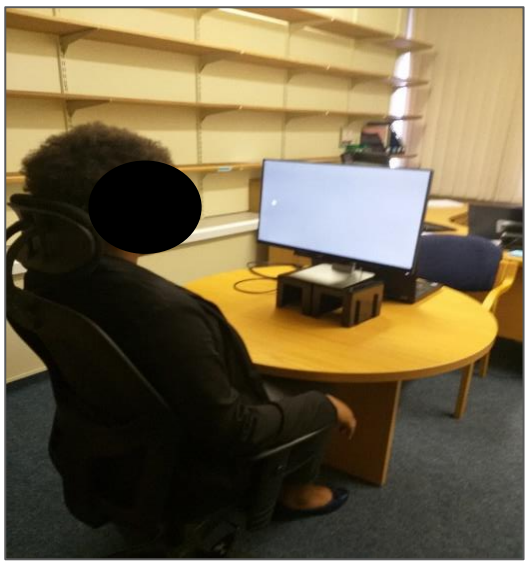



Figure 4: Eye-tracker Calibration



### 4.9.3. Eye-tracking and Online Survey Data Collection Procedure

Firstly, the participants were given time to read through the consent form (refer to Appendix A.5.). After participants provided their consent, they were seated 60cm away (for optimal calibration) from a workstation comprising a desktop computer monitor on which a screen-based eye-tracker was mounted (refer to figure 3). The researcher sat at the other end of the desk with a laptop connected to the computer monitor with the screen-based eye-tracker. Once participants were comfortably seated, the researcher guided them through a 9-point calibration process to ensure the eye-tracker was recording their gaze accurately (refer to figure 4). After calibration was achieved, participants were instructed to read the article that appeared on their screen. For all participants, the treatment was presented on the screen for a total of 3 minutes, after which the article would automatically disappear from the screen. If participants completed viewing the treatment before the 3 minutes, they were instructed to inform the researcher who would then end the eye tacking session. After the eye-tracking was completed, participants were redirected to a laptop on which they were required to complete an online questionnaire.

## 4.10. DATA ANALYSIS

Data analysis is the process in which logical and or statistical practices are applied systematically in order to describe, evaluate or illustrate data collected (Shamoo & Resnik, 2003). The analysis of the descriptive statistics and statistical hypothesis testing run on the aggregated data (i.e. quantitative data from the questionnaire and from the eye-tracking study) was conducted using the SPSS version 26. This section, therefore, discusses the analyses employed in this research and commences with an explanation of descriptive statistics followed by details of the statistical techniques used in this study.

### 4.10.1. Descriptive Statistics

In quantitative research, descriptive statistics describe the sample to establish how it reflects the target population (Bordens & Abbot, 2002). Descriptive statistics enable the researcher to summarise information in order to decipher possible underlying meaning by condensing the data obtained from fieldwork (Shiu *et al.*, 2009). There are three types of measures used to summarise data and draw meaning: measures of location, measures of variability and measures of shape (Malhotra, Nunan & Birks, 2017).

Measures of location describe the centre of the distribution of the sample, and there are three measures of location − mean, median and mode (Malhotra, Nunan & Birks, 2017). The median

measures the value in the middle of a set, while the mode measures the most frequently occurring value (Jackson, 2006). The mean measures the average of all elements in a set (Malhotra, Nunan & Birks, 2017). The mean is the most commonly used measure of location and was used in this study to analyse the data. Measures of variability indicate the spread of data distribution and are measured as variance and standard deviation (Jackson, 2006; Malhotra, Nunan & Birks, 2017). Variance refers to the squared deviation from the mean; it measures how the data points are spread around the mean (Jackson, 2006). Standard deviation is the square root of the variance; it expresses to what extent the elements of a group differ from the mean value for the group (Bland & Altman, 1996). This study made use of standard deviation in data analysis of variability in data. Measures of shape are used to evaluate the shape of the distribution and is reflected through Skewness and Kurtosis. Skewness measures the asymmetry of a statistical distribution to illustrate the direction (left or right) in which the distribution curve is distorted from the mean (Malhotra, Nunan & Birks, 2017). Kurtosis measures the weight or thickness of the tail or peak of a frequency distribution curve (Malhotra, Nunan & Birks, 2017).

Additionally, both Skewness and Kurtosis can be used to assess the normality of a distribution. Normal distribution, or Gaussian distribution, describes a probability distribution that is symmetric about the mean, indicating that data nearer to the mean occur more frequently than data further from the mean; it is depicted by a bell shaped curve of distribution (Chen, 2019). The descriptive statistics mentioned in this section were all analysed using the statistical software SPSS version 26.

### 4.10.2. Statistical Techniques

Inferential statistics are used to make judgments on the probability that a difference observed between groups is a dependable one or whether it may have occurred by chance in the study. Hence, inferential statics help researchers to arrive at conclusions that extend beyond the immediate data (Trochim, 2020). Inferential statistics techniques fall under parametric tests or non-parametric tests. Parametric tests are statistical techniques that require that data drawn from a population meet the assumptions of normal distribution (Tyler, 2017). Parametric procedures stem from the General Linear Model [GLM] which includes procedures such as t-tests, Analysis of Variance [ANOVA], Analysis of Covariance [ANCOVA], regression analysis, and multivariate methods such as factor analysis (Trochim, 2020). Non-parametric tests, also referred to as distribution free tests (Siegel & Castellan, 1988), are lenient towards variables that do not hold the normal distribution assumptions and, thus, enable an accurate test of small samples (Preacher & Hayes, 2008). Non-parametric procedures include Mann-Whitney U-test, Wilcoxon signed rank test and the Kruskal-Wallis H-test (Dickhaus, 2018). Typically,

parametric tests can only work with dependent variables of continuous data, while non-parametric tests, such as logistical regression tests, can be applied on dependent variables of nominal or ordinal data. Table 2 below indicates the statistical techniques used for hypothesis testing in this study.

Table 2: Statistical Techniques

| Statistical Techniques | Hypotheses |
|---|---|
| Pearson's Chi- Square of association | H1 |
| Mann-Whitney U-test & Kruskal Wallis H-test | H2 |
| Independent sample T-test | H3; H6; H11; H12 |
| Bivariate Correlation | H7; H8; H13; H14 |
| Discriminant analysis | H4 |
| Logistical regression for Simple Mediation analysis | H5; H9; H10 |
| Logistical regression for Simple Moderation analysis | H15; H16 |

Table 2 above lists the alternative hypotheses and the associated statistical techniques used in this study. An alternative hypothesis refers to a statement that indicates some effect or difference is expected, while a null hypothesis is a statement of the status quo i.e. describing no effect or no difference.

A Chi- Square of association test is used to determine whether a systematic association exits between two categorical variables (Malhotra, 2010: 499).A Kruskal Wallis H-test test is a non-parametric procedure used to compare two or more categories of an independent variable to assess for a significant difference on an ordinal or continuous dependent variable (Siegel & Castellan, 1988). A Mann-Whitney U-test is a non-parametric procedure used to compare two categories of an independent variable to assess for a significant difference on an ordinal or continuous dependent variable, and this test requires that the assumption of equally (but not normal) shaped distribution of the independent groups is satisfied. Independent sample T-tests are arguably the most employed statistical parametric procedure used for comparing differences in sample means of a continuous dependent variable between two independent groups, for instance comparing means of a given construct between a control group and a treatment group (Salkind, 2010). The test can be either a one-tailed test – where the alternative hypothesis is expressed directionally, or a two-tailed test – where the null alternative hypothesis is not expressed directionally. Bivariate Correlation is a parametric procedure used to determine whether a relationship exists between two variables and shows how much a dependent variable will change when there is a change in the independent variable (Allen, 2017). Both the dependent and independent variable in a bivariate correlation test must be metric (continuous) in nature (Malhotra, 2010).

Discriminant analysis is a non-parametric procedure used to assign sample elements to a group among a number of groups; or used to assess the adequacy of a classification of elements, based on group memberships (Research Optimus, 2020). In discriminant analysis the dependent or criterion variable is categorical and the independent or predictor variables are metric (Malhotra, 2010: 602). A metric variable refers to data of interval scale in which there is an equal and standardized distance between each number representing the characteristic being measured, or ratio scale in which zero is treated as the point of origin, and intervals or differences can be compared through definitive ratios (Malhotra, 2010:288). Simple mediation analysis is used to assess how the effect of an independent variable (X) on the outcome/dependent variable (Y) might be indirectly transmitted through an intervening variable referred to as a Mediator (M) (Tofighi & Thoemmes, 2014). Conceptually, the total (causal) effect of an independent variable (X) on a dependent variable (Y) is comprised of a direct effect of the X on Y, and an indirect (mediated) effect of X on Y that is transferred through M (Iacobucci, 2012). When there is full mediation, the entire total effect is indirect i.e. the effect of X on Y is solely resultant from the transmission of the mediator such that X has no direct effect on Y (Agler & De Boeck, 2017). In partial mediation, the total effect is made of both indirect and direct effect of X on Y, where the indirect effect is transmitted through M, whereas the direct effect is not mediated (Agler & De Boeck, 2017). Simple moderation analysis assesses whether the inclusion of a variable (the moderate) alters the strength and or direction of a causal relationship between an independent variable (X) and dependent variable (Y) (Kenny, 2018). The effect of a moderating variable is measured by assessing whether there is a significant interaction between the independent variable and the moderating variable (Fairchild & MacKinnon, 2009). Analysis of mediation and analysis of moderation can be conducted either through linear regression analysis of parametric nature in which all variables must be at least interval scale, or through logistical regression analysis of non-parametric nature, which allows the independent variable to be nominal or ordinal scale (Iacobucci, 2012; Tofighi & Thoemmes, 2014). In this study, mediation analysis and moderation analyses were tested through the Preacher and Hayes' (2004, 2008) Bootstrapping approach using Hayes (2018) PROCESS macro for logistic regression analysis. Bootstrapping relies on resampling of a single dataset to create a large number of new simulated samples (e.g. 10,000) with replacement from the original sample (Demming, Jahn & Boztug, 2017). This approach is notable for being easier to understand and valid for more conditions, compared to parametric techniques (Frost, n.d.). The next and final section of this chapter discusses the ethical considerations of this study.

## 4.9. ETHICAL CONSIDERATIONS

Despite being a non-intrusive method of data collection, the use of biometric techniques such as eye-tracking, give rise to ethical concerns such as participants' health privacy (Stanton, Sinnott-Armstrong, & Huettel, 2017). For instance, measurements may present sensitive information regarding pathology. Nonetheless, the use of eye-tracking tests should not be discouraged but instead used alongside conventional methods, such as surveys which, when employed alone, may not provide sufficiently reliable insights, because self-reports depend on consumers' willingness and competency to describe how they feel when they are exposed to an advertisement (Morin, 2011). Moreover, in this study, the use of the participation consent form assured participants that their privacy would be maintained and their anonymity guaranteed. In addition, the study did not subject participants to any emotional, mental or physical harm.

## 4.10. CONCLUSION

This chapter presented the methodological foundations of this study. It detailed the specifics of the research paradigm, research design and research methods used to collect the necessary primary data. In addition, this study justified the sampling techniques and sample size used as well as the chosen target population. This chapter also detailed the measurement instruments used in this study i.e. an online survey in the form of a questionnaire and a screen-based eye-tracker test. Moreover, the chapter outlined the statistical methods employed on the data collected to test the hypotheses formulated in Chapter 2 and discussed the ethical considerations of this study. The next chapter presents and discusses the results of the statistical analysis of the collected data.

# CHAPTER FIVE: PRESENTATION AND INTERPRETATION OF FINDINGS

## 5.1. INTRODUCTION

This chapter details the data analysis performed and results found in this research study. The chapter begins by detailing the descriptive statistics and provides a discussion on the assessment of scale reliability and normality. Finally, it presents the findings from the inferential statistical analyses of hypotheses formulated in Chapter 3 above.

## 5.2. DESCRIPTIVE STATISTICS

This section details the composition of the sample, and the descriptive statistics of the nominal and scale constructs measured in this research.

### 5.2.1. Composition of the Sample

Table 3: Composition of Sample

| Sample Group | Control (n:29) | | Middle Disclosure (n:29) | | Bottom Disclosure (n:29) | | Total (n:87) | |
|---|---|---|---|---|---|---|---|---|
| % / Average | % | Age | % | Age | % | Age | % | Age |
| Male | 48.3 | 22.9 | 37.9 | 23.4 | 48.3 | 22.3 | 44.8 | 22.7 |
| Female | 48.3 | 21.9 | 62.1 | 21.7 | 51.7 | 21.9 | 54 | 21.2 |
| Prefer not to answer | 3.4 | 26 | 0 | 0 | 0 | 0 | 1.1 | 26 |
| Total | 100 | 22.5 | 100 | 22.3 | 100 | 22.1 | 100 | 22.3 |

The filter questions in the questionnaire ensured that 100% of the sample participants were UCT students between 20 and 29 years of age. The target sample size was 90 participants in total (30 participants in each experimental group). Table 3 above illustrates that there were 87 valid participants surveyed during the fieldwork (29 participants in each experimental group). Of the 87 valid participants, 44.8% (39 participants) were male, 54% (47 participants) were female, with 1.1% (1 participant) preferring not to disclose in terms of gender. In experimental group one (control group with no disclosure conditions) 48.3% were male participants, 48.3% were female participants and 3.4% preferred not to disclose their gender. In experimental group two (middle disclosure condition) 37.9% were male participants and 62.1% were female participants. In experimental group three (bottom disclosure condition) 48.3% were male participants and 51.7% were female participants. The average age of the total valid sample of participants was 22 years with a standard deviation of 2.19. The average age in each experimental group was also 22 years.

### 5.2.2. Descriptive Statistics of Nominal Data

This section outlines the descriptive statistics of the nominal data used to measure the construct of advertising recognition. Table 4 below details the frequencies and valid percentages for the nominal constructs.

Table 4: Valid Percentages for Nominal Variables

| Construct | Values | Total valid sample | | No disclosure | | Middle disclosure | | Bottom disclosure | |
|---|---|---|---|---|---|---|---|---|---|
| | | n | % | n | % | n | % | n | % |
| Advertising Recognition (General) | {1,Yes} | 69 | 79.3 | 18 | 62.1 | 26 | 89.7 | 25 | 86.2 |
| | {2,No} | 18 | 20.7 | 11 | 37.9 | 3 | 10.3 | 4 | 13.8 |
| Advertising Recognition (Native Advertising) | {0, Don't recognize any form of online advertising} | 22 | 25.3 | 6 | 20.7 | 8 | 27.6 | 8 | 27.6 |
| | {1, Recognize conventional online ads but don't recognize article as an advertisement} | 10 | 11.5 | 5 | 17.2 | 3 | 10.3 | 2 | 6.9 |
| | {2, Recognize that the article is an online native advertisement} | 55 | 63.2 | 18 | 62.1 | 18 | 62.1 | 19 | 65.5 |
| Advertising Recognition (Disclosure label) | {1, Yes} | 50 | 57.5 | 8 | 27.6 | 25 | 86.2 | 17 | 58.6 |
| | {2, No} | 37 | 42.5 | 21 | 72.4 | 4 | 13.8 | 12 | 41.4 |

In Table 4 above, 'n' refers to the number of participants associated with each frequency. Each variable is divided into 4 categories – total sample, control group sample and the two experimental group samples, and the frequency associated with each category is presented in the table. As seen in Table 4, the construct advertising recognition was assessed on three dimensions of recognition through three nominal variables - advertising recognition (General), advertising recognition (Native Advertising), and advertising recognition (Disclosure Label) (refer to Appendix B.1: coding sheet). On average 79% of total sampled participants reported recognising some form of online advertising in the news story, with 90% reported in the middle disclosure sample and 86% reported in the bottom disclosure sample. On average 63% of total sampled participants reported to recognise the article as a form of Native Advertising, whilst 11% of total sampled participants reported to recognise other forms of conventional online advertising, such as Display Advertisements. Similarly, the percentage of participants who reported recognising the article as a form of Native Advertising was 65% in the middle disclosure condition and 62% in the bottom disclosure condition.

### 5.2.3. Descriptive Statistics of Interval Data

This section outlines the descriptive statistics of the scaled data used to measure the constructs outlined in this study. The data analysed made use of 7-point Likert scales for the constructs: IMI, NSC and NWC, while Involvement was measured on a 7-point Semantic

differential scale and Fixation measured on a Continuous Metric data scale in milliseconds per minute, all of which are summarised in Table 5 below.

Table 5: Means and Standard Deviations for Scale Variables

| Scale | Items | Total valid sample n=87 | | No disclosure n=29 | | Middle disclosure n=29 | | Bottom disclosure n=29 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Mean | s.d. | Mean | s.d. | Mean | s.d. | Mean | s.d. |
| Inference of Manipulative Intent | 6 | 5.20 | 1.15 | 5.15 | 1.06 | 5.28 | 1.35 | 5.17 | 1.05 |
| Involvement | 10 | 5.63 | 1.11 | 5.36 | 1.20 | 5.81 | 1.09 | 5.73 | 1..00 |
| News Story Credibility | 5 | 5.63 | 0.88 | 5.48 | 0.87 | 5.79 | 0.81 | 5.62 | 0.95 |
| News Website Credibility | 5 | 4.71 | 1.19 | 4.46 | 1.271 | 4.85 | 1.026 | 4.83 | 1.246 |
| Fixation 1– Disclosure Label | NA | 139.25 | 104.45 | 0 | 0 | 213.48 | 47.20 | 204.27 | 33.63 |
| Fixation 2 – Nando's' Branding | NA | 209.37 | 60.22 | 208.57 | 54.44 | 204.06 | 79.95 | 215.47 | 41.26 |
| Fixation 3 – Text Body | NA | 157.87 | 104.45 | 219.61 | 89.64 | 139.99 | 83.76 | 114.02 | 110.32 |

In Table 5 above, 'n' refers to the number of respondents used in the analysis. All Likert scales were anchored in 1=Strongly Disagree and 7=Strongly Agree. Each scale is discussed below. The items related to each scale can be found in Appendix B.1 at the end of this research document.

As indicated in Table 5, the mean for the summated Inference of Manipulative Intent scale was 5.20 and the standard deviation was 1.15 for the total valid sample, indicating that on average, respondents agreed to perceive the persuasive attempt of the Native Advertisement as manipulative. Involvement was a 10-item, 7-Point Semantic differential scale that measured the participants' involvement with the advertorial. The mean for the summated Involvement scale was 5.63 and the standard deviation was 1.11 for the total valid sample indicating that on average, respondents agreed to being involved with the advertorial they read. The mean for the summated News Story Credibility (NSC) scale was 5.63 and the standard deviation was 0.88 for the total valid sample, indicating that on average, respondents agreed to perceive the news story in the advertorial as credible. The mean for the summated News Website Credibility (NWC) scale was 4.71 and the standard deviation was 1.19 for the total valid sample, indicating that on average, respondents neither agreed nor disagreed to perceive the News Website that featured the advertorial as credible.

Fixation is a neuroscience metric that objectively measures visual attention to AOI (iMotions, 2015a). More specifically, fixation refers to the period of time the eyes are locked toward a specific object measured in milliseconds per minute (iMotions, 2015[a]). AOI are user-defined sub-regions of the presented stimulus in which user-defined metrics can be evaluated to compare the performance of two or more specified areas of the stimulus on the same scene, or to compare the conditions of groups of participants (iMotions, 2016a).The main AOI in the

stimulus used in this research study was the disclosure label placed within or at the end of the article. Additionally, fixation data on two other AOI, specifically the Nando's' branding image featured in the advertorial and the text body, were also collected for comparison. From the total valid sample, participants fixated on the disclosure label for an average of 139.25 ms/m, while they fixated on the disclosure label for an average of 213.48 ms/m and 204.27 ms/m in the middle disclosure condition and bottom disclosure condition respectively. Additionally, participants in the middle disclosure condition demonstrated a relatively higher fixation to the text body ($\bar{x}: = 139.99\, ms/m$) compared to those in the bottom disclosure condition ($\bar{x}: 114.02\, ms/m$). While participants in the bottom disclosure condition demonstrated a relatively higher fixation to the Nando's' branding ($\bar{x}: 215.47\, ms/m$) compared to those in the middle disclosure condition ($\bar{x}: 204.06\, ms/m$). Further presentation of eye-tracking data can be found in the heat maps presented in Appendix B.2. The next section discusses scale reliability.

## 5.3. RELIABILITY OF SCALES

The following section presents results from the item reliability tests and a factor analysis conducted to determine if the scales were reliable indicators of the presence of the constructs being measured.

### 5.3.1. Item Reliability

Cronbach's alpha was used to evaluate the reliability of the summated scales in this study (Malhotra, Nunan & Birks, 2017). George and Mallery (2003: 231) provide the following rule of thumb for interpreting the reliability of Cronbach alpha values: ≥ 0.9 – "excellent"; ≥ 0.8 – "good"; ≥ 0.7 – "acceptable"; ≥ 0.6 – "questionable"; ≥ 0.5 – "poor"; <0.5 – "unacceptable". While the minimum cut-off Cronbach alpha value tends to be 0.7 (Malhotra, Nunan & Birks, 2017), there is scholarship which argues that Cronbach alpha values between 0.60 – 0.69, although questionable, can be deemed reliable in social science research, particularly if the scale has a few items (Hinton, 2014; Hair *et al.,* 2006; Sekaran, 2013; Sijtsma, 2009). Such a ruling would be applicable for the construct NWC as seen in Table 6 below, which illustrates the Cronbach Alphas for the scales used in this research. Hence, the Cronbach alpha minimum cut-off value of 0.6 was used in this research.

Table 6: Item Reliability Results for each Construct

| Construct | Source | Number of items | | Cronbach Alpha | |
|---|---|---|---|---|---|
| | | Source | Present | Source | Present |
| Inference of Manipulative intent | Campbell (1995) | 6 | 6 | 0.90 | 0.89 |
| Involvement | Zaichkowsky (1994) | 10 | 10 | NA | 0.94 |
| News Story Credibility | Wojdynski & Evans (2016) | 5 | 5 | 0.79 | 0.70 |
| News Website Credibility | Krouwer & Poeles (2017) | 5 | 5 | 0.8 | 0.64 |

Table 6 above shows all the scales in this study had Cronbach alphas that were greater than 0.6 and, thus, these results were deemed reliable. The next section discusses how the reliability of scaled variables were further scrutinized through a factor analysis.

### 5.3.2. Factor Analysis

Factor analyses were run on each scale to investigate whether multiple observed variables had similar responses, owing to their association with an underlying latent variable (Malhotra, Nunan & Birks, 2017). A Varimax rotation was used as the rotation solution to determine whether the items were loaded correctly (Malhotra, Nunan & Birks, 2017). Using the Eigenvalues based on the Kaiser's Criterion, factors were extracted such that all Eigenvalues were required to be greater or equal to 1 (Malhotra, 2010). The results are presented in Table 7 below.

Table 7: Summary of Factor Analysis of Scaled Constructs

| Construct | Factor | Eigenvalues | % of variation | Cumulative % of variation |
|---|---|---|---|---|
| Inference of Manipulative Intent (IMI) | 1 | 3.87 | 64.46 | 64.46 |
| Involvement | 1 | 6.15 | 61.46 | 61.46 |
| News Story Credibility | 1 | 2.66 | 53.27 | 53.27 |
| News Website Credibility | 1 | 2.14 | 39.14 | 39.14 |
| | 2 | 1.11 | 25.71 | 64.85 |

The constructs, IMI, Involvement and NSC, each had items correctly loaded onto their relevant constructs i.e. one factor was extracted for each of the aforementioned constructs. The construct IMI had an Eigenvalue of 3.87 and explained 64.46% of the variance in the data. The construct Involvement had an Eigenvalue of 6.15 and explained 61.46% of the variance in the data. The construct NSC had an Eigenvalue of 2.66 and explained 53.27% of the variance in the data. For the construct NWC, two factors were extracted from the rotated factor analysis, all with Eigenvalues greater than 1, as specified by Kaiser's Criterion. Factor 1 had an Eigenvalue of 2.14 and explained 39.14% of the variance in the data. Three items loaded onto this factor, specifically items 5.2: "The news website is concerned about making money." 5.3: "The news website invades people's privacy." and 5.5: "The news website cannot be trusted." were related to the motivation for money, privacy and trust aspects of credibility (Gaziano & McGrath, 1986; Johnson & Kaye, 1998; Meyer, 1988). Factor 2 had an Eigenvalue

of 1.11 and explained 25.71% of the variance in the data. Two items loaded onto this factor, specifically items 5.1: “The News Website is factual.” and 5.4: “The News Website is concerned about the community's well-being.”, were related to the community affiliation and believability aspect of credibility (Meyer, 1988; Wanta & Hu, 1994). Furthermore, items 5.2, 5.3 and 5.5 were reverse coded so that a score of 7 indicated a positive perception of NWC.

From the above results it was concluded that the items used in the survey reliably measured the underlying constructs of IMI, Involvement, NSC and NWC. Hence, all the scales used in the survey were internally consistent and reliable. The next section discusses the test for scale normality.

## 5.4. TESTS FOR NORMALITY

The hypothesis tests in this research were analysed through parametric testing methods. In order to run parametric analysis, all variables used need to be normally distributed (Malhotra, Nunan & Birks, 2017). Normality was tested through several procedures, namely: hypothesis testing using Kolmogorov–Smirnov (KS) statistics (as sample size >50), Skewness and Kurtosis measures, and histograms and Q-Q plots. The hypothesis for normality testing is as follows: $H_0$: *Data is normal;* $H_1$: *Data is not normal.* The normality of each variable has been summarized in Table 8 below.

Table 8: Summary of Normality Tests

| INFERENCE OF MANIPULATIVE INTENT (IMI) | | | | |
|---|---|---|---|---|
| **Kolmogorov Smirnov** | **P-value** | **Histogram** | **Q-Q plot** | **Conclusion** |
| 0.133 | 0.001 | – Reasonably bell shaped<br>– Slight positive (left) skew<br>– Peak close to normal distribution (k=0) | – Reasonably linear fit | Data is approximately normal |
| **Skewness (S)** | **Kurtosis (K)** | | | |
| -0.598; 0.258 | -0.265; 0.511 | | | |
| **CONSTRUCT: INVOLVEMENT** | | | | |
| **Kolmogorov Smirnov** | **P-value** | **Histogram** | **Q-Q plot** | **Conclusion** |
| 0.146 | 0.00 | – Reasonably bell shaped<br>– Negative (right) skew<br>– Peak close to normal distribution (k=0) | – Reasonably linear fit<br>– Slightly heavy tailed; mild s-shape deviation from fitted line | Data is approximately normal |
| **Skewness (S)** | **Kurtosis (K)** | | | |
| -0.679; 0.258 | -0.297; 0.511 | | | |
| **CONSTRUCT: NEWS STORY CREDIBILITY** | | | | |
| **Kolmogorov Smirnov** | **P-value** | **Histogram** | **Q-Q plot** | **Conclusion** |
| 0.110 | 0.011 | – Reasonably bell shaped<br>– Peak close to normal distribution (k=0) | – Reasonably linear fit | Data is approximately normal |
| **Skewness (S)** | **Kurtosis (K)** | | | |
| -0.33; 0.258 | -0.463; 0.511 | | | |
| **CONSTRUCT: NEWS WEBSITE CREDIBILITY** | | | | |
| **Kolmogorov Smirnov** | **P-value** | **Histogram** | **Q-Q plot** | **Conclusion** |
| 0.102 | 0.027 | – Bell shaped<br>– Peak close to normal distribution (k=0) | – Reasonably linear fit | Data is approximately normal |
| **Skewness (S)** | **Kurtosis (K)** | | | |
| -0.183; 0.251 | -0.116; 0.511 | | | |

As indicated in Table 8 above, the null hypotheses for all five scaled constructs were rejected at a 5% level since all five variables had p-values that were lower than 0.05. The Kolmogorov-Smirnov hypotheses tests, therefore, indicated that the variables were not normally distributed. However, according to Rose, Nigel and Canhoto (2015), the Kolmogorov-Smirnov test is sensitive to the sample size of data collected, such that small deviations from normality may be reported as significant, thus, offering a possible explanation for the results shown in Table 8. Rose and colleagues (2015), therefore, advised that Kolmogorov-Smirnov tests should be conducted in conjunction with other measures. The Skewness and Kurtosis thresholds for normality lie between (-1; 1) and (-1.5; 1.5), respectively (Malhotra, 2010). As seen in Table 8, all the variables had Skewness and Kurtosis statistics that fell within the acceptable threshold for normality. Furthermore, all five constructs met the assumption of normal distribution and linearity as exhibited through histograms that reflected bell shaped normal fitted curves and Q-Q plots, reflecting a reasonable linear fit of data respectively (refer to Appendix B.3.). Thus, it was concluded that all variables were ultimately approximately normally distributed.

## 5.5. HYPOTHESIS TESTING

In this section, the hypotheses discussed in the Literature Review above are tested and a summary of the findings presented. To the first research question, hypotheses H1 to H5 investigated the first dimension of the PKM (Friestad & Wright, 1994) i.e. conceptual persuasion knowledge with the primary objective of investigating which position of disclosure labelling was most likely to lead to recognition of the article as a Native Advertisement. To answer the second research question, hypotheses H6 to H16 investigated the second dimension of the PKM i.e. attitudinal persuasion knowledge with the primary objective of examining whether or not the recognition of the article as a Native Advertisement would lead to the participants' negative perception of NSC and NWC.

### 5.5.1. Research Question 1 Findings

The following section presents the findings for RQ1 comprising an analyses of H1 to H5.

***RQ1).*** "*How does the position of a disclosure label of sponsored content influence viewer's ability to correctly identify an article that is paid advertising (i.e. an online advertorial)?*

#### 5.5.1.1. H1

*H1: Recognition of the disclosure label "Sponsored by Nando's" will be positively associated with the participants' likelihood of recognising that the article is paid/sponsored content*

Table 9: H1 Results

| Chi-square test of association (2X3 matrix) - *H0: There is no association between the two variables* | | | | |
|---|---|---|---|---|
| N | Stat | | p-value | Conclusion |
| 58 (middle and bottom disclosure group sample cumulated ) | Pearsons Chi-square | 1.128 | 0.569 | Failed to reject H0 |
| | Contingency coeff. | 0.130 | 0.569 | |

H1 was tested through a Pearsons Chi-square of association. The Chi-square test investigated whether there was a significant association between participants' self-reported measures for (1) recognition of the disclosure label and (2) likelihood of recognising that the article was paid/sponsored content. The latter concept was measured by asking participants to describe what in the news story made them think that there was an advertising message present in the story page, and responses were coded as follows: 0: "Don't recognize any form of online advertising", 1: "Recognize conventional online ads but don't recognize article as an advertisement", and 2: "Recognize that the article is an online native advertisement". A cross-tab of the two variables (refer to Appendix B.4) indicated that the majority (72%) of participants exposed to the treatments that contained a disclosure label, either in the middle or at the bottom of the news story, reported that they noticed the disclosure label. From this group, 48.3% were categorized as being able to recognise that the article was paid content i.e. a Native Advertisement, 6.9% recognised other conventional online advertisements (e.g. banner advertisements) but not the Native Advertisement, and 17.2% were categorized as not able to recognise any form of online advertising. However, as shown in Table 9 above, with a p-value of 0.569, the null hypothesis for Chi-square test of association (stat: 1.128 with a contingency coefficient value: 0.130) could not be rejected at a 5% significance level and, therefore, it was concluded that there was no significant association between participants' recognition of the disclosure label and their recognition of the Native Advertisement.

#### 5.5.1.2. H2

*H2: The likelihood of advertising recognition will be greater when disclosure is positioned in the middle of the article compared to when it is positioned at the bottom of the article.*

Table 10: H2 Results

| 1) Kruskal Wallis H-test; DV: Recognition of any form of online advertising; Grouping variable: Disclosure Label Position | | | | | | | |
|---|---|---|---|---|---|---|---|
| the Hypothesis Test Summary | | | | Pairwise Comparisons of Disclosure Label Positions | | | |
| N | Statistic | p – value | Conclusion | Samples | Statistic | p – value | Conclusion |
| 87 | 7.894 | 0.019 | Rejected H0; at least one mean differs | Middle vs Control | 12.00 | 0.03 | Sig. difference<br>Valid percentages:<br>**Middle**: Recognise – 90 % (#26); Don't Recognise 10% (3)<br>**Control**: Recognise – 62% (#18); Don't Recognise 38% (11) |
| | | | | Middle vs Bottom | -1.50 | 1.00 | No sig. difference |
| | | | | Bottom vs Control | 10.5 | 0.07 | No sig difference |

| 2) Mann-Whitney U-test; DV: Likelihood of recognising of article as a Native Advertisement; Grouping variable: Disclosure Label Position (middle vs bottom) | | | |
|---|---|---|---|
| N | Mann-Whitney U | p – value | Conclusion |
| 58 (Middle disclosure & Bottom disclosure sample cumulated) | 0.051 | 0.975 | Failed to reject H0 |

Advertising recognition was assessed on two levels: (1) recognition of any form of online advertising and (2) likelihood of recognising the article as Native Advertising. For recognition of any online advertising (whereby participants answered either yes or no when asked if they noticed any advertising), a Kruskal Wallis H-test was run to measure the difference in general advertising recognition between participants who were exposed to the middle disclosure condition, the bottom disclosure condition, as well as the control condition i.e. no disclosure. Results indicated that the null hypothesis was rejected at a 5% significance (stat: 7.894, p-value: 0.019), thus, it was concluded that at least one of the means for recognition of any form of online advertising was different between the middle disclosure, bottom disclosure and control conditions use in this research study. Specifically, there was a significant difference only between the middle disclosure and the control condition, wherein recognition of any form of online advertising was greater in the middle disclosure condition (90% of participants recognised some form of online advertising) compared to the control i.e. no disclosure condition (62% of participants recognised some form of online advertising).

For the likelihood of recognising the article as a Native Advertisement, a Mann-Whitney u-test to determine whether there was a significant difference between middle disclosure sample and the bottom disclosure sample group was conducted. The assumption of equal distribution of independent groups, inspected through the test of homogeneity of variance was satisfied at a 5% significance level (Levene's stat: 0.021; p-value: 0.885). However, the researcher failed to reject the null hypothesis at a 5% significance (Mann-Whitney U: 410.00, p-value: 0.847), hence, it was concluded that on average, there was no difference in the likelihood of recognising the article as Native Advertising between the middle disclosure and bottom

disclosure. Therefore, the results overall indicated that H2 was not satisfied, hence, there was no significant difference in the likelihood of Native Advertising recognition between the middle and bottom disclosure positions.

#### 5.5.1.3. H3a and H3b

*H3a: Visual Attention measured as Fixation (ms/m) to the disclosure label; will be greater for those in the middle disclosure condition than for those in the bottom disclosure condition.*
*H3b: More participants will self-report to notice/recognise the disclosure in the middle disclosure condition compared to the bottom disclosure condition*.

Table 11: H3a Results

| H3a: Measures of eye-tracking fixation; Independent sample t-test; Grouping variable: Disclosure Label Position; Dependent variable: Fixation (ms/m) | | | | |
|---|---|---|---|---|
| Levene's test | t – statistic | p – value | Conclusion | Mean Fixations (milliseconds per minute) |
| Equal variances not assumed | 0.859 | 0.396 | Failed to reject | **Middle**: 213; **Bottom**: 204; **Control**: 0 |

| Descriptive Statistics on Fixation to Disclosure Label (ms/m) | | | |
|---|---|---|---|
| Statistics | Cumulative | Middle Disclosure (ms/m) | Bottom Disclosure (ms/m) |
| Mean | 208.87 | 213.48 | 204.27 |
| 25th Percentile | 182.60 | 181.14 | 183.68 |
| 50th Percentile | 197.85 | 199.96 | 193.71 |
| 75th Percentile | 242.56 | 254.43 | 232.91 |
| Minimum | 129.00 | 129.00 | 131.09 |
| Maximum | 311.59 | 311.59 | 279.65 |

| Level of Attention | | | |
|---|---|---|---|
| Position of Disclosure | Level of Attention | Frequency (n=29 for each condition) | Valid % |
| Middle Disclosure Label | Attention Paid (Lower quartile) | 14 | 48.3 |
| | Attention Paid (Upper quartile) | 15 | 51.7 |
| Bottom Disclosure Label | Attention Paid (Lower quartile) | 16 | 55.2 |
| | Attention Paid (Upper quartile) | 13 | 44.8 |

Table 12: H3b results

| H3b: Self-reported measure; Independent sample t-test; Grouping variable: Disclosure Label Position; Dependent variable: Recognition of Disclosure Label (Yes/No Dichotomous variable) | | | | |
|---|---|---|---|---|
| Levene's test | t – statistic | p – value | Conclusion | Valid percentages |
| Equal variances not assumed | -2.428 | 0.019 | Rejected H0 | **Middle** - $\overline{x}_{YES}$ : 86% (#25), $\overline{x}_{NO}$ : 14% (#4)<br>**Bottom** - $\overline{x}$:$_{YES}$ : 59% (#17), $\overline{x}_{NO}$ : 41% (#12)<br>**Control** - $\overline{x}_{YES}$ : 28% (#8), $\overline{x}_{NO}$ 72% (#21)<br>**Total sample** - $\overline{x}_{YES}$ : 58% (#50), $\overline{x}_{NO}$ : 42% (#37) |

H3a and H3b were tested through independent sample t-tests for comparison between self-reported measures of Visual Attention i.e. participants were asked if they noticed the disclosure label *"Sponsored by Nando's"*, and objective data of Visual Attention by means of eye-tracking technology, which measured Fixation in milliseconds per minute (ms/m) to the disclosure label while participants viewed the stimulus.

The first independent sample t-test on H3a was run using the eye-tracking data metric - Fixation (ms/m). When Visual Attention was measured as Fixation (ms/m), the null hypothesis failed to be rejected at a 5% level (p-value: 0.396) with a t-statistic of 0.859. Therefore, it was concluded that there was no significant difference in participants' Visual Attention to the disclosure label between participants in the middle condition and those in the bottom condition. On average, participants observing the middle disclosure label condition fixated on the disclosure label for 213ms/m, while participants observed the bottom disclosure label condition for 204 ms/m. Fixation was also coded into a binary measure of attention. Participants who fixated on the label for at least 100 ms/m were categorized as having paid attention to the disclosure label. This classification was based on procedures in past studies (Benedetto *et al.* 2015; Sharmin, Spakov & Raiha 2012; Wojdynski & Evans, 2016). Participants who fixated on the label for between 100 ms/m and 199 ms/m were categorized into the low quartile of attention, while those who fixated for above 199 ms were categorized into the upper quartile of attention. Neither of the disclosure conditions were exhibited to be superior to the other in terms of level of attention. All participants exposed to a disclosure label were found to have paid visual attention to the disclosure with the lowest fixation time being 129 ms/m and the highest fixation time being 312 ms/m.

Although the average fixation times on disclosure did not differ between the two disclosure conditions, more participants reported having noticed the disclosure label in the middle condition (86%) in comparison to the bottom disclosure condition (59%). For the independent sample-test run on H3b using the data from self-reported responses, the null hypotheses was rejected at a 5% level (p-value: 0.019) with a test statistic of -2.428. Thus, it was concluded that there was a significant difference between the two experimental groups in the number of participants who self-reported to notice the disclosure label. More participants noticed disclosure when it was positioned in the middle of the article.

#### 5.5.1.4. H4

*H4: Fixation to the disclosure label will have a positive influence on advertising recognition.*

Table 13: H4 Results

| Discriminant Analysis: DV- Likelihood of Recognising Native Advertisement (ordinal scale); IVs- Fixation 1: Disclosure Label, Fixation 2: Nando's' branding, Fixation 3: Text body | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Stimulus** | **Wilks** | **P** | **Canonical** | **$R^2$** | **Conclusion** | **Significant predictors** | **Hit rate** |
| All conditions | 0.759 | 0.014 | 0.491 | 0.2412 | Model is significant | Fixation 2: branding Standard Canonical Coefficient: 0.759 | Original group-value: 78.6% Cross validated: 76.2% |
| Middle disclosure | 0.563 | 0.018 | 0.661 | 0.4369 | Model is significant | Fixation 1: Label Standard Canonical Coefficient: 0.992 Fixation 2: branding Standard Canonical Coefficient: 0.992 | Original group: 81% Cross validated: 76.2% |
| Bottom disclosure | 0.908 | 0.064 | 0.303 | 0.303 | Model is not significant | NA | NA |

Fixation (ms/m) was assessed in three AOI within the news story page, with the primary AOI being fixation on disclosure label, in addition to fixation on Nando's' branding and fixation on text body. H4 was tested through three discriminant analyses run on each treatment condition to determine how accurately participants could be classified by the likelihood of recognising Native Advertising based on visual attention to the three aforementioned areas of interest. The likelihood of recognising Native Advertising was split into three levels - 0: 'Don't recognize any form of online advertising', 1: 'Recognize conventional online advertisements but don't recognize article as an advertisement', and 2: 'Recognize that the article is an online Native Advertisement'. As seen in Table 13 above, the first discriminant model was significant at a 5% level with a Wilks Lambda of 0.759 and p-value of 0.014 when the data from all the stimuli conditions were assessed together. Approximately 24% of the variation in the dependent variable was explained by the predictors. The only significant predictor in the model was fixation to the Nando's' branding (p-value: 0.003). Furthermore, the validity of the discriminant analysis was satisfied as both the original and cross validation percentages (76.8% and 76.2% respectively) exceeded the 75% hit-rate. The discriminant model thus suggested that participants who paid greater visual attention to the Nando's' branding were more likely to recognise the article as Native Advertising, while those who paid less visual attention to the Nando's' branding were more likely to recognise conventional online display advertising only, such as banner advertisements.

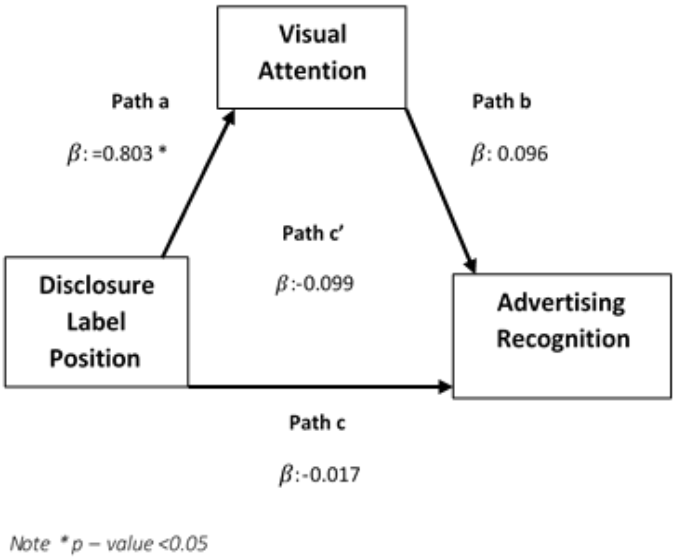
The results in Table 13 above also showed that from the two stimulus conditions examined independently, the discriminant model was significant only in the middle disclosure condition at a 5% level with a Wilks Lambda of 0.56 and p- value of 0.018. The predictors explained approximately 44% of the variation in the dependent variable. The only significant predictors in the model were fixation to the disclosure label (p: 0.009) and fixation to the Nando's'

branding (p-value: 0.006) with fixation to the label being the highest predictor with a standard canonical value of 0.992 compared to 0.798 reported for fixation to the Nando's' branding. Furthermore, the validity of the discriminant analysis was satisfied as both the original and cross validation percentages (81% and 76.2% respectively) exceeded the 75% hit-rate. The discriminant model for the middle disclosure condition thus indicted that participants who paid greater visual attention to the disclosure, as well as the Nando's' branding were more likely to recognise the article as Native Advertising, while those who paid less visual attention were more likely to recognise conventional online display advertising only, such as banner advertisements. Hence, ultimately it was concluded that visual attention to the disclosure label only had a positive influence on advertising recognition in the middle disclosure condition.

#### 5.5.1.5. H5

*H5:* Visual Attention to the disclosure label will mediate the effect of disclosure label position on advertising recognition such that greater visual attention to the disclosure label will increase the likelihood of advertising recognition.

Figure 5: Visual Attention as a Mediator




Mediation was tested using Hayes (2018) PROCESS macro for logistic regression analysis. Figure 5 depicts the mediation model. The results indicated that (path a), the positioning of the disclosure label, was a significant predictor of the level of visual attention to the disclosure measured as fixation (ms/m) ($\beta$=102 ms/m; standardized $\beta$=0.803; p-value<0.001) at a 5% significance level. However, (path b), visual attention to disclosure, was not a significant predictor of advertising recognition in mediation modelled (p-value: 0.600). The 95% upper and lower confidence intervals (BOOTLLCI:-0.218, BOOTULCI: 0.366) range included 0, indicating that the indirect effect of X: Disclosure Label Position on Y: advertising recognition transmitted through M: Visual Attention, was statistically insignificant. Furthermore, the direct effect (path c' − effect of disclosure label positioning on advertising recognition), and the total effect (path c − composed of indirect effects ab + direct effect c'), were insignificant at a 5% level (p-value: 0.610; p-value: 0.881 respectively). Therefore, it was concluded that visual attention did not mediate the effect of disclosure label position on

advertising recognition. The next section presents the hypotheses tests and findings related to RQ2.

### 5.5.2. Research Question 2 Findings

The following section presents the findings for RQ2, comprised of analyses of H6-H16.

***RQ2).*** *"How does the presence or absence of Native Advertising recognition influence viewers' perceptions of News Story Credibility and News Website Credibility?"*

#### 5.5.2.1. H6

*H6: Those who did not recognised the article as a Native Advertisement prior to being informed of the commercial and persuasive nature of the article, will have a higher IMI than those who recognized the article as a Native Advertisement prior to being informed of the commercial and persuasive nature of the article.*

Table 14: H6 Results

| Inference of Manipulative Intent (IMI); Independent sample t-test; Grouping variable: Advertising Recognition | | | | | |
|---|---|---|---|---|---|
| Stimulus condition | Levene's test | t – statistic | p – value | Conclusion | Mean (7 point Likert scale) |
| Middle Disclosure | Equal variances assumed | -0.422 | 0.677 | Failed to reject H0 | Bottom:<br>[0] Don't recognise any form of advertising: $\bar{x}_{IMI}$ : 3.46 (n=8)<br>[1] Recognise ads but don't recognise article as Native Ad: $\bar{x}_{IMI}$ : 3.58 (n=2)<br>[2] Recognise article as Native Ad: $\bar{x}_{IMI}$ : 2.49 (n=19) |
| Bottom Disclosure | Equal variances assumed | 2.375 | 0.026 | Rejected H0 | |
| No Disclosure (control group) | Equal variances assumed | 0.077 | 0.505 | Failed to reject H0 | |

Table 14 above shows that the null hypothesis was rejected only in the bottom disclosure condition at a 5% level (t: 2.375; p-value: 0.026) thus exhibiting a significant difference in IMI between those participants who recognised advertising and those who did not. These findings showed that a lack of recognition of the article as Native Advertising or a lack of recognition of any form of online advertising (in the bottom disclosure condition) on average led to a higher IMI ($\bar{x}_{IMI}$ :3.46; $\bar{x}_{IMI}$ :3.58 respectively), compared to those who recognised the article as Native Advertising ($\bar{x}_{IMI}$ : 2.49).

#### 5.5.2.2. H7 and H8

*H7: Inference of Manipulative Intent is negatively related to News Story Credibility*
*H8: Inference of Manipulative Intent is negatively related to News Website Credibility*

Table 15: H7 Results

| H7: Bivariate correlation: DV- News Story Credibility [NSC]; IV- Inference of Manipulative Intent | | | | |
|---|---|---|---|---|
| **Stimulus condition** | **Pearson's correlation** | **p – value** | **Conclusion** | **Mean (7 point Likert scale)** |
| Total sample (all conditions) | -0.380 | 0.000** | Rejected H0 | **Total sample** - $\bar{x}_{IMI}$ : 2.80, $\bar{x}_{NSC}$ : 5.63 |
| Middle disclosure | -0.451 | 0.007** | Rejected H0 | **Middle** - $\bar{x}_{IMI}$ : 2.72, $\bar{x}_{NSC}$ : 5.79 |
| Bottom disclosure | -0.511 | 0.002** | Rejected H0 | **Bottom** - $\bar{x}_{IMI}$ : 2.83, $\bar{x}_{NSC}$ : 5.62 |
| No Disclosure (control group) | -0.163 | 0.199 | Failed to reject H0 | |

Table 16: H8 Results

| H8: Bivariate correlation: DV- News Website Credibility [NWC]; IV- Inference of Manipulative Intent | | | | |
|---|---|---|---|---|
| **Stimulus condition** | **Pearson's correlation** | **p – value** | **Conclusion** | **Mean (7 point Likert scale)** |
| Total sample (all conditions) | -0.373 | 0.000** | Rejected H0 | **Total sample** - $\bar{x}_{IMI}$ : 2.80, $\bar{x}_{NWC}$ : 4.71 |
| Middle disclosure | -0.381 | 0.021* | Rejected H0 | **Middle** - $\bar{x}_{IMI}$ : 2.72, $\bar{x}_{NWC}$ : 4.85 |
| Bottom disclosure | -0.271 | 0.077 | Failed to reject H0 | **Control** - $\bar{x}_{IMI}$ : 2.85, $\bar{x}_{NWC}$ : 4.46 |
| No Disclosure (control group | -0.399 | 0.013* | Rejected H0 | |
| *Note **: 1% significance level; *: 5% significance level* | | | | |

For H7, the null hypothesis was rejected at a 1% level in regard to the total sample size i.e. data assessed encompassed all stimuli conditions (p-value<0.001). Thus, with a Pearson's correlation: -0.380, it was concluded that IMI had a significant although weak negative influence on NSC ($\bar{x}_{IMI}$ : 2.80, $\bar{x}_{NSC}$ : 5.63). Additionally, the results showed that when data was split into the different stimulus conditions, IMI had a significant moderate negative influence (Pearson correlation: -0.451) at a 1% level on NSC in the middle disclosure condition (p-value: 0.007) and a moderate negative significant influence (Pearson correlation: -0.511) at a 1% level in the bottom disclosure condition (p-value: 0.002) but no significance in the control (no disclosure) condition (p-value: 0.199). Furthermore, the negative influence between the independent and dependent variable was relatively greater for the bottom disclosure condition (Pearson's correlation:-0.551, $\bar{x}_{IMI}$ : 2.83, $\bar{x}_{NSC}$ : 5.62) compared to the middle disclosure condition (Pearson's correlation: -0.451; $\bar{x}_{IMI}$ : 2.72 $\bar{x}_{NSC}$ : 5.79). For H8, the null hypothesis was rejected at a 1% level in regard to the total sample size i.e. data assessed encompassed all stimuli conditions (p-value<0.000). Thus, with a Pearson's correlation: -0.373 it was concluded that IMI had a significant although weak negative influence on NWC ($\bar{x}_{IMI}$ : 2.80, $\bar{x}_{NWC}$ : 4.71). Additionally, the results showed that when data was split into the different stimulus conditions, IMI had a significant weak negative influence (Pearson's correlation: -0.381) at a 5% level on NWC in the middle disclosure condition (p-value: 0.021) and a moderate negative influence (Pearson correlation: -0.489) in the control (no disclosure) condition (p-value: 0.004), but no significance in the bottom disclosure condition (p-value: 0.077). Furthermore the negative influence between the independent and dependent variable was relatively greater for the control (no disclosure) condition (Pearson's correlation: -0.489;

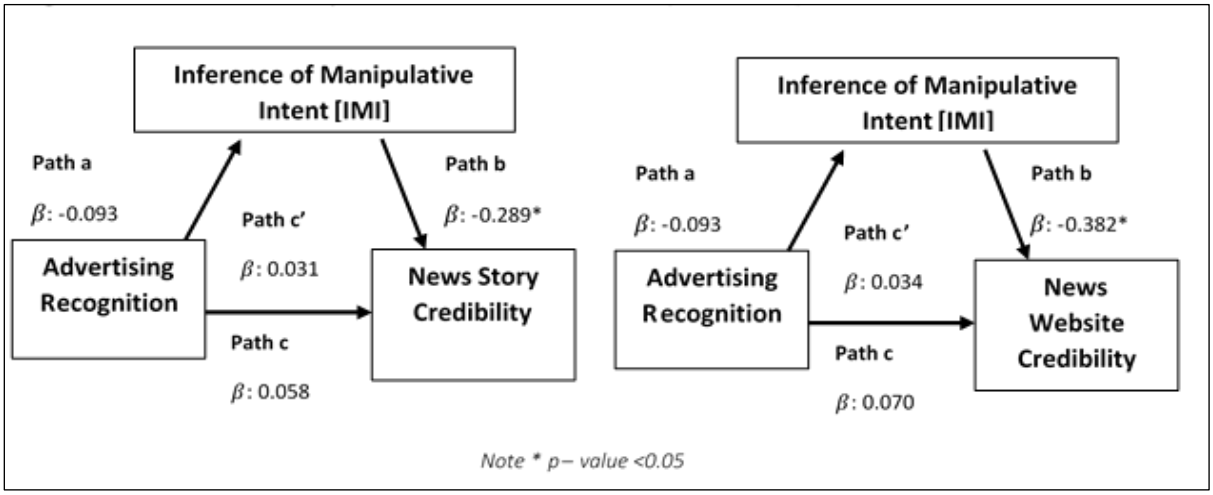
$\bar{x}_{IMI}$ : 2.85 $\bar{x}_{NWC}$ : 4.46) compared to the middle disclosure condition (Pearson's correlation: -0.381, $\bar{x}_{IMI}$ : 2.72, $\bar{x}_{NWC}$ : 4.85).

### 5.5.2.3. H9 and H10

*H9:* Inference of Manipulative Intent will mediate the effect of advertising recognition on NSC such that high IMI will increase the negative effect that recognition of the article as Native Advertising has on reader's perception of NSC.

*H10:* Inference of Manipulative Intent will mediate the effect of advertising recognition on News Website Credibility such that high IMI will increase the negative effect that recognition of the article as Native Advertising has on reader's perception of News Website Credibility

Figure 6: Inference of Manipulative Intent as a Mediator




Mediation for H9 and H10 was tested using linear regression analysis. Figure 6 depicts the mediation models for H9 and H10. For H9 and H10, mediation was tested using Hayes (2018) PROCESS macro for logistic regression analysis. Figure 6 above depicts the mediation models. For H9 and H10, the results indicated that (path a) advertising recognition (or lack thereof) was not a significant predictor of participants IMI with a p-value: 0.520 at a 5% significance level. However, for both H9 and H10 (path b) participants' IMI was a significant predictor at a 5% significance level of their perception of both NSC and NWC, with a $\beta$= -0.289 and p-value<0.001 and $\beta$= -0.382 and p-value<0.001 respectively.

Nonetheless for H9 and H10, the 95% upper and lower confidence intervals (BOOTLLCI: -0.058, BOOTULCI: 0.124 and BOOTLLCI: -0.075, BOOTULCI: 0.146 respectively) range included 0, indicating that the indirect effect for H9 of X: advertising recognition on Y: NSC transmitted through M: IMI, and the indirect effect for H10 of X: advertising recognition on Y: NWC transmitted through M: IMI, were both statistically insignificant. Furthermore, the direct effect in H9 (path c' - effect of advertising recognition on NSC) and the direct effect in H10

(path c' - effect of advertising recognition on NWC), as well as the total effect in H9 and H10 (path c - composed of indirect effects ab + direct effect c'), were all insignificant at a 5% level (p-value: 0.763; p-value: 0.600; p-value: 0.807; p-value: 0.641 respectively). It was, therefore, concluded that IMI neither mediated the effect of advertising recognition on either NSC or NWC.

### 5.5.2.4. H11 and H12

*H11: Those who recognise the article as a Native Advertisement will have a lower perception of NSC than those who do not recognise the article as a Native Advertisement.*
*H12: Those who recognise the article is a Native Advertisement will have a lower perception of NWC than those who do not recognise the article as a Native Advertisement.*

Table 17: H11 Results

| H11 :Perception of News Story Credibility [NSC]; Independent sample t-test; Grouping variable: Advertising Recognition | | | | | |
|---|---|---|---|---|---|
| **Stimulus condition** | **Levene's test** | **t – statistic** | **p – value** | **Conclusion** | **Mean (7 point Likert scale)** |
| All conditions (total sample) | Equal variances assumed | -0.453 | 0.639 | Failed to reject H0 | **Bottom** :<br>[0] Don't recognise any form of advertising: $\mathcal{X}_{NSC}$ : 5.03 (n=8)<br>[1] Recognise ads but don't recognise article as Native Ad: $\mathcal{X}_{NSC}$ : 5.70 (n=2)<br>[2] Recognise article as Native Ad: $\mathcal{X}_{NSC}$ : 5.86 (n=19) |
| Middle Disclosure | Equal variances assumed | 0.492 | 0.627 | Failed to reject H0 | |
| Bottom Disclosure | Equal variances assumed | -2.226 | 0.035** | Rejected H0 | |
| No Disclosure (control group) | Equal variances assumed | 1.142 | 0.266 | Failed to reject H0 | |

| Average level of News Story Credibility [NSC] based on Advertising Recognition | | | | |
|---|---|---|---|---|
| **Advertising Recognition** | **Average Perception of News Story Credibility** | | | |
| | **Middle disclosure** | **Bottom disclosure** | **No disclosure** | **Total sample** |
| No Recognition | 5.87 | 5.03 | 5.90 | 5.57 |
| Recognise conventional online Ads | 6.13 | 5.70 | 5.08 | 5.52 |
| Recognise Native Ad | 5.08 | 5.86 | 5.46 | 5.68 |

Table 18: H12 Results

| H12: Perception of News Website Credibility [NWC]; Independent sample t-test; Grouping variable: Advertising Recognition | | | | | |
|---|---|---|---|---|---|
| **Stimulus condition** | **Levene's test** | **t – statistic** | **p – value** | **Conclusion** | **Mean (7 point Likert scale)** |
| All condition (total sample) | Equal variances assumed | 0.830 | 0.409 | Failed to reject H0 | **Bottom**:<br>[0] Don't recognise any form of advertising: $\mu_{Nwc}$ : 4.48 (n=8)<br>[1] Recognise ads but don't recognise article as Native Ad: $\mu_{Nwc}$ : 4.90 (n=2)<br>[2] Recognise article as Native Ad: $\mu_{Nwc}$ : 5.09 (n=19) |
| Middle Disclosure | Equal variances assumed | 0.330 | 0.974 | Failed to reject H0 | |
| Bottom Disclosure | Equal variances not assumed | -2.132 | 0.043** | Rejected H0 | |
| No Disclosure (control group) | Equal variances assumed | 0.174 | 0.863 | Failed to reject H0 | |

| Average level of News Website Credibility [NWC] based on Advertising Recognition | | | | |
|---|---|---|---|---|
| **Advertising Recognition** | **Average Perception of News Website Credibility** | | | |
| | **Middle disclosure** | **Bottom disclosure** | **No disclosure** | **Total sample** |
| No Recognition | 4.90 | 4.48 | 4.80 | 4.95 |
| Recognise conventional online Ads | 5.22 | 5.00 | 4.47 | 4.48 |
| Recognise Native Ad | 5.53 | 5.09 | 4.88 | 4.75 |

For H11 and H12, the researcher failed to reject the null hypotheses when assessed on data from: the middle disclosure condition alone (p-value: 0.627 and p-value: 0.974 respectively), the control condition alone (p-value: 0.266 and p-value: 0.863 respectively) and the total sample i.e. all conditions (p-value: 0.639 and p-value: 0.409 respectively). However, the null hypothesis was rejected at a 5% level for both H11 and H12 (p-value: 0.035; t: -2.226 and p-value: 0.043; t: -2.132 respectively) in regard to data assessed on the bottom disclosure condition only. Participants in the bottom disclosure position who noticed the article as a Native Advertisement had a relatively higher perception of NSC ($\bar{x}$: 5.86) and NWC ($\bar{x}$: 5.09) compared to those who recognised online advertisements but did not recognise the article as a Native Advertisement ($\bar{x}$: 5.70; $\bar{x}$: 4.90 respectively) and those who did not recognise any form of advertising ($\bar{x}$: 4.48 and $\bar{x}$: 5.03 respectively). Therefore, it was concluded that both H11 and H12 were satisfied in the bottom disclosure condition only, however, the direction of the relationship between the independent and dependent variable was contradictory to theory and findings from previous studies delineated in this study's Literature Review above.

### 5.5.2.5. H13 and H14

*H13: Involvement with the article will have a positive influence on perception of News Story Credibility*

*H14: Involvement with the article will have a positive influence on perception of News Website Credibility*

Table 19: H13 and H14 Results

| H13: Bivariate correlation: DV- News Story Credibility [NSC]; IV- Involvement | | | | |
|---|---|---|---|---|
| **Stimulus condition** | **Pearson's correlation** | **p – value** | **Conclusion** | **Mean (7 point Likert scale)** |
| Total sample (all conditions) | 0.527 | 0.000** | Rejected H0 | **Total sample** - $\bar{x}_{INV}$ : 5.63, $\bar{x}_{NSC}$ : 5.63<br>**Middle** - $\bar{x}_{INV}$ : 5.81, $\bar{x}_{NSC}$ : 5.79<br>**Bottom** - $\bar{x}_{INV}$ : 5.73, $\bar{x}_{NSC}$ : 5.62<br>**Control** - $\bar{x}_{INV}$ : 5.36, $\bar{x}_{NSC}$ : 5.48 |
| Middle disclosure | 0.588 | 0.000** | Rejected H0 | |
| Bottom disclosure | 0.544 | 0.001** | Rejected H0 | |
| No Disclosure (control group | 0.440 | 0.008** | Rejected H0 | |
| **H14 : Bivariate correlation: DV- News Website Credibility [NWC]; IV- Involvement** | | | | |
| **Stimulus condition** | **Pearson's correlation** | **p – value** | **Conclusion** | **Mean (7 point Likert scale)** |
| Total sample (all conditions) | 0.325 | 0.001** | Rejected H0 | **Total sample** - $\bar{x}_{INV}$ : 5.63, $\bar{x}_{NWC}$ : 4.88<br>**Middle** - $\bar{x}_{INV}$ : 5.81, $\bar{x}_{NWC}$ : 4.85<br>**Bottom** - $\bar{x}_{INV}$ : 5.73, $\bar{x}_{NWC}$ : 4.83 |
| Middle disclosure | 0.395 | 0.017* | Rejected H0 | |
| Bottom disclosure | 0.394 | 0.017* | Rejected H0 | |
| No Disclosure (control group | 0.175 | 0.182* | Failed to reject H0 | |
| ***: 1% significance level; *: 5% significance level* | | | | |

For H13, the null hypotheses were rejected at a 1% level with regard to the total sample size i.e. data assessed encompassed all stimuli conditions (p: 0.00; p: 0.00; respectively). Thus, it was concluded that Involvement had a significantly moderate positive influence on NSC (Pearson's correlation:0.527, $\bar{x}_{INV}$ : 5.63, $\bar{x}_{NSC}$ : 5.63). Additionally, the results showed that when data was split into the different stimulus conditions, Involvement had a significant

moderately positive influence at a 1% level on NSC in the middle disclosure condition (p: 0.000), the bottom disclosure condition (p: 0.00) and the control condition (no disclosure) (p: 0.00). Furthermore the positive influence between the independent and dependent variable was relatively greater for the middle disclosure condition (Pearson's correlation: 0.588, $\bar{x}_{INV}: 5.81$, $\bar{x}_{NSC}: 5.79$) followed by the bottom disclosure condition (Pearson's correlation: 0.544; $\bar{x}_{INV}: 5.73$, $\bar{x}_{NSC}: 5.62$) and lastly the control condition (no disclosure) (Pearson's correlation: -0.440, $\bar{x}_{INV}: 5.36$, $\bar{x}_{NSC}: 5.48$).

For H14, the null hypothesis was rejected at a 1% level with regard to the total sample size i.e. data assessed encompassed all stimuli conditions (p: 0.00). Thus, with a Pearson's correlation: 0.325 it was concluded that Involvement had a significant, although weak, positive influence on NWC ($\bar{x}_{INV}: 2.80$, $\bar{x}_{NWC}: 5.63$). Additionally, the results showed that when data was split into the different stimulus conditions, Involvement had a significantly weak positive influence at a 5% level on NWC in the middle disclosure condition (p:0.02) and the bottom disclosure condition (p:0.02) but no significance in the control condition (no disclosure) (p:0.18). Moreover, the positive influence between the independent and dependent variable was relatively greater for the middle disclosure condition (Pearson's correlation: 0.395, $\bar{x}_{INV}: 5.81$, $\bar{x}_{NWC}: 4.85$) compared to the bottom disclosure condition (Pearson's correlation: 0.394; $\bar{x}_{INV}: 5.73$, $\bar{x}_{NWC}: 4.83$).

#### 5.5.2.6. H15 and H16

*H15: Involvement with the article will moderate the effect of advertising recognition on perception of News Story Website*

*H16: Involvement with the article will moderate the effect of advertising recognition on perception of News Story Website*

Figure 7: Involvement as a Moderator

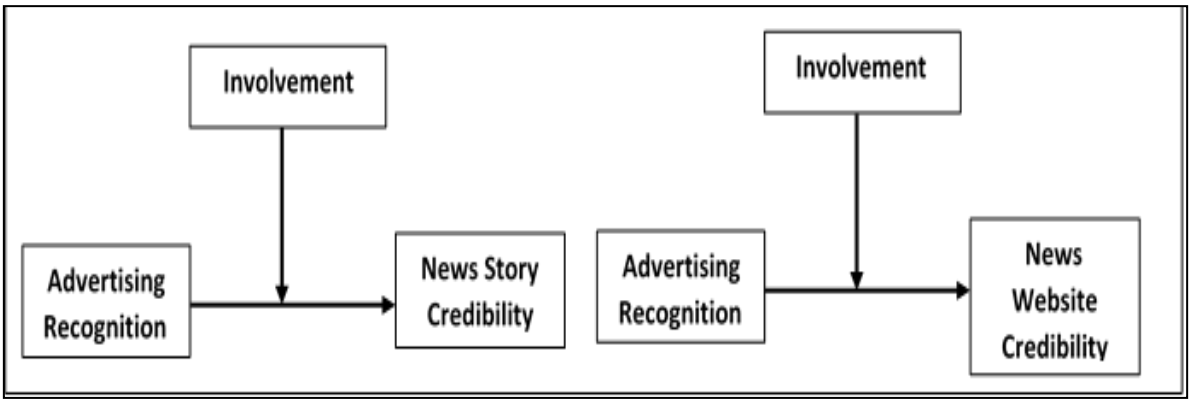


Table 20: H15 and H16 Results

| H15 - DV: News Story Credibility; IV: Advertising Recognition; Moderator: Involvement | | |
|---|---|---|
| **Interaction effect** | p –value | Conclusion |
| Involvement * Advertising Recognition | 0.561 | Failed to reject H0 |
| H16 – DV: News Website Credibility; IV: Advertising Recognition; Moderator: Involvement | | |
| **Interaction effect** | p –value | Conclusion |
| Involvement * Advertising Recognition | 0.131 | Failed to reject H0 |

The moderation models for H15 and H16 are depicted in Figure 5 above and the results presented below in Table 20. The presence of moderation in H15 and H16 was tested by interpreting the interaction between the moderator and independent variable, using Hayes (2018) PROCESS macro for logistic regression analysis. For both H15 and H16, the results indicated that there was no significant interaction between advertising recognition and participants' Involvement with the article with a p-value: 0.561 for H15 and a p-value: 0.131 for H16 at a 5% significant level. Furthermore, for both H15 and H16 the 95% confidence intervals included zero (H15= BOOTLLCI: -0.393, BOOTULCI: 0.215; H16= BOOTLLCI: -0.794, BOOTULCI: 0.105). Therefore, it was concluded that Involvement neither moderated the effect of advertising recognition on perception of NSW, nor did it moderate the effect of advertising recognition on the perception of NSW.

## 5.6. CONCLUSION

This chapter presented the results of the statistical analysis performed on the conceptual model presented in Figure 2 detailed in Chapter 3 of this study. The chapter began with the presentation of the descriptive statistics detailing the composition of the sample in order to see how it reflected the target population. Thereafter, the descriptive statistics of both nominal and interval data were presented, followed by a discussion on scale reliability and scale normality assessments. Lastly, the findings from the inferential statistics run through a combination of mostly parametric hypotheses tests (i.e. bivariate correlations, independent sample t-test, linear regression and discriminant analysis) as well as non-parametric tests (i.e. logistical regression) were presented. Findings set against RQ1 which was examined through analysis of H1 to H5, overall indicated that Visual Attention to disclosure significantly influences advertising recognition despite there being no significant difference in the likelihood of Native Advertising recognition between the middle disclosure and bottom disclosure conditions. Findings set against RQ2 which were examined through analysis of H6 to H16, overall indicated the following findings: a lack of advertising recognition had a significant effect on increasing perceived IMI whereas advertising recognition had the opposite effect on IMI; IMI had a significant negative effect on participants' perception of NSC and NWC; and, lastly, advertising recognition of the article as a Native Advertisement led to positive perceptions of

NSC and NWC. The findings presented in this chapter are interpreted in further detail in the next chapter. In Chapter 6 conclusions and recommendations concerning both managerial and theoretical implications drawn from the findings in this chapter will be presented, followed by a discussion on the study's limitations and recommendations for future research.

# CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS

## 6.1. INTRODUCTION

Due to its novelty in comparison to more mature and conventional forms of online advertising (e.g. banner advertisements and display advertisements), literature and theoretical understanding of in-feed Native Advertising remains scant. At the same time, due to the varying forms of in-feed Native Advertising online, the dearth of evidence has made it difficult for scholars, online marketers and publishers to establish codes of best practices and industry guidelines in terms of effective disclosure.

In light of this gap, the present study endeavoured to take a novel approach to theory testing and analysing consumers' evaluation of in-feed native advertisements, specifically in the form of an online advertorial. This assessment was conducted by adapting the neuromarketing methodology of eye-tracking to reveal objective quantitative data on whether or not consumers' subconscious cognitive processing, specifically the visual attention to a disclosure label, may influence the effect of the positioning of the sponsorship disclosure label in an online advertorial on the viewers' ability to recognise the persuasive attempt and commercial nature of sponsored/paid content. This study also investigated the subsequent effect that advertising recognition (or lack thereof) had on viewers' perceptions of credibility towards the news publisher. To this end, this chapter presents a summary of findings, conclusions, managerial implications and recommendations, theoretical contributions, as well as the limitations of this study, and lastly, recommendations for future research.

## 6.2. CONCLUSIONS OF THIS STUDY

The purpose of this study was to test the theoretical basis of the PKM (Friestad & Wright, 1994) as the means for investigating relationships between: (1) the effect of disclosure label positioning on advertising recognition; (2) the mediating influence of visual attention on the aforementioned relationship; and (3) the effect of advertising recognition on consumers' IMI and perceptions of the publishers' credibility.

To achieve this purpose, two research questions were formulated for this study. The following sections break down the summary of findings, conclusion, and managerial implications and recommendations for each of these research questions.

### 6.2.1. Research Question 1

***RQ1).*** "*How does the position of a disclosure label of sponsored content influence reader's ability to correctly identify an article that is a form of paid advertising (i.e. an online advertorial)?*

#### 6.2.1.1. Summary of Findings

At the core of this study, was the examination of sponsorship transparency in online news publishing. In terms of the effect of the disclosure label on advertising recognition, this study found that the majority of study participants recognised the article as a form of paid advertising, regardless of the presence or positioning of disclosure, contrary to findings from a growing body of academic research (Amazeen & Muddiman, 2018; Kim & Hancock, 2017; Wojdynski & Evans, 2016; Wu *et al.,* 2016) discussed in the Literature Review above.

The majority of participants (approximately over 60%) in all sample groups (i.e. middle disclosure condition, bottom disclosure condition and control group/no disclosure condition) recognised the article as advertising. Conversely, evidence in past studies such as Wojdynski and Evans (2017) showed that (1) very few (overall approximately less than 8% of participants) recognised Native Advertising irrespective of the disclosure condition, and (2) that positioning the disclosure in the middle of the article resulted in a significantly greater likelihood of advertising recognition, compared to disclosure placed at the bottom of the article.

Furthermore, this study showed that 100% of participants for each disclosure condition presented (i.e. middle condition vs bottom condition) paid visual attention (measured through eye-tracking as fixation) to the disclosure label. There was no significant difference in fixation (ms/m) to disclosure in relation to the position of the disclosure label. Moreover, this study also indicated that there was no significant association between participants' self-reported recognition of the disclosure label and the likelihood of Native Advertising recognition, in spite of the high percentage of recognition for both variables viewed independently. Once again, these findings contradict evidence from past studies (Wojdynski, Evans & Hoy, 2018; Wojdynski & Evans, 2016) which indicated that visual attention in terms of fixation (ms/m) is greater when disclosure is positioned in the middle of the article.

This study did find, however, that more participants, who were exposed to the disclosure label placed in the middle condition, self-reported having noticed the disclosure label (86%) in comparison to those who reported having noticed the disclosure label in the bottom condition (59%). In addition, a discriminant analysis further indicated that the objective measure of visual

attention, in terms of fixation (ms/m) to the disclosure, was a significant predictor of advertising recognition, but only for the disclosure label in the middle condition. Fixation (ms/m) to the branding image presented in the article was also a significant predictor of advertising recognition in the middle condition, however, to a relatively lesser degree in comparison to the predictive power of fixation to disclosure. Nonetheless, the mediation analysis in this study indicated that visual attention in terms of fixation (ms/m) to the disclosure, was neither a significant mediator in the relationship between disclosure label position and advertising recognition, nor did it have a significant direct relationship on advertising recognition.

Hence, contrary to previous studies, this study could not provide evidence that visual attention is the underlying cognitive processing mechanism behind the effect of disclosure positioning on the likelihood of participants' recognising Native Advertising. The deviation of this study's results from the expected outcome presented in past studies, highlights important considerations in terms of the significance of disclosure on advertising recognition, which led to the following conclusion for RQ1.

#### 6.2.1.2. Conclusions

The first conclusion that can be drawn from these findings is that identification of disclosure label is a necessary, but not a sufficient condition, for recognition of Native Advertising (Kim, Pasadeos & Barban, 2001). The ability to recognize Native Advertising may be based also on the content of the paid advertising or the characteristics of the viewer, rather than recognition of the disclosure label alone. Moreover, this claim affirms the position of scholars such as Kim, Pasadeos and Barban (2001), as well as Wojdynski, Evans and Hoy (2018), whose studies have provided evidence that challenges the predictions of the PKM (Friestad & Wright, 1994).

It is also worth noting that the average likelihood of advertising recognition being exhibited by the participants sampled in this study was high, relative to findings in most studies delineated in the reviewed literature (Amazeen & Muddiman, 2018; Kim & Hancock, 2017; Wojdynski & Evans, 2016; Wu *et al.,* 2016). Perhaps this result was because the demographic composition of participants in this study comprised solely of a younger educated audience i.e. the participants were undergraduate and postgraduate students. While it was beyond the scope of this study to investigate differences in advertising recognition based on age groups and education level, the existing reviewed literature provides evidence to support the assumption that younger adult viewers are more likely to recognise Native Advertising in comparison to older adults. In particular, Amazeen and Wojdynski (2019) found that age and education might act as influential factors in viewers' understanding of Native Advertising in the digital news contexts. More specifically, Amazeen and Wojdynski (2019) demonstrated that older viewers

(born before 1980) were more likely to misinterpret, or all together fail to notice, disclosure labels in comparison to younger viewers (born after 1980) with higher levels of education. This finding may be because younger audiences typically consume more news online and, thus, have gained more experience identifying and distinguishing the various types of content they encounter on online platforms. The following section, therefore, expounds on the aforementioned conclusions through a discussion of the managerial implications posed to practitioners in the online news publishing industry and digital marketers.

#### 6.2.1.3. Managerial Implications and Recommendations

The first key implication for the said practitioners and marketers invested in the development of best practices and public policy for Native Advertising, is that an equal focus needs to be placed on how elements of the actual paid content being communicated can act as identifiable cues of advertising, rather than relying on disclosure alone to help viewers distinguish between editorials and sponsored content.

Findings in the past studies mentioned in the Literature review in Chapter 3 above have demonstrated an ample cause to believe that visual attention to, and understanding of, a disclosure label explains a significant portion of variation in Native Advertising recognition (Jiang *et al.,* 2017; Krouwer, Poels & Paulussen, 2017). However, more recent literature in the field of covert advertising, and to some degree evidence from this study, may suggest that perhaps other less frequently measured latent factors, such as the level of brand presence within the paid content, may be what triggers advertising schema i.e. conceptual persuasion knowledge which then led to advertising recognition.

While the research literature in relation to the brand presence, is scarce, this factor has been examined both in past studies of print and online advertorials. Brand presence refers to how often the sponsor brand is mentioned in the Native Advertisement (Krouwer, Poels & Paulussen, 2017). These studies indicate that along with disclosure, brand presence may activate conceptual persuasion knowledge (i.e. advertising recognition) depending on how prominently the commercial intention is communicated through the editorially designed content (Carlson, 2015; Van Reijmersdal, Neijens & Smit, 2007). Evidence to support the latter assumption can be found in the study by Li and Wang (2019) who state that viewers' recognition of Native Advertising was increased through the repeated mentioning of brand names.

Although it was not measured in this research study, the reason behind the majority of the study participants recognising the article as a Native Advertisement perhaps may be due to

the strong brand presence communicated through the article, which mentioned the Nando's' brand four times within the story and displayed a Nando's' branding image at the top of the article; and also the high level of brand familiarity by participants because the sample comprised university students in South Africa, from where the Nando's' brand originates and is popular because it represents one of the country's top restaurant franchises ("These are The…", 2018 ).

Overall, while this study was unable to confirm that disclosure was the reason behind participants' ability to recognise Native Advertising, it is still highly recommended that online news publishers ensure that a disclosure of sponsorship is placed in advertorials to avoid engendering feelings amongst viewers, not only of confusion but also a sense that they are being both deceived and manipulated. In addition, if news editors make it a habit to provide disclosure in online advertorials, over time viewers can build on their Native Advertising schema and shape their conceptual knowledge of this form of persuasion in a more positive light, through an appreciation of the publishers' efforts towards transparency.

The second managerial implication resulting from this research study is that online news publishers and marketers should take into consideration factors such the viewers' age, as well as the level of both the technology adoption and internet literacy of their targeted demographic, when evaluating the appropriateness and effectives of executing Native Advertising as part of their marketing communication strategies. It is recommended that online news publishers endeavour to make their disclosure easy to spot and understand, by applying FTC (2015) and IAB (2013, 2019) disclosure guidelines (refer to Appendix B.5.) to foster Native Advertising literacy, especially if their viewership is targeted predominately towards older audience members who are characterised by Prensky (2001; 2005) as "Digital Immigrants" (as described earlier in Chapter 2, Section 2.3.1) (Amazeen & Wojdynski, 2019).

As Amazeen and Wojdynski (2019) suggest, younger adults, who typically represent a demographic of people who consume more of their news digitally, have gained more experience identifying and distinguishing the various types of content they encounter online. As such, it can be assumed that they would be more likely to recognise a Native Advertisement. In the same vain, online publishers catering to "Digital Immigrants" stand to gain the most by increasing sponsorship transparency through clearly distinguishable disclosure, because these viewers are more likely to feel deceived by the covert marketing tactics than younger, more technologically competent, viewers.

The section to follow presents an overview of the second research question [RQ2] of this study. Thereafter, the summary of findings, conclusions and managerial implications and recommendations in relation to RQ2 are presented and discussed.

### 6.2.2. Research Question 2

***RQ2).*** *"How does the presence or absence of Native Advertising recognition influence viewers' perceptions of News Story Credibility and News Website Credibility?"*

#### 6.2.2.1. Summary of Findings

This study found that when disclosure was positioned at the bottom of the article, viewers' perception of both NSC (message credibility) and NWC (medium credibility) showed a statistically significant increase because the likelihood of Native Advertising increased. Conversely, the PKM (Friestad & Wright, 1994) postulates negative evaluations would arise from the consumer due to a resistance to advertising that is triggered, in order to cope with the persuasive attempts when the consumer recognises advertising.

While the findings in this study challenge the existing theory and predictions of the PKM (Friestad & Wright, 1994), there is evidence from past studies described in the reviewed literature that supports these findings. Amazeen and Wojdynski (2019) found that people who recognised Native Advertising had a more positive perception of the news publisher's credibility. Sweetser *et al.* (2016) showed in their study that when participants clearly recognized the sponsorship and sponsor brand's intentions to persuade and sell, it had no significant effect on their perceived credibility of both the message and medium. This fact could be because consumers have grown accustomed to Native Advertising during the past decade (Sweetser *et al.* 2016). Sweetser *et al.* (2016) also emphasized that the perceived information utility of the content played an important role in minimizing the negative influence of advertising recognition on perceived credibility.

In addition to the above findings, the results indicated that there was no significant direct relationship between advertising recognition and the IMI exhibited by the total of the sample participants. The hypothesised negative relationship between advertising recognition and IMI was only significant in the sample group that was presented with the treatment in which the disclosure was placed at the bottom of the article. In this group of participants, those who were unable to recognise the article as a Native Advertisement had exhibited a higher IMI relative to those participants who recognised Native Advertising in the article.

Research results also highlighted that it was mainly an increase in participants' IMI (i.e. activation of attitudinal persuasion knowledge), rather than their likelihood of recognising the article as a form of paid advertising (i.e. activation of conceptual persuasion knowledge), that had a significant direct negative influence on participants' perceptions of media source credibility and message credibility. Contrary to theoretical views expressed in the reviewed literature, although the direct negative relationship between study participants' IMI and perceptions of credibility was significant, it was, nevertheless, weak. On average, participants' IMI score was low (i.e. in general participants did not perceive the advertisement to be inappropriate or manipulative) in relation to their overall positive perceptions of NSC and NWC.

Overall, the results indicated that IMI was not a significant mediator of the relationship between advertising recognition and perceptions of credibility. These series of findings were contrary to the sequence of persuasion knowledge activation as it relates to the relationship between advertising recognition, IMI and perceived credibility, as hypothesised by Friestad and Wright (1994) in the PKM and findings from past studies delineated in the Literature Review, (An, Kerr & Jin, 2019; Amazeen & Wojdynski, 2019; Wojdynski & Evans, 2016).

Moreover, in this study, a moderation analysis showed there was no significant interaction between participants' level of involvement in the article and their advertising recognition. Thus, contrary to evidence in past studies (Rollins *et al.,* 2010), involvement was not a significant moderator in the relationship between participants' advertising recognition and perceptions of credibility. However, despite involvement being an insignificant moderator in this study, it was also found that the participants' average level of involvement was high and directly affected their perceptions of credibility through a significantly positive relationship. Based on these findings the following conclusions were arrived at for RQ2.

#### 6.2.2.2. Conclusions

In similar vein to the conclusions presented for RQ1, it can be concluded for RQ2 that, while advertising recognition serves as a necessary antecedent for critical processing and formation of judgement as theorised through the PKM (Friestad & Wright, 1994), by itself advertising recognition is not sufficient to activate the viewers' perceived sponsorship transparency and subsequent evaluations of the advertisement, the advertising brand and the publisher. But rather, as several scholars have argued, and as concluded earlier for RQ1, it may be the characteristics of the consumer (Amazeen & Wojdynski, 2019), as well as specific features of the message being communicated in the paid content (Ham, Nelson & Das, 2015; Kirmani & Campbell, 2004; Krouwer, Poels & Paulussen, 2017; Sweetser *et al.,* 2016), which will affect the extent to which the sponsor is perceived as identifiable by the consumer and, all together,

these perceptions will shape how consumers' judgments are formed towards the agents of persuasion. The next section discusses the managerial implications and recommendations in relation to RQ2.

#### 6.2.2.3. Managerial Implications and Recommendations

The key implication revealed through investigating RQ2, is that the perceived utility of the paid content may counteract the possibility of viewers feeling deceived or manipulated when engaging with Native Advertising that appears to be editorial content. According to Gladney, Shapiro and Castaldo (2007), after credibility, editors rank informational utility as the second most important criterion of quality for online news websites. Earlier studies have shown that in line with assumptions of the Uses and Gratifications theory by Katz, Blumler and Gurevitch (1973), viewers respond more positively towards an advertisement, and the platform on which it is published, when the information matches viewers' interests, regardless of whether they recognize the persuasion attempt of the advertisement within the article (Ducoffe, 1995; Speck & Elliott, 1997; Sweetser *et al.,* 2016). More recent studies have also demonstrated that viewers' perceptions and the characteristics of the content appear to curtail, or at least impede, reactance by facilitating consumer goals such as lack of intrusion (Lee, Kim & Ham, 2016) and advertisement relevance (Wang & Huang, 2017).

Therefore, this study recommends that before online newspaper editors decide to publish sponsored articles on their website, they should ensure that the presence of the sponsored brand is clear and noticeable in the article, but in a way that aims to reflect the sponsor's motivation as being more altruistically driven (e.g. the brand's motivation for helping a community, i.e. its level of social responsibility) than commercially driven (e.g. the brand's motivation to increase sales). By prioritising this specific goal, online news editors put themselves in a better position for ensuring that utility is synergized between their editorial content and their advertorial content, a situation which simultaneously may help to safeguard the journalistic reputation of credibility.

Indeed, several studies have provided evidence that the consumers' negative evaluations towards the agents of persuasion, which may be triggered by the recognition of covert persuasion, can be mitigated if they feel that the persuasive attempt brings value to them and, consequently, lowers their IMI (Amazeen & Wojdynski, 2019; Ham, Nelson & Das, 2015; Kirmani & Campbell, 2004; Krouwer, Poels & Paulussen, 2017; Sweetser *et al.,* 2016). Typically, consumers are inclined to evaluate the utility of an advertisement positively based on criteria such as its ability to deliver information or entertainment (Ducoffe, 1995; Wojdynski

& Evans, 2020). In this vein, advertorials that deliver valid, timely and original information may be judged less harshly by consumers upon recognition of persuasive intent.

One way of strengthening the utility of covert marketing content for consumers can be understood through the concept of congruency which, in this study, is contextualised as an alignment between the advertising/sponsoring brands' image and the news publisher's brand image. The concept of congruence has been examined in a wide range of sponsorship related studies in terms of perceptions of similarity, relevancy or fit between brand and event/cause being sponsored (Cui, Lee & Jin, 2019). In that respect, the concept of congruency refers to the similarity, likeness or correspondence between the image that the public holds about a company and the image that the public has about a cause or event that the company sponsors in a cultural or artistic field (Cui, Lee & Jin, 2019; Gwinner, 1997). Perceived congruity of sponsorship, or more simply put, sponsorship 'fit', is regarded by researchers such as Becker-Olsen & Simmons, (2002) as an important determinant of the type and degree of cognitive elaboration consumers' exercise towards the process of forming attitudes and beliefs towards sponsored advertising. These said researchers attest that a high degree of fit, be it in terms of similarity or relevancy of the sponsored content, is critical in creating synergy across brand-building relationships, such as the sponsorship relationship between the advertiser and the publisher (Becker-Olsen & Simmons, 2002). A low degree of fit may result in a partnering relationship where little "halo" effect is experienced, and where one of the partners may experience an effect of dilution rather than that of brand building (Becker-Olsen & Simmons, 2002; Broniarczyk & Alba, 1994; Simonin & Ruth, 1998; Speed & Thompson, 2000).

Online News Publishers should be wary that they are more likely to experience the dilution effect in several ways, in comparison to the sponsoring brand they have collaborated with to deliver the Native Advertising. One way the effect of dilution is exemplified is in the scenario in which recognition of covert persuasive messages results in the derogation of the media source. Consumers will have negative attitudes towards both the Native Advertisement and the publisher because they perceived that there was a low degree of congruency, or relevance, between the sponsor's brand image and the perceived utility behind the promotional campaign. Such a case may lead to a negative transfer of image and emotions towards the news website because consumers may perceive that the act of publishing functions as the publisher's endorsement of the advertising brand's campaign. Becker-Olsen (2003) offers another way in which the dilution effect is exemplified as a result of online news publishers blurring the lines between commercial and editorial content. As Becker-Olsen (2003) explains, because consumers hold the news website responsible for providing

unbiased information, and consider that Native Advertising's function is to mimic editorial content, the negative affect of sponsored content is likely to increase in situations in which consumers perceive that they must exert extra effort to distinguish and evaluate both the motivation of the message and those between the news website and advertisers.

Hence, regardless of whether an advertorial was written by a sponsoring brand or by the newspaper's journalist on behalf of the sponsoring brand, news publishers should be aware of the importance of assessing the 'fit' of the content of the sponsored information with the tone and nature of the publisher's editorial content, in the same way that advertisers place importance on sponsorship fit when designing and planning a sponsorship event and/or campaign.

It was beyond the scope of this study to measure the effect of participants' perceived utility of the sponsored article on their perceptions of media source credibility and message credibility. Nonetheless, the evidence and arguments present in the existing reviewed literature may affirm the assumption that participants in this study exhibited positive perceptions because they found value in the sponsored content, albeit disguised to appear as editorial content. There are several reasons why there is justification for making this speculation, all of which provide insights as to why online news publishers and marketers can gain valuable ideas from considering the particular advertorial used in this research, as a case study on how to appropriately deliver covert marketing content, without engendering feelings of consumer deception or manipulation.

The article presented as the treatment for this study was based on a real world online advertorial sponsored by the popular South African restaurant chain, Nando's, featuring a story about one of the brand's public relations campaigns. The Nando's' brand, which was established in post-Apartheid South Africa, is associated with a history of championing diversity through a strategic reputation of delivering witty and satirical advertising campaigns that relate to the climate of the country, to tap into the emotions of customers (Adams, 2017; Beavon, 2019). As mentioned previously, consumers prefer information that is relevant to them and, thus, advertisements with relevant content are received positively. Moreover, past studies have shown that consumers are less disposed to demonstrate avoidance behaviour toward advertising messages that are entertaining or emotional, in comparison to those that are purely informative (Fransen *et al.,* 2015; Olney, Holbrook, & Batra, 1991).

Based upon the findings of this research study, it can be said that participants' perceptions of credibility towards the news publisher were positive as a result of the audience-centric content exhibited in the specific advertorial used in this study. Rather than providing consumers with content of pure persuasion, for example, information that attempts to persuade viewers to purchase a product or service, the advertorial provided consumers with content that had a relatable narrative to which they could connect emotionally, and offered practical advice consumers could use in their lives, thereby, fostering a positive association with the brand. As the *Sunday Times* editor, Bongani Siqoko, emphasised, the reason behind the paper's decision to feature the Nando's' advertorial was driven by a shared goal between the newspaper and the Nando's' brand to convey "a message with real intent to action positive change, and create a unifying, inclusive sentiment among South Africans" (Nevill, 2018a, 2018b). In like manner, Su-lise Tessendorf-Louw, General Manager of Brand and Strategy at Nando's, conveyed the synergy of the partnership, adding that by using a serious platform such as the *Sunday Times* newspaper, the importance of the PR campaign would resonate strongly with South Africans (Pienaar, 2018).

In summary, increasing consumers' ability to recognise advertising when engaging with various forms of covert advertising, contrary to popular belief, may not adversely affect consumers' perceived credibility of the advertised message and/or the hosting media outlet, given that the content is perceived to provide value to the viewers. In essence, the best practice for online advertorials from the standpoint of the news publishing editors depends on two aspects. The first is to provide disclosure as an approach to accountability that aligns with the transparency principle of journalism. The second, and perhaps the most impactful practice, would be to ensure that the advertorials they publish provide viewers with quality and relatable content, through a compelling editorial narrative that communicates emotional, social, transformational and/or functional benefits of the sponsoring brand which viewers can appreciate regardless of whether they are aware or unaware of the advertising content. The next section discusses the theoretical implications for researchers and academia.

### 6.3. THEORETICAL CONTRIBUTION OF STUDY

In spite of its growing implementation across online platforms Native Advertising has yet to mature in the minds of consumers and viewers in terms of what they understand to be conventional advertising. To this end, the present study makes an important theoretical contribution by helping to evolve how researchers and academics understand the PKM (Friestad & Wright, 1994) in that findings from this study suggest that the PKM tenants

postulated through earlier Native Advertising studies, may not currently apply as strongly as they did three decades ago.

The PKM was introduced in the age of analogue advertising by Friestad and Wright in 1994 to provide a framework for understanding how consumers cope with and react to persuasive attempts in advertising. While Native Advertising is not new or exclusive to modern day online and digital advertising, an often overlooked point when applying the PKM in the present day context, is the way consumers, living in an age of information overload, are evolving towards what can be argued as an acceptance rather than a resistance of the ever-present and ubiquitous nature of advertising. By this token, perhaps consumers are beginning to grow more accustomed to encountering Native Advertising through their online browsing experience. Thus, the conceptual persuasion knowledge audiences are building through exposure to online Native Advertising may not trigger advertising resistance strategies, such as avoidance or counter-arguing. This response is because, unlike forced exposure online advertising, such as banner-advertisement and 'pop-up ads' which go straight for the 'hard sell', the nature of Native Advertising, as Amazeen and Wojdynski (2019) remark, theoretically extends beyond commercialism and, instead, aims to subtly persuade through marketing messaging that is relevant, value adding, non-intrusive and non-disruptive to the user's experience.

Similar to information uncovered by Sweetser *et al.* (2016) and, more recently, by Li and Wang (2019), the most striking finding in this study was that the majority of participants were able to recognise that the sponsored article was a form of advertising, regardless of whether there was an absence of disclosure or whether they failed to notice the disclosure and, in addition, their awareness of the persuasive attempt did not negatively affect their evaluation of the advertisement or the publisher, all facts which contradict the findings of earlier research. Nonetheless, these results do not serve to negate the value and relevance of the PKM (Friestad & Wright, 1994) because research and findings have for many decades been based on the school of thought that asserts that advertising is evaluated in terms of its persuasive value. Instead it must be noted, as Sweetser *et al.* (2016) succinctly highlight, that unlike traditional advertising, Native Advertising has brought about the hybrid form of two schools of thought wherein persuasive value and informational value are well integrated. Based upon this development, academics and media practioners ought firstly to give due prominence to reassessing how well the existing PKM (Friestad & Wright, 1994) fits in today's digital driven advertising landscape, given that this model is founded on traditional frameworks, which

clearly distinguish information from persuasion and, secondly, to integrating an assessment of information value in evaluating persuasive attempts in sponsored articles.

Another important theoretical contribution this study offers is in terms of the innovative methodological approach employed, whereby a psychophysiological-based analysis of visual attention using eye-tracking technology was adopted to corroborate self-reported measures of disclosure recognition. The use of this methodology aided in exposing participants' response biases that may have arisen because of an artificial testing environment. Additionally, considering that traditional techniques of data collection alone are not able to reveal all drivers' of attention (Pretorius & Calitz, 2011), the use of eye-tracking also served to objectively examine whether visual attention to disclosure labels is sufficient in activating conceptual persuasion knowledge (i.e. the advertising schema) that would trigger recognition of advertising or persuasive attempts. The study showed that attention to disclosure did not play a significant mediating role in the activation of persuasion knowledge, and that, apart from visual attention to disclosure, visual attention to the branding image may have contributed to advertising recognition. This evidence, therefore, provides an important point of theoretical consideration relating to the PKM (Friestad & Wright, 1994) in terms of highlighting the need for further research into the effect of other 'bottom-up' cues (e.g. visual branding) on advertising recognition. In light of the growing interest among academics, publishers and regulators seeking to establish rules of best practice for disclosure, to mitigate the possible engendering of feelings of deception or manipulation, it is hoped that by incorporating an objective and real-time quantitative measure of visual attention, the present study helped to reveal new insights and provide a better understanding of how consumers' subconscious visual attention to disclosure may influence their ability to recognise Native Advertising. The next section discusses the limitations of this study.

### 6.4. LIMITATION OF STUDY

The research design of this study presented a few challenges. One of these challenges was the fact that this Master's research study was unable to conduct a truly random sampling selection to attain external validity due to resource restrictions and practical difficulties, including funding and scheduling constraints. In practice, few research studies, especially at a Master's dissertation level, are able to implement a truly random sampling process that is representative of the entire population at hand (Horton, Rand & Zeckhauser, 2011; Lund Research, 2012).The participants selected for this research study were drawn through convenience sampling of UCT students. This process presented a limitation in terms of the

external validly of the study. It is well documented that the corners of using student samples stems from the notion that students differ significantly from other members of the general public, thus limiting the replicability and generalization of experimental findings across different contexts (Sears, 1986; Gerber & Green, 2008; Krupnikov & Levine, 2014; McDermott; 2011). Hence, due to the limitations of its external validly, the nature of the present study falls into the category of theory application based studies rather than effect application based studies. This is to say that the findings in this study cannot provide insights that serve as a generalization as to how the emerging market of South African consumers, as the larger population at hand, process and react to online advertorials.

However, considering that online advertorials are still a nascent concept from both a local and global perspective, there is theoretical value in taking a theory testing based approach, rather than endeavouring to propose generalization for a population, in an area of study that is still in its infancy. Furthermore, it can be argued that it may have been premature to have conducted this research as a geographically contextually focused effect application study, before testing whether tenants of existing theoretical frameworks hold true in light of technological changes. However, this research study was conducted in an attempt to highlight which areas of existing knowledge bases need to be reassessed as a "launching-pad" towards developing updated theories that are a better fit to model the digital landscape that is in constant flux.

Moreover, as Lund (2003) advocates, while nonprobability samples may limit the extent to which findings can be generalised to a larger population, such techniques do not necessarily equate to low external validity of experimentation. Following the falsification approach to theory-testing (Popper, 1959) the goal of testing theory through experimentation is to create a situation in which theoretical predictions can be falsified to provide evidence that theory requires modification or, alternatively, to bolster confidence in the utility of existing theory if such theoretical predictions escape falsification (Lucus, 2003). In light of this argument, variability in measurements and, subsequently, the likelihood for falsifying the null hypothesis would be relatively lower within nonprobability samples of undergraduate and postgraduate students from the same university, because of the homogeneity of the sample (Lucus, 2003). Therefore, non-probability techniques for sample selection may offer a more stringent test of theory by providing a higher likelihood of falsifying null hypotheses, if these are indeed false for the particular set of subjects being studied (Merenda, 2006; Pernice *et al.,* 2008). Additionally, some researchers maintain that because experimental tests of theory are often driven by the goal of uncovering laws of human behaviour, one cannot draw a representative

sample of the population for this purpose because, simply put, it is not feasible to draw a sample from a larger population (Meeker & Leik, 1995; Mook 1983; Pernice *et al.,* 2008;). Nevertheless, even in the case of theory-testing studies in which nonprobability-sampling techniques seem appropriate, this study acknowledges that the interpretation of the results obtained, and the conclusions drawn from the convenience samples of university students demand caution and, where possible, should be defended through theoretically sound justification.

Another limitation to this study was demonstrated through the manipulation of the sample article. Firstly, this study exposed participants to a single news article advertorial and it is possible that this led to a narrower range of reactions than could have been found if the participants had compared several advertorials across a body of varied stories. Secondly, the disclosure label was only manipulated in terms of its position in the advertorial. Further manipulation of disclosure characteristics, such as wording and formatting of font, could have yielded greater differences in disclosure recognition and advertising recognition. This study was unable to apply these manipulations due to resource restrictions in terms of the limited funding available for recruiting a larger sample size that would have enhanced the scope and, subsequent validity, of this study. Lastly, due to the limited time frame for conducting Master's research, the study offered financial incentives to encourage student to participate in the study. As Zutlevics (2016) summarized, one of the concerns of those academics not in favour of paying research participants, is that this practice is unethical because it is coercive, and thus undermines participants' autonomous decision making and compromises the integrity of scientific research, as a result of a disproportionate recruitment of participants that is typically skewed towards individuals from lower socio-economic backgrounds. Conversely, scholars who are proponents of financial incentives argue that payment is an appropriate recognition of the contribution individuals offer by opting to participate in research and, thus, a necessary means of achieving statistically robust results because without an incentive the number of participants willing to offer their time freely would be insufficient (Dunn & Gordon, 2005; Phillips, 2011).

### 6.5. FUTURE RESEARCH RECOMMENDATIONS

Past studies have largely focused on examining consumers' persuasion knowledge when cues of covert marketing were presented through disclosure, and have generally relied on a single measure (i.e. variations of the dichotomous question – "was there advertising? / did you notice advertising? / is this advertising?") in an effort to assess participants' advertising

recognition (Boerman Van Reijmersdal & Neijens, 2014, 2015; Sweetser *et al.* 2016; Wojdynski & Evans, 2016). Future studies should consider extending the measure of advertising recognition through the adoption of Wojdynski's *et al.* (2018) recently developed scale to measure the construct of sponsorship transparency, which looks at how consumers asses the degree to which the information presented in the communication makes a sponsor identifiable and, subsequently, influences consumers' ability to recognize and/or understand covert advertising content.

A second recommendation would be to increase the variation of stimulus treatment manipulations, e.g. (1) testing the effect of additional disclosure characteristics, such as wording and font formatting, to see whether greater differences in recognition can be yielded, and (2) comparatively testing different types of news stories to investigate whether evaluations of credibility will differ based on the contextual elements of the content and changes in narrative. Another recommendation for future studies is to conduct a pre-test measurement of participants' existing perception of the news websites as an authoritative and trustworthy media source, for the purpose of further investigating whether the news publishers' brand reputation which has been built up over time, may be a confounding variable in short-term evaluations of IMI and perception of credibility towards the news publisher. Likewise, future research could also control for participants' pre-existing attitudes towards the sponsor brand. This regulation can be implemented by examining the construct of brand familiarity as a covariate to investigate whether, and in which direction, familiarity and associated pre-existing attitudes towards the brand being advertised, might exert a spill-over effect on participants' evaluation of the media outlet.

Finally, future studies should consider conducting neuromarketing methodology that integrates several techniques in order to offer greater insight by using a combination of unbiased psychological and physiological real-time measures that will capture more reliable results. While measures of fixation offer an unbiased and clearer picture of participants' visual attention, it is worth noting that participants' attention can still shift and be influenced in other ways. Although eye-tracking can inform researchers what participants are looking at and what they see, used alone, eye-tracking does not reveal anything in particular about the emotions or complex cognitive processes that drive eye movements; in short eye-tracking cannot supply definitive data about how participants' perceive of the stimulus they are viewing (iMotions, 2020).

Therefore, in an attempt to extend this research and capture a fuller picture of human behaviour in real-time, future studies could combine the use of eye-tracking with the neuroimaging methodology of encephalography [EEG] to investigate whether motivational tendencies to either engage with, or withdraw from, the marketing communication, moderate the relationship between advertising recognition (or lack thereof) and consumers' perception of credibility towards the news publisher. EEG refers to a neuroimaging technique that measures electrical activity on the scalp to show which parts of the brain are active during stimulus exposure or task performance (iMotions, 2016a). EEG has been proven to be one of the most robust psychophysiological measures of preference (Smith *et al.,* 2001). To date, frequency-based analysis of EEG data has become more sophisticated, with one of the more advanced frequency-based metric being frontal asymmetry or frontal lateralization (iMotions[a], 2016). Frontal asymmetry reflects a person's momentary approach-withdrawal tendencies to either engage or withdraw, such that asymmetries characterised by relatively greater left frontal asymmetry activity, will be associated with approach motivation i.e. higher engagement (Davidson, 1993; iMotions, 2016a). Moreover, there is evidence in recent studies suggesting that frontal asymmetry can indeed be used for testing consumers' engagement when confronted with advertising (Coan & Allen, 2003; Vecchiato, Toppi & Astolfi, 2012; Yilmaz *et al.,* 2014). Nonetheless, definitive empirical studies on frontal EEG asymmetries, as moderators of emotional responses, are rare; thus highlighting the opportunity for future studies to fill this gap in research literature.

## 6.6. CONCLUSION

Owing to the rise and ubiquity of forms of online advertising that are becoming increasingly difficult to discern by format alone, this study endeavoured to addresses the crucial need to understand if, or how, current codes of ethics, created for marketing and communication professionals, sufficiently address content transparency, in light of the growing debate in the news publishing industry surrounding the blurred lines between editorial and commercial content.

This research contributes to the field of online advertising in a growing area of interest for research, particularly with regard to the topic of online Native Advertising. Specifically, this study focused on in-feed Native Advertising in the form of online advertorials published on online news websites, with the purpose of exploring how consumers perceive covert persuasive attempts of marketing communications that deliver sponsored/paid content through simulated editorials. This study also sought to discover how the execution of online

advertorials affects consumers' perception of publishers' credibility in terms of their evaluation of both the message and media sources. This study developed a conceptual model, namely the Persuasion Knowledge Model for Online News Advertorials, which was adapted from previous works relating to this particular concept (Amazeen & Wojdynski, 2019; Campbell & Kirmani, 2008; Wojdynski & Evans, 2016) and guided by tenets from Friestad and Wright's (1994) PKM. In doing so, this study contributes to the re-assessment of traditional frameworks through adapted augmentations of constructs and methodologies (e.g. eye-tracking visual attention) relevant in advancing academics and media experts' understanding of digital advertising and marketing tactics and how consumers deal with attempts of covert persuasion in an online landscape. This research offered insight on factors that influence disclosure and Native Advertising recognition, as well as a greater awareness of the potential implications that online news publishers face in terms of how their credibility is affected when they execute Native Advertising through online advertorials.

Through the review of existing related literature in Chapter 2, this study brought to light that, despite its popularity, the use of Native Advertising raises important policy and ethical considerations with regard to deceptive marketing communication. Opponents of Native Advertising argue that a lack of standardization and, subsequent ineffectiveness of disclosure labels, undermines the journalistic norms of credibility when consumers cannot easily make the distinction between editorial and advertorial (paid) content. The blurred line between editorial and advertorial content, therefore, poses a reputation risk for publishers while, at the same time, elicits resistance strategies, such as consumer scepticism and counter arguing, upon consumers' realisation that the content they are confronting is in fact paid content, framed to appear as organic to the platform within which it is presented. Resultantly, this study's main aim was to provide clarity into the effects of varying sponsorship disclosure positions on consumers' advertising recognition and their subsequent perception of both NSC and NWC.

The key findings of this study showed that: (1) the majority of participants recognised the article provided as paid advertising, regardless of the presence or positioning of the disclosure label; (2) an increase in participants' IMI (attitudinal persuasion knowledge) rather than their likelihood of (independently) recognising the article, as a form of paid advertising, had a significant influence on viewers' evaluation of the publisher, in terms of their perception of the credibility of both the news website (media source credibility) and the news story (message credibility); contrary to the sequence of persuasion knowledge activation hypothesised by Friestad and Wright (1994) in PKM, and the majority of findings in similar past studies

discussed in the Literature Review (Amazeen & Muddiman, 2018; Amazeen & Wojdynski, 2020; Wojdynski & Evans, 2016) ; and lastly (3) Native Advertising recognition among participants was not negatively linked to participants' perceptions of both NSC and NWC.

In closing this research dissertation, it is important to note that today's online media environment is one that is characterized as highly competitive and fluctuating in terms of emerging formats of content delivery, which often challenge consumers' familiarity with, and expectations of, advertising. With this fact in mind, the conclusions drawn from this study, frequently contradict conceptions of traditional frameworks and existing theory that pertain to the way consumers cope with persuasive attempts. Therefore, these deductions highlight that the need for further theory-based studies is of paramount importance towards establishing new or evolved theoretical models and frameworks that will serve as a means of understanding the extent to which consumers make assessments of covert marketing tactics for the purpose of cautioning news publishers who feel they must engage in Native Advertising to remain financially viable in the face of declining revenues.

**LIST OF REFERENCES**


Acharya, B. 2010. *Questionnaire Design.* Available: http://www.saciwaters.org/CB/IFRM/IFRM/IV.%20Literature/Module%206_Qualitative%20Research%20Methods/6.4%20Questionnaire%20Design_Acharya%20Bidhan.pdf [2018, April 4].

Adams, P. 2017. *Nando's tackled the inauguration with a bold campaign — and saw a 122% sales lift.* Available https://www.marketingdive.com/news/nandos-tackled-the-inauguration-with-a-bold-campaign-and-saw-a-122-sale/443368/ [2018, October 5].

Adler, E.S. & Clark, R. 2014. *An invitation to Social Research: How it's done.* 5th ed. Stanford, USA: Cengage Learning.

AdYouLike. 2019. *Global Native Advertising Market Set to Be Worth Over $400BN By 2025.* Available: https://www.prnewswire.com/news-releases/global-native-advertising-market-set-to-be-worth-over-400bn-by-2025-300805997.html [2019, December 5].

Advertising Standards Authority. 2020. *Recognising ads: Newspapers and magazines (online and offline).* Available: https://www.asa.org.uk/codes-and-rulings/advertising-codes/non-broadcast-code.html [2020, July 26].

Agler, R. & De Boeck, P. 2017. On the interpretation and use of mediation: multiple perspectives on mediation analysis. *Frontiers in psychology*, 8:1984.

Aliyu, A.A., Bello, M.U., Kasim, R. & Martin, D. 2014. Positivist and non-positivist paradigm in social science research: Conflicting paradigms or perfect partners. *J. Mgmt. & Sustainability*. 4:79.

Allen, M. 2017. *The SAGE encyclopedia of communication research methods*. California, USA: SAGE Publications.

Allyn, J. & Festinger, L. 1961. The effectiveness of unanticipated persuasive communications. *The Journal of Abnormal and Social Psychology.* 62(1):35-40.

Amazeen, M.A. & Muddiman, A.R. 2018. Saving media or trading on trust? The effects of native advertising on audience perceptions of legacy and online news publishers. *Digital journalism*. 6(2):176-195.

Amazeen, M.A. & Wojdynski, B.W. 2019. Reducing native advertising deception: Revisiting the antecedents and consequences of persuasion knowledge in digital news contexts. *Mass Communication and Society*. 22(2):222-247.

Amazeen, M.A. & Wojdynski, B.W. 2020. The effects of disclosure format on native advertising recognition and audience perceptions of legacy and online news publishers. *Journalism*. 21(12):1965-1984.

An, S., Kerr, G. & Jin, H.S. 2019. Recognizing native ads as advertising: Attitudinal and behavioral consequences. *Journal of Consumer Affairs*. 53(4):1421-1442.

Appleman, E. & Sundar, S.S. 2016. Measuring message credibility: construction and validation of an exclusive scale. *Journalism and Mass Communication Quarterly*. 93(1):59-79.

Aribarg, A. & Schwartz, E.M. 2017. Consumer responses to native advertising. Thesis. University of Michigan.

Ashraf, R. & Merunka, D. 2017. The use and misuse of student samples: An empirical investigation of European marketing research. *Journal of Consumer Behaviour*. 16(4):295-308.

Atkin, C.K. 1972. Anticipated communication and mass media information-seeking. *Public Opinion Quarterly*. 36(2):188-199.

Autry, A.J. & Berge, Z. 2011. Digital natives and digital immigrants: getting to know each other. *Industrial and Commercial Training.* 43(7):460.

Babbie, E.R. 2013. *The basics of social research*. Stamford, CT: Cengage Learning.

Barthel, M., Gottfried, J., Mitchell, A. & Shearer, E. 2016. *The Modern News Consumer, News attitudes and practices in the digital era.* Available: https://www.journalism.org/2016/07/07/the-modern-news-consumer/ [2020, August 4].

Beavon, E 2019. *Five marketing tips you can learn from Nando's.* Available https://mediaupdate.co.za/marketing/147141/five-marketing-tips-you-can-learn-from-nandos [2018, October 5].

Becker-Olsen, K.L. 2003. And now, a word from our sponsor--a look at the effects of sponsored content and banner advertising. *Journal of Advertising*. 32(2):17-32.

Becker-Olsen, K. & Simmons, C.J. 2002. When do social sponsorships enhance or dilute equity? Fit, message source, and the persistence of effects. *ACR North American Advances*, 29: 287-289.

Beach, D. & Rohlfing, I. 2018. Integrating cross-case analyses and process tracing in set-theoretic research: Strategies and parameters of debate. *Sociological Methods & Research*. 47(1):3-36.

Benedetto, S., Carbone, A., Pedrotti, M., Le Fevre, K., Bey, L.A.Y. & Baccino, T. 2015. Rapid serial visual presentation in reading: The case of Spritz. *Computers in Human Behavior*. 45:352-358.

Berlo, D. 1960. The Process of Communication New York. *Hold Rinehart and Winston*.

Bhengu, L. 2018. *Nando's and Chicken Licken steal the show at advertising awards.* Available: https://www.timeslive.co.za/news/south-africa/2018-08-20-nandos-and-chicken-licken-steal-the-show-at-advertising-awards/ [2018, October 5].

Boerman, S.C. & Van Reijmersdal, E.A. 2016. Informing consumers about "hidden" advertising: A literature review of the effects of disclosing sponsored content. In *Advertising*

*in new formats and media: Current research and implications for marketers*, 115-146. United Kingdom, Emerald Group Publishing Limited.

Boerman, S. C., Van Reijmersdal, E.A. & Neijens, P.C. 2012.Sponsorship Disclosure: Effects of Duration on Persuasion Knowledge and Brand Responses. *Journal of Communication*. 62(6):1047-1064.

Boerman, S. C., Van Reijmersdal, E.A. & Neijens, P.C. 2014. Effects of Sponsorship Disclosure Timing on the Processing of Sponsored Content: A Study on the Effectiveness of European Disclosure Regulations. *Psychology and Marketing*. 31(3):214-224.

Boerman, S. C., Van Reijmersdal, E.A. & Neijens, P.C. 2015. Using Eye Tracking to Understand the Effects of Brand Placement Disclosure Types in Television Programs, *Journal of Advertising*. 44(3):196-207.

Boerman, S.C., Willemsen, L.M. & Van Der Aa, E.P. 2017. "This post is sponsored": Effects of sponsorship disclosure on persuasion knowledge and electronic word of mouth in the context of Facebook. *Journal of Interactive Marketing.* 38:82-92.

Boksem, M. & Smidts, A. 2015. Brain responses to movie-trailers predict individual preferences for movies and their population-wide commercial success. *Journal of Marketing Research*. 52(4):482-492.

Bordens, K. S. & Abbott, B. B. 2002. *Research Design and Methods: A process approach*. 5th ed. New York, NY, USA: McGraw-Hill.

Boyer, K.K. & Swink, M.L. 2008. Empirical elephants—why multiple methods are essential to quality research in operations and supply chain management. *Journal of Operations Management*. 26(3):338-344.

Bratt, M. 2018. *Creating a movement to change things that matter (with pics and video).* Available: https://themediaonline.co.za/2018/04/creating-a-movement-to-change-things-that-matter-with-video/ [2020, March 29].

Brehm, J.W. 1966. A theory of psychological reactance. New York, Academic Press,

Broniarczyk, S.M. & Alba, J.W. 1994. The importance of the brand in brand extension. *Journal of marketing research*. 31(2):214-228.

Brook, J.R. 2016. The social marketing impact of native advertising news articles and the influence of scepticism from consumers. Thesis. University of Canterbury. Available: https://ir.canterbury.ac.nz/bitstream/handle/10092/12002/Brook%2c%20James_Masters%20Thesis.pdf?sequence=1&isAllowed=y [2018, March 12].

Bryant, J. & Comisky, P.W. 1978. The effect of positioning a message within differentially cognitively involving portions of a television segment on recall of the message. *Human Communication Research.* 5(1):63-75.

Bryman, A., Harley, B. & Bell, E. 2018. *Business research methods*. Oxford; Oxford University Press.

Bland, J.M. & Altman, D.G. 1996. Measurement error. *BMJ: British medical journal.* 312(7047):1654.

Bunn, A. 1997. *Mag editors impose editorial-ad rules.* News. Available: https://www.wired.com/1997/07/mag-editors-impose-editorial-ad-rules/ [2020, May 15].

Campbell, M.C. 1995. When attention-getting advertising tactics elicit consumer inferences of manipulative intent: The importance of balancing benefits and investments. *Journal of Consumer Psychology*. 4(3):225-254.

Campbell, C. & Evans, N.J. 2018. The role of a companion banner and sponsorship transparency in recognizing and evaluating article-style native advertising. *Journal of Interactive Marketing*, 43:17-32.

Campbell, M.C. & Kirmani, A. 2000. Consumers' use of persuasion knowledge: The effects of accessibility and cognitive capacity on perceptions of an influence agent. *Journal of consumer research*. 27(1):69-83.

Campbell, C. & Marks, L.J. 2015. Good native advertising isn't a secret. *Business Horizons*. 58(6):599-606.

Campbell, M.C., Mohr, G.S. & Verlegh, P.W. 2013. Can disclosures lead consumers to resist covert persuasion? The important roles of disclosure timing and type of response. *Journal of Consumer Psychology*. 23(4):483-495.

Carew, A.M. & Comiskey, C. 2017. Treatment for opioid use and outcomes in older adults: a systematic literature review. *Drug Alcohol Depend*. 182, 48-57.

Carlson, M. 2015. When news sites go native: Redefining the advertising-editorial divide in response to native advertising. *Journalism.* 16(7):849-865.

Carter, C.R., Sanders, N.R. & Dong, Y. 2008. Paradigms, revolutions, and tipping points: The need for using multiple methodologies within the field of supply chain management. *Journal of Operations Management*. 26(6):693-696.

Chaiken, S. & Eagly, A.H. 1976. Communication modality as a determinant of message persuasiveness and message comprehensibility. *Journal of Personality and Social Psychology.* 34(4):605-614.

Check it out: seeing red for right reasons. 2018. Check it out: seeing red for right reasons. *Sunday Times.* 11 March. Available: https://www.timeslive.co.za/sunday-times/news/2018-03-11-check-it-out-seeing-red-for-right-reasons/ [2018, April 29].

Chen, J. 2019. *Normal Distribution.* Available: https://www.investopedia.com/terms/n/normaldistribution.asp [2018, August 17].

Choi, J. 2016. Why do people use news differently on SNSs? An investigation of the role of motivations, media repertoires, and technology cluster on citizens' news-related activities. *Computers in Human Behavior*. 54:249-256.

Coan, J. & Allen, J. 2003. State and trait of frontal EEG asymmetry in emotion. *The asymmetrical brain.* 566-615.

Cole, J.T. & Greer, J.D. 2013. Audience response to brand journalism: The effect of frame, source, and involvement. *Journalism & Mass Communication Quarterly*. 90(4):673-690.

Colliander, J. & Erlandsson, S. 2015. The blog and the bountiful: Exploring the effects of disguised product placement on blogs that are revealed by a third party. *Journal of Marketing Communications*. 21(2):110-124.

*Consumer Protection Act (CPA) 68 of 2008.* 2008. Available: https://www.gov.za/sites/default/files/gcis_document/201409/321864670.pdf [2020, July 26].

Cotte, J., Coulter, R.A. & Moore, M. 2005. Enhancing or disrupting guilt: The role of ad credibility and perceived manipulative intent. *Journal of Business Research*. 58(3):361-368.

Creswell, J.W. 2019. *Educational research: Planning, conducting, and evaluating quantitative and qualitative research*. 6th edition. Upper Saddle River, NJ: Merrill/Prentice Hall.

Cui, G.Q., Lee, J.Y. & Jin, C.H. 2019. The Role of sports sponsorship in negative new stories about a brand: Approach the halo effect. *Cogent Business & Management*. 6(1):1699284.

Cunic, 2019. *Understanding Internal and External Validity. How These Concepts Are Applied in Research.* Available: https://www.verywellmind.com/internal-and-external-validity-4584479 [2018, August 20].

Darke, P.R., Ashworth, L. & Ritchie, R.J. 2008. Damage from corrective advertising: Causes and cures. *Journal of Marketing*. 72(6):81-97.

Darke, P.R. & Ritchie, R.J. 2007. The defensive consumer: Advertising deception, defensive processing, and distrust. *Journal of Marketing Research*. 44(1):114-127.

Davidson, R.J. 1993. Cerebral asymmetry and emotion: conceptual and methodological conundrums. *Cognition and Emotion*. 7(1):115-138.

Davis, D.F., Golicic, S.L. & Boerstler, C.N. 2011. Benefits and challenges of conducting multiple methods research in marketing. *Journal of the academy of marketing science*. 39(3):467-479.

De Jans, S., Cauberghe, V. & Hudders, L. 2018. How an advertising disclosure alerts young adolescents to sponsored vlogs: the moderating role of a peer-based advertising literacy intervention through an informational vlog. *Journal of Advertising*. *47*(4):309-325.

De Silva, A.T.S. & Buddhika, S.A. 2019. Interactivity and Credibility of Website on Website Usage Intention. *Proceedings of the 8th International Conference on Management and Economics – 2019.* University of Ruhuna, Department of Marketing, Faculty of Management and Finance.

Demming, C.L., Jahn, S. & Boztug, Y. 2017. Conducting mediation analysis in marketing research. *Marketing ZFP*. 39(3):76-98.

Dickhaus, T. 2018. *Theory of nonparametric tests*. Cham, Switzerland: Springer.

Drèze, X. & Hussherr, F.X. 2003. Internet advertising: Is anybody watching? *Journal of interactive marketing.* 17(4):8-23.

Ducoffe, R.H., 1995. How consumers assess the value of advertising. *Journal of Current Issues & Research in Advertising*. 17(1):1-18.

Dudovskiy, J. 2016. *The ultimate guide to writing a dissertation in business studies: A step-by-step assistance.* Pittsburgh, USA. Available: https://www.goodreads.com/book/show/35123990-the-ultimate-guide-to-writing-a-dissertation-in-business-studies [2020, August 05].

Duff, B.R.L. & Sar, S. 2015. Seeing the big picture: Multitasking and perceptual processing influences on ad recognition. *Journal of Advertising*. 44(3):173-184.

Dunn, L & Gordon N. 2005. Improving informed consent and enhancing recruitment for research by understanding economic behavior. *JAMA*. 293(5):609-612.

Dvorkin, L. 2013. *Inside Forbes: What's next for native ads? Controversy gives way to market realities*. Available: http://www.forbes.com/sites/lewisdvorkin/2013/07/08/inside-forbes-whats-next-for-native-ads-controversy-gives-way-to-market-realities/ [2019, February 20].

Einstein, M., 2016. *Black ops advertising: Native ads, content marketing, and the covert world of the digital sell*. New York: OR Books.

Eisend, M. & Küster, F. 2011. The effectiveness of publicity versus advertising: A meta-analytic investigation of its moderators. *Journal of the Academy of Marketing Science*. 39(6):906-921.

Ellison, S.L., Barwick, V.J. & Farrant, T.J.D. 2009. *Practical statistics for the analytical scientist: a bench guide*. Cambridge: Royal Society of Chemistry.

Eroglu, S.A., Machleit, K.A. & Davis, L.M. 2001. Atmospheric qualities of online retailing: A conceptual model and implications. *Journal of Business research*. 54(2):177-184.

Etikan, I., Musa, S.A. & Alkassim, R.S. 2016. Comparison of convenience sampling and purposive sampling. *American journal of theoretical and applied statistics*. 5(1):1-4.

Evans, N.J. 2014. Pinpointing Persuasion in Children's Advergames: Exploring the Relationship among Parents' Internet Mediation, Marketplace Knowledge, Attitudes, and the Support for Regulation. *Journal of Interactive Advertising*. 14(2):73-85.

Evans, N.J. & Park, D. 2015. Rethinking the persuasion knowledge model: Schematic antecedents and associative outcomes of persuasion knowledge activation for covert advertising. *Journal of Current Issues & Research in Advertising*. 36(2):157-176.

Evans, N.J., Phua, J., Lim, J. & Jun, H. 2017. Disclosing Instagram Influencer Advertising: The Effects of Disclosure Language on Advertising Recognition, Attitudes, and Behavioural Intent, *Journal of Interactive Advertising*. (17)2:138-149.

Eveland Jr, W.P. 2001. The cognitive mediation model of learning from the news: Evidence from nonelection, off-year election, and presidential election contexts. *Communication Research*. 28(5):571-601.

Eveland, Jr, W.P. 2002. News information processing as mediator of the relationship between motivations and political knowledge. *Journalism & Mass Communication Quarterly*. 79(1):26-40.

Eveland, W. P., Jr., Shah, D. V. & Kwak, N. 2003. Assessing causality in the cognitive mediation model: A panel study of motivations, information processing, and learning during campaign 2000. *Communication Research.* 30(4):359-386.

Fairchild, A.J. & MacKinnon, D.P. 2009. A general model for testing mediation and moderation effects. *Prevention Science*. 10(2):87-99.

Fanache, M. & Morosaun, I. 2016. *The Newsroom begins demand operations in SA on native advertising.* Available: https://www.mediaupdate.co.za/marketing/121637/the-newsroom-begins-demand-operations-in-sa-on-native-advertising [2018, April 12].

Fanache, M. & Morosanu, I. 2017. *The Newsroom introduces self-service ad platform for SA.* Available: https://www.mediaupdate.co.za/marketing/133273/the-newsroom-introduces-self-service-ad-platform-for-sa [2021, March 30].

Faraday, P. 2000. Visually critiquing web pages. *Conference paper* in *Multimedia'99*. Vienna: Springer. 155-166.

Feit, A.M., Williams, S., Toledo, A., Paradiso, A., Kulkarni, H., Kane, S. & Morris, M.R. 2017. Toward everyday gaze input: Accuracy and precision of eye tracking and implications for design. *Proceedings of the 2017 Chi conference on human factors in computing systems.* May 2017. 1118-1130. Available: https://www.microsoft.com/en-us/research/wp-content/uploads/2017/01/everyday_eyetracking-1.pdf [2021, March 30].

Ferrara, E., & Yang, Z. 2015. Measuring emotional contagion in social media. *PloS one*. 10(11):e0142390.

Festinger, L. & Maccoby, N. 1964. On resistance to persuasive communications. *Journal of Abnormal Psychology*. 68(4):359-366.

Firmstone, J. 2019. Editorial journalism and newspapers' editorial opinions. In *Oxford Research Encyclopedia of Communication*. Oxford, England: Oxford University Press. DOI: 10.1093/acrefore/9780190228613.013.803

Fischer, E. 2018*. A Closer Look at Eye Tracking [Infographic]*. Available: https://imotions.com/blog/eye-tracking-infographic/ [2018, August 17].

Fogg, B.J., 2003, April. Prominence-interpretation theory: Explaining how people assess credibility online. In *CHI'03 extended abstracts on human factors in computing systems.* 722-723.

Fransen, M.L., Verlegh, P.W., Kirmani, A. & Smit, E.G. 2015. A typology of consumer strategies for resisting advertising, and a review of mechanisms for countering them. *International Journal of Advertising*. 34(1):6-16.

Friestad, M. & Wright, P. 1994. The Persuasion Knowledge Model: How People cope with persuasion attempts. *Journal of consumer research*. 21(1):1-31.

Frost, J. n.d. *Introduction to Bootstrapping in Statistics with an Example.* Available: https://statisticsbyjim.com/hypothesis-testing/bootstrapping/ [2018, August 29].

Federal Trade Commission [FTC]. 2013. *Blurred Lines: Advertising or Content? An FTC Workshop on Native Advertising*. Available: http://www.ftc.gov/system/files/documents/public_events/171321/final_transcript.pdf [2018, April 23].

Federal Trade Commission, [FTC]. 2015. *Enforcement Policy Statement on Deceptively Formatted Advertisements*. Available: https://www.ftc.gov/system/files/documents/public_statements/896923/151222deceptiveenforcement.pdf. [2018, April 23].

Federal Trade Commission, [FTC]. 1983. Policy Statement on Deception. *Followed by dissenting statement of Commissioners Bailey and Pertschuk and concurring statement of Commissioner Douglas*, *45*. Available: https://www.ftc.gov/system/files/documents/public_statements/410531/831014deceptionstmt.pdf [2020, August 05].

Ferrer Conill, R. 2016. Camouflaging church as state: An exploratory study of journalism's native advertising. *Journalism Studies.* 17(7):904-914.

Fugate, D. 2007. Neuromarketing: a layman's look at neuroscience and its potential application to marketing practice. *Journal of Consumer Marketing*. 24 (7):385-394.

Garfield, B. 2016. *Beware the native of Brazile*. Available: http://www.mediapost.com/publications/article/288414/beware-the-native-of-brazile.html [2018, February 15].

Gaziano, C. & McGrath, K. 1986. Measuring the concept of credibility. *Journalism quarterly.* 63(3):451-462.

George, D. & Mallery, M. 2003. *Using SPSS for Windows step by step: a simple guide and reference*. 4th ed. Boston: Allyn & Bacon.

Gerber, A. S. & Green, D. P. 2008. Field Experiments and Natural Experiments. In *The Oxford Handbook of Political Methodology*. Oxford: Oxford University Press.

Gilley, S. 2013. *Blurred Lines: Advertising or Content? An FTC Workshop on Native Advertising.* Available: https://www.ftc.gov/news-events/events-calendar/2013/12/blurred-linesadvertising-or-content-ftc-workshop-native [2018, March 12].

Gladney, G.A., Shapiro, I. & Castaldo, J. 2007. Online editors rate web news quality criteria. *Newspaper research journal*. 28(1):55-69.

Glenday, J. 2019. *Native advertising sector predicted to be worth $400bn by 2025.* Available: https://www.thedrum.com/news/2019/03/06/native-advertising-sector-predicted-be-worth-400bn-2025 [2020, February 15].

Go, E., Jung, E.H. & Wu, M. 2014. The effects of source cues on online news perception. *Computers in Human Behavior*. 38:358-367.

Godfroid, A. & Hui, B. 2020. Five common pitfalls in eye-tracking research. *Second Language Research.* 36(3):277-305.

Goertz, G. 2017. *Multimethod research, causal mechanisms, and case studies: An integrated approach*. Princeton University Press.

Goffman, E. 1974. *Frame analysis: An essay on the organization of experience*. Cambridge, MA: Harvard University Press.

Greer, J.D. 2003. Evaluating the credibility of online information: A test of source and advertising influence. *Mass communication and society*. 6(1):11-28.

Gwinner, K. P. 1997. A model of image creation brand image transfer in event sponsorship. *International Marketing Review*. 14(3):145-158.

Hair, J., Black, W., Babin, B., Anderson, R. & Tatham, R. 2006. *Multivariate Data Analysis*. 6th ed. New Jersey: Pearson Educational, Inc.

Ham, C.D. 2017. Exploring how consumers cope with online behavioral advertising. *International Journal of Advertising*. 36(4):632–58.

Ham, C.D., Nelson, M.R. & Das, S., 2015. How to measure persuasion knowledge. *International Journal of Advertising*. 34(1):17-53.

Han, J., Drumwright, M. & Goo, W. 2018. Native Advertising: Is Deception an Asset or a Liability? *Journal of Media Ethics,* 33(3):102-119.

Hass, R.G. 1981. Effects of source characteristics on cognitive responses in persuasion. *Cognitive responses in persuasion.* 141-172.

Hass, R.G. & K. Grady. 1975. Temporal delay, type of forewarning, and resistance to influence. *Journal of Experimental Social Psychology*. 11(5):459-469.

Hayes, A. F. 2018. *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach.* 2nd ed. New York: The Guilford Press.

Hinton, P. R. 2014. *Statistics explained*. London: Routledge.

Hof, R. 2014. *Online ad revenue blow past broadcast TV thanks to mobile and video*. Available: https://www.forbes.com/sites/roberthof/2014/04/10/online-ad-revenues-blow-past-broadcast-tv-thanks-to-mobile-and-video/#7dce28133fc6 [2018, February 15].

Horton, J.J., Rand, D.G. & Zeckhauser, R.J. 2011. The online laboratory: Conducting experiments in a real labor market. *Experimental economics*. 14(3):399-425.

Hovland, C.I. & Weiss, W. 1951. The influence of source credibility on communication effectiveness. *Public opinion quarterly*. 15(4):635-650.

Hsu, M. 2017. Neuromarketing: inside the mind of the consumer. *California Management Review*. 59(4):5-22.

Humphreys, M. & Jacobs, A.M. 2015. Mixing methods: A Bayesian approach. *American Political Science Review.* 109(4):653-673.

Iacobucci, D. 2012. Mediation analysis and categorical variables: The final frontier. *Journal of Consumer Psychology*. 22(4):582-594.

IBISWorld. 2020. *Global Newspaper Publishing Industry - Market Research Report.* Available: https://www.ibisworld.com/global/market-research-reports/global-newspaper-publishing-industry/. [2021, March 31].

iMotions. 2015a. *Eye tracking – The complete pocket guide.* Available https://imotions.com/eyetracking-guide-ebook/ [2018, February 22].

iMotions. 2015b. *Screen-Based Eye Tracker vs Eye Tracking Glasses – What's the Difference?* Available: https://imotions.com/blog/screen-based-eye-tracker-vs-eye-tracking-glasses/ [2018, February 22].

iMotions. 2016a. *Electroencephalography [EEG] – The complete pocket guide.* Available https://imotions.com/eeg-guide-ebook/ [2018, February 22].

iMotions. 2016b. *Experimental Design − The complete pocket guide.* Available https://imotions.com/experimentaldesign-guide-ebook/ [2018, February 22].

iMotions. 2020. *The iMotions Screen-based Eye Tracking Module.* Available: https://imotions.com/biosensor/eye-tracking-screen-based/ [2019, November 17].

Interactive Advertising Bureau [IAB]. 2013. *The Native Advertising Playbook.* Available https://www.iab.com/wp-content/uploads/2015/06/IAB-Native-Advertising-Playbook2.pdf [2018, February 25].

Interactive Advertising Bureau [IAB]. 2015. *Deep Dive On In-Feed Ad Units.* Available https://www.iab.com/wp-content/uploads/2015/07/IAB_Deep_Dive_on_InFeed_Ad_Units.pdf: [2018, February 25].

Internet Advertising Bureau [IAB]. 2019. IAB *Native Advertising Playbook 2.0*. Available: https://www.iab.com/insights/iab-native-advertising-playbook-2-0/ [2020, March 31].

Iversen, M.H. & Knudsen, E. 2019. When politicians go native: The consequences of political native advertising for citizens' trust in news. *Journalism*. 20(7):961-978.

Jacks, J.Z. & Cameron, K.A. 2003. Strategies for resisting persuasion. *Basic and applied social psychology*. 25(2):145-161.

Jackson, S. L. 2006. *Research Methods and Statistics: A critical thinking approach*. 2nd ed. Belmont, CA, USA: Thomson Higher Education.

Janiszewski, C. 1998. The influence of display characteristics on visual exploratory search behavior. *Journal of consumer research*. 25(3):290-301.

Jiang, M., McKay B.A., Richards J.I. & Snyder, W. 2017. Now you see me, but you don't know: Consumer processing of native advertisements in online news sites. *Journal of Interactive Advertising.* 17(2):92-108.

Jick, T. D. 1979. Mixing qualitative and quantitative methods: Triangulation in action. *Administrative Science Quarterly*. 24(4):602-611.

Johnson, B. & Christensen, L. 2010. *Educational Research: Quantitative, Qualitative, and Mixed Approaches*. 4th ed. California, USA: SAGE Publications.

Johnson, T.J. & Kaye, B.K. 1998. Cruising is believing? Comparing Internet and traditional sources on media credibility measures. *Journalism & Mass Communication Quarterly*. 75(2):325-340.

Kaikati, A. M. & Kaikati, J. G. 2004. Stealth marketing: How to reach consumers surreptitiously. *California Management Review.* 46(4): 6-22.

Kardes, F.R. 1996. In defence of experimental consumer psychology. *Journal of Consumer Psychology*. 5:279-296.

Katz, E., Blumler, J. G. & Gurevitch, M. 1973. Uses and gratifications research. *Public Opinion Quarterly.* 37(4):509.

Katz, E. 1974. Utilization of mass communication by the individual. *The uses of mass communications: Current perspectives on gratifications research*. 19-32.

Kenny, D. 2018. *Moderator Variables: Introduction.* Available: http://davidakenny.net/cm/moderation.htm [2018, July 17].

Khang, H., Ki, E. & Ye, L. 2012. Social media research in advertising, communication, marketing, and public relations, *Journalism and Mass Communication Quarterly*. 89 (2):279-298.

Kickbusch, I. S. 2001. Health literacy: Addressing the health and education divide. *Health Promotion International.* 16(3):289-297.

Kim, S. 2015. *Effects of ad-video similarity, ad location, and user control option on ad avoidance and advertiser-intended outcomes of online video ads.* Ph.D. Thesis. University of Minnesota. Available: http://conservancy.umn.edu/bitstream/handle/11299/175210/Kim–umn–0130E–16154.pdf?sequence=1&isAllowed=y [2018, April 23].

Kim, S.J. & Hancock, J.T. 2017. How advertorials deactivate advertising schema: MTurk-based experiments to examine persuasion tactics and outcomes in health advertisements. *Communication Research.* 44:1019-1045.

Kim, B.H., Pasadeos, Y. & Barban, A. 2001. On the deceptive effectiveness of labelled and unlabelled advertorial formats. *Mass Communication & Society*. 4(3):265-281.

Kimberlin, C. L. & Winterstein, A. G. 2008. Validity and reliability of measurement instruments used in research. *American Journal of Health-System Pharmacists*. 65:2276-2284.

Kirkwood, J. A. & Campbell-Hunt, C. 2007. Using multiple paradigm research methodologies to gain new insights into entrepreneurial motivations. *Journal of Enterprising Culture*. 15(3)219-241.

Kirmani, A. & Campbell, M.C. 2004. Goal seeker and persuasion sentry: How consumer targets respond to interpersonal marketing persuasion. *Journal of consumer research*. 31(3):573-582.

Kivunja, C. 2014. Theoretical perspectives of how digital natives learn. *International Journal of Higher Education*. 3(1):94-109.

Knobloch-Westerwick, S. & Meng, J. 2011. Reinforcement of the political self through selective exposure to political messages. *Journal of Communication*. 61(2):349-368.

Kroeber-Riel, W. & Barton, B. 1980. Scanning ads: Effects of position and arousal potential of ad elements. *Current Issues & Research in Advertising.* 3:147-163.

Kroeber-Riel, W. 1984. Effects of emotional pictorial elements in ads analysed by means of eye movement monitoring. *Advances in Consumer Research*. 11:591-596.

Krouwer, S. & Poels, K. 2017. Article or Ad? Readers' Recognition and Evaluations of Native Advertisements on Online News Websites. *Advertising Research VIII*. 17-30.

Krouwer, S., Poels, K. & Paulussen, S. 2017. To disguise or to disclose? The influence of disclosure recognition and brand presence on readers' responses toward native advertisements in online news media. *Journal of Interactive Advertising*. 17(2):124-137.

Krouwer, S., Poels, K. & Paulussen, S. 2019. Exploring readers' evaluations of native advertisements in a mobile news app. *Journal of Media Business Studies.* 16(2):77-94.

Knowles, E. & J. Linn. 2004. *Resistance and persuasion*. Mahwah, NJ: Lawrence Erlbaum.

Krugman, D. M., Fox, R. J., Fletcher, J. E., Fischer, P. M. & Rojas, T. H. 1994. Do adolescents attend to warnings in cigarette advertising? An eye tracking approach. *Journal of Advertising Research*. 34:39-52.

Krupnikov, Y. & Levine, A.S. 2014. Cross-sample comparisons and external validity. *Journal of Experimental Political Science*. 1(1):59-80.

Kuhn, T. S. 1962. *The structure of scientific revolutions.* Chicago, Illinois, USA: University of Chicago Press.

Lacobucci, D. & Churchill, G.A. 2009. *Marketing Research: Methodological Foundations.* 10th ed. Ohio, USA: South-Western College Publishers.

Lazauskas J .2014. *Study: Sponsored content has a trust problem*. Available: https://contently.com/strategist/2014/07/09/study-sponsored-content-has-atrust-problem-2/ [2018, April 07].

Lee, M. & Faber, R., J. 2007. Effects of product placement in on-line games on Brand memory: A perspective of the limited-capacity model of attention. *Journal of Advertising*. 36(4):75-90.

Lee, J., Kim, S. & Ham, C. 2016. A double-edged sword? Predicting consumers' attitudes toward and sharing intention of native advertising on social media. *American Behavioral Scientist*. 60(12):1425–1441.

Leedy, P.D. & Ormrod, J.E. 2001. *Practical Research: Planning and Design.* New Jersey: Merrill Prentice Hall.

Leven, W. 2013. *Blickverhalten von Konsumenten: Grundlagen, Messung und Anwendung in der Werbeforschung [Eye Movements of Consumers: Basics, Measurement and Application in Advertising Research]*. Germany, Heidelberg: Physica-Verlag.

Lewis, B. & Porter, L. 2010. In-game advertising effects: Examining player perceptions of advertising schema congruity in a massively multiplayer online role-playing game. *Journal of Interactive Advertising*. 10(2):46-60.

Li, Y. & Wang, Y. 2019. Brand disclosure and source partiality affect native advertising recognition and media credibility. *Newspaper Research Journal*. 40(3):299-316.

Liu, X. 2009. Ordinal regression analysis: Fitting the proportional odds model using Stata, SAS and SPSS. *Journal of Modern Applied Statistical Methods*, 8(2):30.

Lucas, J.W. 2003. Theory-testing, generalization, and the problem of external validity. *Sociological Theory*. 21(3):236-253.

Lunardo, R. & Mbengue, A. 2013. When atmospherics lead to inferences of manipulative intent: Its effects on trust and attitude. *Journal of Business Research*. 66(7):823-830.

Lund Research. 2012. *Choosing your sampling strategy and sampling technique.* Available: http://dissertation.laerd.com/process-stage6-step4-p2.php [2019, December 05].

Malhotra, N.K. 2010. *Marketing Research: An applied Orientation*. New Jersey, United States of America: Pearson.

Malhotra, N.K., Nunan, D. & Birks, D.F. 2017. *Marketing research: An applied approach.* Pearson Education Limited.

Marshall, G. 2005. The purpose, design and administration of a questionnaire for data collection. *Radiography*. 11:131-136.

Meißner, M., Pfeiffer, J., Pfeiffer, T. & Oppewal, H. 2019. Combining virtual reality and mobile eye tracking to provide a naturalistic experimental environment for shopper research. *Journal of Business Research*. 100(2019):445-458.

McDermott, R. 2011. Internal and external validity. In *Cambridge Handbook of Experimental Political Science.* eds. Druckman, James, Green, Donald, Kuklinski, James, and Lupia, Arthur. Cambridge: Cambridge University Press. 27–40.

McLeod, S. 2014. Sampling methods. *Simply Psychology*. Available from https://www.simplypsychology.org/sampling.html [2018, July 27].

McPhillips, S. & Merlo, O. 2008. Media convergence and the evolving media business model: an overview and strategic opportunities. *The Marketing Review*. 8(3):237-253.

Meeker, B.F. & Leik, R.K. 1995. Experimentation in sociological social psychology. *Sociological perspectives on social psychology*. 2:396-420.

Merenda, P.F. 2006. An overview of adapting educational and psychological assessment instruments: past and present. *Psychological Reports*. 99(2):307-314.

Meyer, P. 1988. Defining and measuring credibility of newspapers: Developing an index. *Journalism Quarterly*. 65(3):567-574.

Meyers-Levy, J. & Malaviya, P. 1999. Consumers' processing of persuasive advertisements: An integrative framework of persuasion theories. *Journal of Marketing.* 63(4):45-60.

Ming, W. Q. & Yazdanifard, R. 2014. *Native Advertising and its Effects on Online Advertising. National Statistics Socio-economic classification*. Available: http://www.ons.gov.uk/ons/guide-method/classifications/current-standardclassifications/soc2010/soc2010-volume-3-ns-sec--rebased-on-soc2010--usermanual/index.html. [2018, April 20].

Miron, A.M. & Brehm, J.W. 2006. Reactance theory − 40 years later. *Zeitschrift für Sozialpsychologie*, *37*(1):9-18.

M&M Global, 2017. *Emerging markets: The mobile advertising opportunity.* Available: http://mandmglobal.com/emerging-markets-the-mobile-advertising-opportunity/ [2018, April 20].

Moekotte, P., Brand-Gruwel, S. & Ritzen, H. 2017. Participatory perspectives for the low skilled and the low educated: How can media literacy influence the social and economic participation of the low skilled and the low educated? *European Journal for Research on the Education and Learning of Adults*. 8(1):103-12.

Mook, D.G. 1983. In defence of external invalidity. *American Psychologist.* 38(4):379.

Moore, J.D. 2014. *News Goes Native: An Examination of Online Media's Disclosure Practices for Sponsored Content.* Thesis, University of Nebraska-Lincoln. Available: https://digitalcommons.unl.edu/journalismdiss/38/ [2020, July 05].

Morgan, F.W. & Stoltman, J.J. 2002. Television Advertising Disclosures: An Empirical Assessment. *Journal of Business and Psychology*. 16(4):515-535.

Morimoto, M. & Chang, S. 2009. Ps0ychological factors affecting perceptions of unsolicited commercial e-mail. *Journal of Current Issues & Research in Advertising*. 31(1):63-73.

Morin, C. 2011. Neuromarketing: The New Science of Consumer Behaviour. *Society*. 48(2):131-135.

Muñoz-Leiva, F., Hernández-Méndez, J. & Gómez-Carmona, D. 2019. Measuring advertising effectiveness in Travel 2.0 websites through eye-tracking technology. *Physiology & Behavior*. 200:83-95.

Murray, N. M., Manrai, L. A. & Manrai, A. K. 1993. Public Policy Relating to Consumer Comprehension of Television Commercials: A Review and Some Empirical Results. *Journal of Consumer Policy.* 16 (2):145-170.

Murray, N. M., Manrai, L. A. & Manrai, A. K. 1998. How Super Are Video Supers? A Test of Communication Efficacy. *Journal of Public Policy & Marketing*. 17(1):24-34.

Nando's. 2018. *#rightmyname official website*. Available: https://www.rightmyname.com/ [2018, April 12].

Nel, J.P. 2016. *The Research Paradigms: Positivism.* Available: http://www.intgrty.co.za/2016/07/19/the-research-paradigms-positivism/ [2019, December 5].

Nelson, M.R., Wood, M.L. & Paek, H.J. 2009. Increased persuasion knowledge of video news releases: Audience beliefs about news and support for source disclosure. *Journal of Mass Media Ethics*. 24(4):220-237.

Neuman, L.W. 2007. *Social Research Methods,* 6th ed. India: Pearson Education.

Nevill, G. 2018a. *The big debate: Did the Sunday Times cross a line with Nando's #rightmyname campaign?* Available: https://themediaonline.co.za/2018/03/the-big-debate-did-the-sunday-times-cross-the-line-with-nandos-rightmyname-campaign/ [2018, September 10].

Nevill, G. 2018b. *Oops! They've done it again… Sunday Times in hot water over native ad.* Available: https://themediaonline.co.za/2018/03/oops-theyve-done-it-again-sunday-times-in-hot-water-over-native-ad/ [2018, September 10].

Newman, D. 2015. *What Is The Experience Economy, And Should Your Business Care?* Available: https://www.forbes.com/sites/danielnewman/2015/11/24/what-is-the-experience-economy-should-your-business-care/#3a2393f71d0c [2018, April 30].

Newman, N., Fletcher, R., Kalogeropoulos, A. K. & Nielson, R. K. 2019. *Reuters Institute Digital News Report 2019.* Available: https://reutersinstitute.politics.ox.ac.uk/our-research/digital-news-report-2019 [2021, March 31].

Nighswonger, N. J. & Martin, C. R. 1981. On using voice analysis in marketing research. *Journal of Marketing Research.* 18:350-355.

Noguti, V. & Waller, D.S. 2020. Motivations to use social media: effects on the perceived informativeness, entertainment, and intrusiveness of paid mobile advertising. *Journal of Marketing Management.* (2020):1-29.

Nosek, B.A., Hawkins, C.B. & Frazier, R.S. 2011. Implicit social cognition: From measures to mechanisms. *Trends in cognitive sciences*. 15(4):152-159.

O'Keefe, D.J. & Jensen, J.D. 2008. Do loss-framed persuasive messages engender greater message processing than do gain-framed messages? A Meta-analytic review. *Communication Studies*. 59(1):51-67.

Olenski, S. 2015. *6 Types Of Native Advertising And How Each Can Benefit Your Business.* Available: https://www.forbes.com/sites/steveolenski/2015/11/12/6-types-ofnative-advertising-and-how-each-can-benefit-yourbusiness/#7904a2ce4455 [2018, April 30].

Olney, T.J., Holbrook, M.B. & Batra, R. 1991. Consumer responses to advertising: The effects of ad content, emotions, and attitude toward the ad on viewing time. *Journal of consumer research*. 17(4):440-453.

Orquin, J.L. & Holmqvist, K. 2018. Threats to the validity of eye-movement research in psychology. *Behavior Research Methods*. 50:1645–56

Palmiero, M., Di Giacomo, D. & Passafiume, D. 2014. Divergent thinking and age-related changes. *Creativity Research Journal*. 26(4):456-460.

Pasandaran, C.C. & Mutmainnah, N., 2019. Young adults' recognition of native advertising disguised as news. *Young Consumers: Insight and Ideas for Responsible Marketers*. 21(1):91-108.

Pernice, R.E., Ommundsen, R., Van Der Veer, K. & Larsen, K. 2008. On use of student samples for scale construction. *Psychological Reports*. 102(2):459-464.

Petry, N.M. 2002. A comparison of young, middle-aged, and older adult treatment-seeking pathological gamblers. *The Gerontologist*. 42(1):92-99.

Petty, R. D. & Andrews, J. C. 2008. Covert marketing unmasked: A legal and regulatory guide for practices that mask marketing messages. *Journal of Public Policy & Marketing.* 27(1):7-18

Petty, R. E. & Cacioppo, J. T. 1979. Issue involvement can increase or decrease persuasion by enhancing message-relevant cognitive processes. *Journal of Personality and Social Psychology*. 37:1915-1926.

Phillips, T .2011. Exploitation in payment to research subjects. *Bioethics.* 25: 209-219.

Pienaar, J. 2018. *Nando's and Sunday Times partner to #rightmyname on Human Rights Day Bizcommunity.* Available: http://www.bizcommunity.com/Article/196/12/175052.html [2018, April 30].

Phillips, J. & Noble, S.M. 2007. Simply captivating: Understanding consumers' attitudes toward the cinema as an advertising medium. *Journal of Advertising.* 36(1):81-94.

Pieters, R. & Wedel, M. 2004. Attention capture and transfer in advertising: Brand, pictorial, and text-size effects. *Journal of Marketing*. 68(2):36-50.

Pieters, R., Rosbergen, E. & Wedel, M. 1999.Visual attention to repeated print advertising: A test of scan-path theory. *Journal of Marketing Research*. 36:424-438.

Pieters, R., Wedel, M. & Zhang, J. 2007. Optimal feature advertising design under competitive clutter. *Management Science*. 53(11):1815-1828.

Polit, D.F. & Beck, C.T. 2010. Generalization in quantitative and qualitative research: Myths and strategies. *International Journal of Nursing Studies.* (47):1451-1458.

Poole, A. & Ball, L.J. 2006. Eye tracking in HCI and usability research. In *Encyclopedia of human computer interaction.* IGI Global. 211-219.

Popper, K. 1959*. Objective Knowledge: An Evolutionary Approach*. Oxford, UK: Clarendon Press.

Preacher, K. J. & Hayes, A. F. 2004. SPSS and SAS Procedures for Estimating Indirect Effects in Simple Mediation Models. *Behavior Research Methods.* 36(4):717-731.

Preacher, K. J. & Hayes, A. F. 2008. Asymptotic and Resampling Strategies for Assessing and Comparing Indirect Effects in Multiple Mediator Models. *Behavior Research Methods*. 40(3):879-891.

Prensky, M. 2001. Digital natives' digital immigrants' part 2: Do they really think differently? *On The Horizon*. 9(6):3-16.

Prensky, M. 2005. Listen to the Natives. *Learning*. 63(4).

Pretorius, M. & Calitz, A.P. 2011. The Contribution of Eye-Tracking to Brand Awareness Studies. In *Fifth International Business Conference*. 26 - 30 September 2011. Turtle Bay, Mauritius.

Quick, B.L., Shen, L. & Dillard, J.P. 2013. Reactance theory and persuasion. *The SAGE handbook of persuasion: Developments in theory and practice*. California, USA: SAGE Publishers. 167-183.

Reimann, M., Castaño, R., Zaichkowsky, J. & Bechara, A. 2012. How we relate to brands: Psychological and neurophysiological insights into consumer–brand relationships. *Journal of Consumer Psychology*. 22(1):128-142.

Research Optimus. 2020. *What is Discriminant Analysis?* Available: https://www.researchoptimus.com/article/what-is-descriminant-analysis.php [2019, June 30]

Reynolds, H.T. 1984. *Analysis of nominal data* (No. 4-7). California, USA: SAGE Publishers.

Rollins, B.L., King, K., Zinkhan, G. & Petri, M. 2010. Behavioural intentions and information-seeking behaviour: a comparison of non-branded versus branded direct-to-consumer prescription advertisements. *Drug Information Journal.* 44(6): 673-683.

Roper, C., Newman, N. & Schulz, A. 2019. *Digital News Report 2019: South Africa Supplementary Report.* Available: https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/South_Africa_DNR_FINAL.pdf [2020, August 05]

Rose, S., Spinks, N. & Canhoto, A.I. 2014. *Management research: Applying the principles.* London: Routledge.

Rousseau, D.M., Sitkin, S.B., Burt, R.S. & Camerer, C. 1998. Not so different after all: A cross-discipline view of trust. *Academy of Management Review.* 23(3):393-404.

Rubin, A. & Babbie, E. 2010. *Essential research methods for social work.* New York: Brooks/Cole Cengage Learning.

Ruggiero, T.E. 2000. Uses and gratifications theory in the 21st century. *Mass Communication and Society*. 3(1): 3-37.

Sagheer, S. 2017. *Editorial: Definition, Importance and Types.* Available: https://www.sociologygroup.com/editorial-definition-importance-types/ [2018, May 18].

Sahni, N.S. & Nair, H. 2016. *Native advertising, sponsorship disclosure and consumer deception: Evidence from mobile search-Ad experiments*. Ph.D. Thesis. Stanford University. Available:

https://www.ftc.gov/system/files/documents/public_events/966823/sahninair_native_advertisingsponsorshipdisclosureandconsumerdeception.pdf [2018, May 18].

Salkind, N. J. 2010. *Encyclopedia of research design* (Vols. 1-0). Thousand Oaks, CA: SAGE Publications, Inc. DOI: 10.4135/9781412961288.

Sandler, D. & Secunda, E. 1993. Point of View: Blurred Boundaries − Where Does Editorial End and Advertising Begin? *Journal of Advertising Research.* 33(3):73-80.

Sandvig, J.C., Bajwa, D. & Ross, S.C. 2011. Usage and perceptions of internet ad blockers: an exploratory study. *Issues in Information Systems*. 12(1):59-69.

Saunders, M., Lewis, P. & Thornhill, A. 2009. *Research methods for business students.* Pearson education, England: Harlow.

Sears, D. 1986. College Sophomores in the Laboratory: Influences of a Narrow Data Base on Social Psychology's View of Human Nature. *Journal of Personality and Social Psychology.* 51:515-30

Seawright, J. 2016. *Multi-Method Social Science.* Cambridge: Cambridge University Press.

Sebastian, M. 2014. *Native ad spending to jump despite marketer reservations Advertising Age.* Available: http://adage.com/article/digital/native-ad-spending-jumps-marketers-reservations/295956/ [2018, February 15].

Sekaran, U. & Bougie, R. 2016. *Research methods for business: A skill building approach*. New Jersey, United States: John Wiley & Sons.

Shamoo, A.E. & Resnik, B.R. 2003. *Responsible Conduct of Research.* Oxford University Press.

Sharmin, S., Špakov, O. & Räihä, K.J. 2012. The effect of different text presentation formats on eye movement metrics in reading. *Journal of Eye Movement Research*. 5(3):1-9.

Sherman, D. K., Mann, T. & Updegraff, J. A. 2006. Approach/avoidance motivation, message framing, and health behavior: Understanding the congruency effect. *Motivation and Emotion.* 30(2):164-168.

Shiu, E., Hair, J., Bush, R. & Ortinau, D. 2009. *Marketing Research.* Berkshire, UK: McGraw-Hill Education.

Shoemaker, P. J., Tankard, J.W. & Lasorsa, D. L. 2004. *How to build social science theories*. Thousand Oaks, CA: SAGE Publishers.

Shore, J. 2020. *Do Pop-up Ads Really Work?* Available https://www.smartbugmedia.com/blog/do-pop-up-ads-actually-work-heres-the-data-you-need [2020, May 17].

*Should South African influencers disclose their brand relationships?* 2017. Available: https://www.mediaupdate.co.za/social/142357/should-south-african-influencers-disclose-their-brand-relationships [2019, January 12].

Shrestha, S. & Lenz, K. 2007. Eye gaze patterns while searching vs browsing a Website. *Usability News*. 9(1):1-9.

Shrum, L.J., Liu, M., Nespoli, M. & Lowrey, T.M. 2012. Persuasion in the Marketplace. Vol. 314. *The SAGE Handbook of Persuasion*. Thousand Oaks, CA: Sage.

Siegel, S. & Castellan, J. 1988. *Nonparametric Statistics for the Behavioral Sciences*. 2nd ed. New York NY: McGraw Hill.

Sijtsma, K. 2009. On the use, the misuse, and the very limited usefulness of Cronbach's alpha. *Psychometrika*, 74:107-120.

Silver, L., Stevens, R.E., Wrenn, B. & Loudon, D.L. 2012. *The essentials of marketing research*. United Kingdom: Routledge.

Simonin, B.L. & Ruth, J.A., 1998. Is a company known by the company it keeps? Assessing the spill over effects of brand alliances on consumer brand attitudes. *Journal of marketing research*. 35(1):30-42.

Singh, M, Siva, K. B. & Chakraborty, G. 2000. A Comparative Analysis of Three Communication Formats: Advertising, Infomercial, and Direct Experience. *Journal of Advertising.* 29 (4):59-75.

Sinnott-Armstrong, S. & Huettel, S. 2017. Neuromarketing: Ethical implications of its use and potential misuse. *Journal of Business Ethics*. 144(4):799-811.

Siswandari, Y. & Shuping, X. 2015. Eye movements and brain oscillations to symbolic safety signs with different comprehensibility. *Journal of Physiological Anthropology*. 34(1):1-12.

Slanzi, G., Balazs, J.A. & Velásquez, J.D. 2017. Combining eye tracking, pupil dilation and EEG analysis for predicting web users click intention. *Information Fusion.* 35:51-57.

Smith, M.E., Gevins, A., Brown, H., Karnik, A. & Du, R., 2001. Monitoring task loading with multivariate EEG measures during complex forms of human-computer interaction. *Human Factors*. 43(3):366-380.

Spalding, J. W. 1963. 1928: Radio becomes a mass advertising medium. *Journal of Broadcasting & Electronic Media*. 8(1):31-44.

Speck, P. S. & Elliott, M. T. 1997. Predictors of advertising avoidance in print and broadcast media. *Journal of Advertising.* 26(3):61-76

Speed, R. & Thompson, P. Determinants of sports sponsorship response. *Journal of the Academy of Marketing Science*. 28(2):226-238.

Spielberg, S. 1982. *ET: The Extra-terrestrial* [Film]. Los Angeles: Universal Pictures.

Stafford, T.F. & Stafford, M.R. 2002. The advantages of atypical advertisements for stereotyped product categories. *Journal of Current Issues & Research in Advertising*, 24(1):25-37.

Stanton, S.J., Sinnott-Armstrong, W. & Huettel, S.A. 2017. Neuromarketing: Ethical implications of its use and potential misuse. *Journal of Business Ethics*. 144(4):799-811.

Statista Research Department. 2021. *Adblocking: number of users 2013-2019.* Available: https://www.statista.com/statistics/435252/adblock-users-worldwide/ [2021, March 28].

Sterling, G. 2015. *Native Ads: Effective, But Are They Accepted By Consumers?* Available: http://marketingland.com/native-ads-effective-but-are-they-accepted-byconsumers-140615 [2018, April 23].

Stewart, D.W. & Furse, D.H. 1982. Applying psychophysiological measures to marketing and advertising research problems. *Current Issues & Research in Advertising.* 5:1-38.

Sweetser, K.D., Ahn, S.J., Golan, G. J. & Hochman, A. 2016. Native Advertising as a New Public Relations Tactic. *American Behavioural Scientist.* 60(12):1442-1457. DOI: 10.1177/ 0002764216660138

Tapscott, D., 1998. *Growing up digital*. Vol. 302. San Francisco: McGraw-Hill Companies.

Tessitore, T. & Geuens, M. 2013. PP for 'product placement' or 'puzzled public'? The effectiveness of symbols as warnings of product placement and the moderating role of brand recall. *International Journal of Advertising*. 32(3):419-442.

*These are the biggest fast food franchises in South Africa*. 2018. Available: https://businesstech.co.za/news/business/261249/these-are-the-biggest-fast-food-franchises-in-south-africa/ [2019, June 17].

Thomas, V., Fowler, K. & Kolbe, R.H. 2011. The implications of the FTC's clear and conspicuous standards for the communication of credit card information to young consumers. *Journal of Financial Services Marketing*. 16(3-4):195-209.

Thomson, K. 2018. *Brands & Social Media Influencers | Are You at Risk?* Available: https://www.adamsadams.com/news-insights/brands-social-media-influencers-risk/ [2018, April 17].

Tobii Technology. 2010*. Eye tracking research: Print advertisements.* Available at: http://www.tobii.com/archive/files/19716/JMR_Package_design_and_shelf_placement.pdf.aspx. [2019, October 22].

Tobii Technology. 2014. *Product Description: Tobii X2-30 Eye Tracker, Tobii X2-60 Eye Tracker.* Available: https://www.tobiipro.com/siteassets/tobii-pro/product-descriptions/tobii-pro-x2-product-description.pdf/?v=1.0 [2021, March 30].

Tobii, 2020. *Tobii Pro X2 eye tracker.* Available: https://www.tobiipro.com/product-listing/tobii-pro-x2-30/ [2019, October 22].

Tofighi, D. & Thoemmes, F. 2014. Single-level and multilevel mediation analysis. *The Journal of Early Adolescence*. 34(1):93-119.

Trochim, W. M. K. 2006. *Inferential Statistics.* Available: http://www.socialresearchmethods.net/kb/statinf.php. [2020, June 17].

Tuli, F. 2010. The basis of distinction between qualitative and quantitative research in social science: Reflection on ontological, epistemological and methodological perspectives. *Ethiopian Journal of Education and Sciences*. 6(1).

Tutaj, K. & Van Reijmersdal, E.A. 2012. Effects of online advertising format and persuasion knowledge on audience reactions. *Journal of Marketing Communications.* 18(1):*5*-18.

Tyler, J. 2017. *What are Parametric and Non-Parametric Tests?* Available: https://sciencing.com/parametric-nonparametric-tests-8574813.html [2019, August 8].

uniRank. 2021. *Top 200 Universities in Africa - 2021 African University Ranking.* Available: https://www.4icu.org/top-universities-africa/ [2021, March 28].

Van Reijmersdal, E.A., Tutaj, K. & Boerman, S.C. 2013. The effects of brand placement disclosures on scepticism and brand memory. *Communications*. 38(2):127-146.

Van Reijmersdal, E.A., Fransen, M.L., van Noort, G., Opree, S.J., Vandeberg, L., Reusch, S., Van Lieshout, F. & Boerman, S.C. 2016. Effects of disclosing sponsored content in blogs: How the use of resistance strategies mediates effects on persuasion. *American Behavioral Scientist.* 60(12):1458-1474.

Van Reijmersdal, E.A., Neijens, P.C. & Smit, E.G. 2007. Effects of television brand placement on brand image. *Psychology & marketing.* 24(5):403-420.

Vecchiato, Toppi, & Astolfi. 2012. The added value of the electrical neuroimaging for the evaluation of marketing stimuli. *Bulletin of the Polish Academy of Sciences Technical Sciences*. 60(3):1-8.

Venkatraman, V., Dimoka, A., Pavlou, P. A., Vo, K., Hampton, W., Bollinger, B., Hershfield, H.E., Ishihara, M. & Winer, R.S. 2015. Predicting advertising success beyond traditional measures: New insights from neurophysiological methods and market response modelling. *Journal of Marketing Research*. 52(436):436-452.

Wahyuni, D. 2012. The research design maze: Understanding paradigms, cases, methods and methodologies. *Journal of Applied Management Accounting Research.* 10(1):69-80.

Walonick, D.S. 2004. *Designing and using questionnaires. Survival Statistics.* Available: https://www.statpac.com/surveys/surveys.pdf [2017, October 5].

Wang, R. & Huang, Y. 2017. Going native on social media: The effects of social media characteristics on native ad effectiveness. *Journal of Interactive Advertising*. 17(1):41-50.

Wang, Y.J. & Minor, M.S. 2008. Validity, reliability, and applicability of psychophysiological techniques in marketing research. *Psychology & Marketing*. 25(2):197-232.

Wang, J., Yang, G., Wang, D., Liu, K., Ma, Y., Liu, H., Wu, J. & Fang, M. 2017. Changes of peripheral lymphocyte subsets and cytokine environment during ageing and deteriorating gastrointestinal tract health status. *Oncotarget*. 8(37):60764.

Wanta, W. & Hu, Y.W. 1994. The effects of credibility, reliance, and exposure on media agenda-setting: A path analysis model. *Journalism Quarterly.* 71(1):90-98.

Wasserman, E. 2013. Advertising goes native, and deception runs free. *Huffington Post.* 1 April. Retrieved from http://www.huffingtonpost.com/edward-wasserman/native-advertising-atlantic-scientology_b_2575945.html? [2018, April 17].

Wedel, M. & Pieters, R. 2000. Eye Fixations on Advertisements and Memory for Brands: A Model and Findings. *Marketing Science.* 19(4):297-312.

Wedel, M. & Pieters, R. 2008. Eye tracking for visual marketing. *Foundations and Trends in Marketing*. 1(4):231-320.

Wei, M.L., Fischer, E. & Main, K.J. 2008. An examination of the effects of activating persuasion knowledge on consumer response to brands engaging in covert marketing. *Journal of Public Policy & Marketing*. 27(1):34-44.

Weintraut, A. n.d. *Writing an Editorial.* Available: https://www.geneseo.edu/~bennett/EdWrite.htm [2020, May 15].

Wentzel, D., Tomczak, T. & Herrmann, A. 2010. The moderating effect of manipulative intent and cognitive resources on the evaluation of narrative ads. *Psychology & Marketing*. 27(5):510-530.

Wiles, J.A. & Cornwell, T.B. 1991. A review of methods utilized in measuring affect, feelings, and emotion in advertising. *Current Issues and Research in Advertising.* 13(1-2):241-275.

Wilson, E.J. & Sherrell, D.L. 1993. Source effects in communication and persuasion research: A meta-analysis of effect size. *Journal of the Academy of Marketing Science*, 21(2):101.

Wimmer, R.D. & Dominick, J.R. 2011. *Mass Media Research: An Introduction*. Boston. MA: Wadsworth.

Wogalter, M.S., Dejoy, D.M. & Laughery, K.R. 1999. *Warnings and Risk Communication.* London: Taylor and Francis.

Wogalter, M.S. 2004. Factors that influence the effectiveness of warning signs and labels. *MORAES, Anamaria de; AMADO, Giuseppe. Coletânea de palestras de convidados internacionais e nacionais: Ergodesign e USIHC. Rio de Janeiro: FAPERJ*. 25-36.

Wojdynski, B.W. 2016. The deceptiveness of sponsored news articles: How readers recognize and perceive native advertising. *American Behavioral Scientist*. 60(12):1475-1491.

Wojdynski, B.W., Bang, H., Keib, K., Jefferson, B.N., Choi, D. & Malson, J.L. 2017. Building a better native advertising disclosure. *Journal of Interactive Advertising*. 17(2):150-161.

Wojdynski, B.W. & Evans, N.J. 2016. Going native: Effects of disclosure position and language on the recognition and evaluation of online native advertising. *Journal of Advertising*. 45(2):157-168.

Wojdynski, B.W. & Evans, N.J. 2020. The covert advertising recognition and effects (CARE) model: Processes of persuasion in native advertising and other masked formats. *International Journal of Advertising*. 39(1):4-31.

Wojdynski, B.W., Evans, N.J. & Hoy, M.G. 2018. Measuring sponsorship transparency in the age of native advertising. *Journal of Consumer Affairs*. 52(1):115-137.

Wojdynski, B.W. & Golan, G.J. 2016. Native Advertising and the Future of Mass Communication. *American Behavioral Scientist*. 60(12):1403-1407.

Wood, M.L., Nelson, M.R., Atkinson, L. & Lane, J.B. 2008. Social utility theory: Guiding labelling of VNRs as ethical and effective public relations. *Journal of Public Relations Research*. 20(2):231-249.

Wright, P. 1986. Schemer Schema—Consumers Intuitive Theories about Marketers Influence Tactics. *Advances in Consumer Research*. 13(1):1-3.

Wu, M., Huang, Y., Li, R., Bortree, D.S., Yang, F., Xiao, A. & Wang, R. 2016. A tale of two sources in native advertising: Examining the effects of source credibility and priming on content, organizations, and media evaluations. *American Behavioural Scientist*. 60(12):1492-1509.

Wyner, G. A. 2007. Survey Errors. *Marketing Research*, 19(1):6–8.

Yilmaz, B., Korkmaz, S., Arslan, D.G., Gungor, E. & Asyali, M.H. 2014. Like/dislike analysis using EEG: determination of most discriminative channels and frequencies. *Computational Methods and Programs in Biomedics,* 113(2):705-713.

Youn, S. & Kim, S. 2019. Newsfeed native advertising on Facebook: young millennials' knowledge, pet peeves, reactance and ad avoidance. *International Journal of Advertising*, 38(5):651-683.

Yovits, M.C., Foulk, C.R. & Rose, L.L. 1981. Information flow and analysis: Theory, simulation, and experiments. I. Basic theoretical and conceptual development. *Journal of the American Society for Information Science*. 32(3):187-202.

Zaichkowsky, J.L. 1994. The personal involvement inventory: Reduction, revision, and application to advertising. *Journal of advertising*. 23(4):59-70.

Zaltman, G. 2003. *How customers think: Essential insights into the mind of the market*. Boston: Harvard Business Press.

Zikmund, W. G. & Babin, B. J. 2010. *Exploring Marketing Research*. 10th ed. China: Cengage Learning.

Zurawicki, L., 2010. *Neuromarketing: Exploring the brain of the consumer*. Germany, Berlin: Springer Science & Business Media.

Zutlevics, T.L. 2016. Could providing financial incentives to research participants be ultimately self-defeating? *Research Ethics*. 12(3):137-148.

# APPENDIX A: APPROVAL LETTERS AND MEASUREMENT INSTRUMENTS

# Appendix A. 1: UCT Research Ethics Committee Approval

# Faculty of Commerce

**Private Bag X3, Rondebosch, 7701**
2.26 Leslie Commerce Building, Upper Campus
Tel: +27 (0) 21 650 4375/ 5748 Fax: +27 (0) 21 650 4369
E-mail: com-faculty@uct.ac.za
Internet: www.uct.ac.za
@Commerce UCT UCT Commerce Faculty Office


12th March 2019

Ms Jessica Mule
School of Management Studies
University of Cape Town

Dear Ms Mule

REF: REC 2019/000/015

**EFFECTS OF NATIVE ADVERTISING ON THE PERCEPTION OF NEWS STORY CREDIBILITY: A CONSUMER NEUROSCIENCE APPROACH**

We are pleased to inform you that your ethics application has been approved. Unless otherwise specified this ethical clearance is valid for 1 year and may be renewed upon application.

Please be aware that you need to notify the Ethics Committee immediately should any aspect of your study regarding the engagement with participants as approved in this application, change. This may include aspects such as changes to the research design, questionnaires, or choice of participants.

The ongoing ethical conduct throughout the duration of the study remains the responsibility of the principal investigator.

We wish you well for your research.


Shandre Swain
Administrative Assistant
University of Cape Town
Commerce Faculty Office
Room 2.26 | Leslie Commerce Building

Office Telephone: +27 (0)21 650 2695 / 4375
Office Fax: +27 (0)21 650 4369
E-mail: sl.swain@uct.ac.za
Website: www.commerce.uct.ac.za<http://www.commerce.uct.ac.za/

# Appendix A. 2: Language and Quality Assurance Letter

## DECLARATION OF ENGLISH LANGUAGE EDITING

A dissertation to be submitted in partial fulfilment of the requirements for the degree
Master of Business Science in Marketing,
in the School of Management Studies at UCT
by **Ms Jessica Loko Mule**

**(MLXJES001)**
entitled
**Effects of Native Advertising Disclosure and Advertising Recognition on Perceptions of News Story and News Website Credibility: A Consumer Neuroscience Approach**

Supervisor: Dr. Pragasen Pillay

has been subjected to an English language edit by

Dr Barbara Basel

D.Litt. University of Pretoria,
MA Potchefstroom University,
BA UNISA
Vice President of English Academy of Southern Africa
Associate Member of the Professional Editors' Guild
Past Lecturer in English Literature, Linguistics, Communication and Business English at Pearson Institute for Higher Education (previously Midrand Graduate Institute), Cape Town Campus.
Academic Editing – MBA, MEd, MPM, MComm, Master in Graphic Design Theses.
External Examiner for MEd Thesis.

1 Six Oaks,
5, Adelaide Road
Plumstead
Cape Town 7800
Tel: 021 761 4289
Cell: 082 651 1659
barbara.basel@gmail.com

Signature Removed

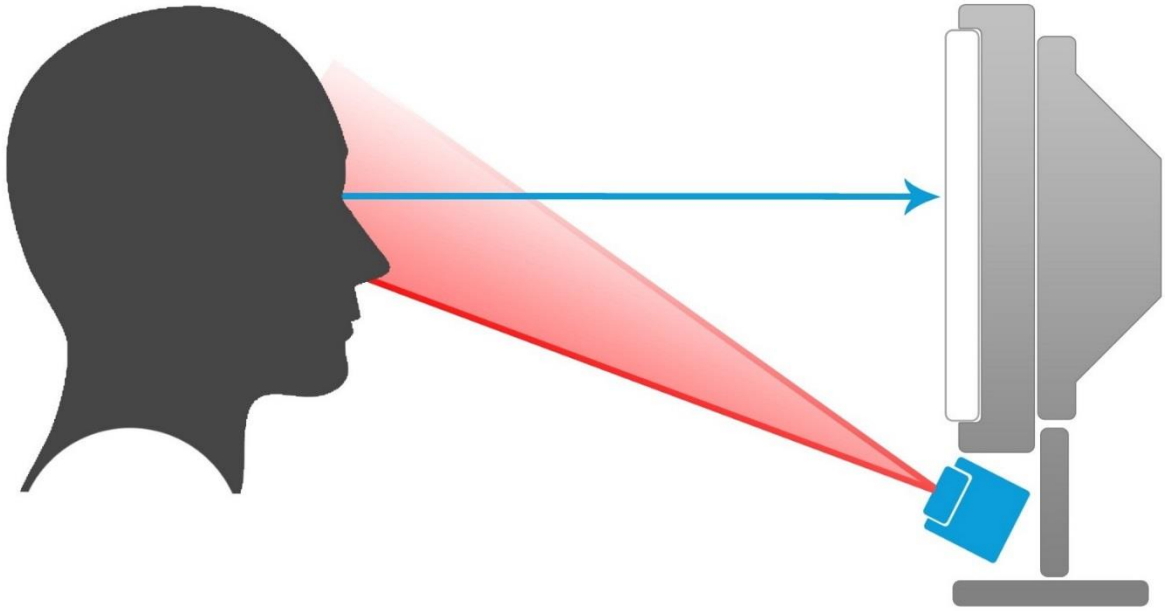
30 July 2020

# Appendix A. 3: Static and Mobile Eye-tracking Devices

**Screen-based Eye-tracker**

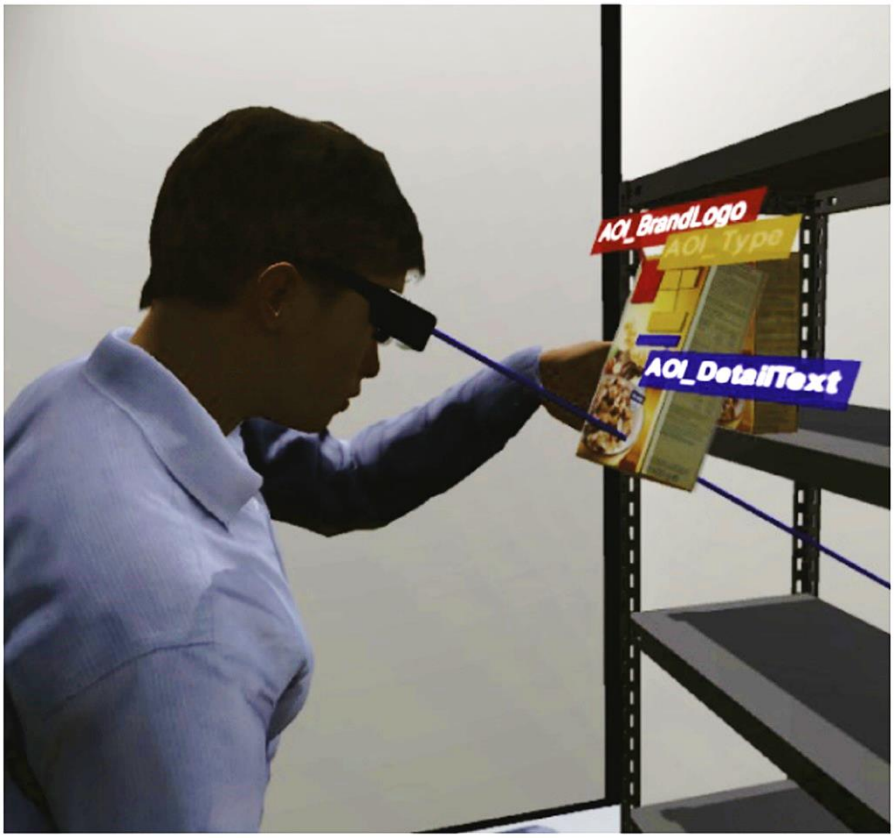

SOURCE: https://imotions.com/products/hardware/screenbased-eye-trackers/

**Screen-based Eye-tracker set-up**



SOURCE: https://medium.com/@chavanmayur996/eye-tracking-697e25aa7fe2

**Mobile Head-Mounted Eye-tracker**

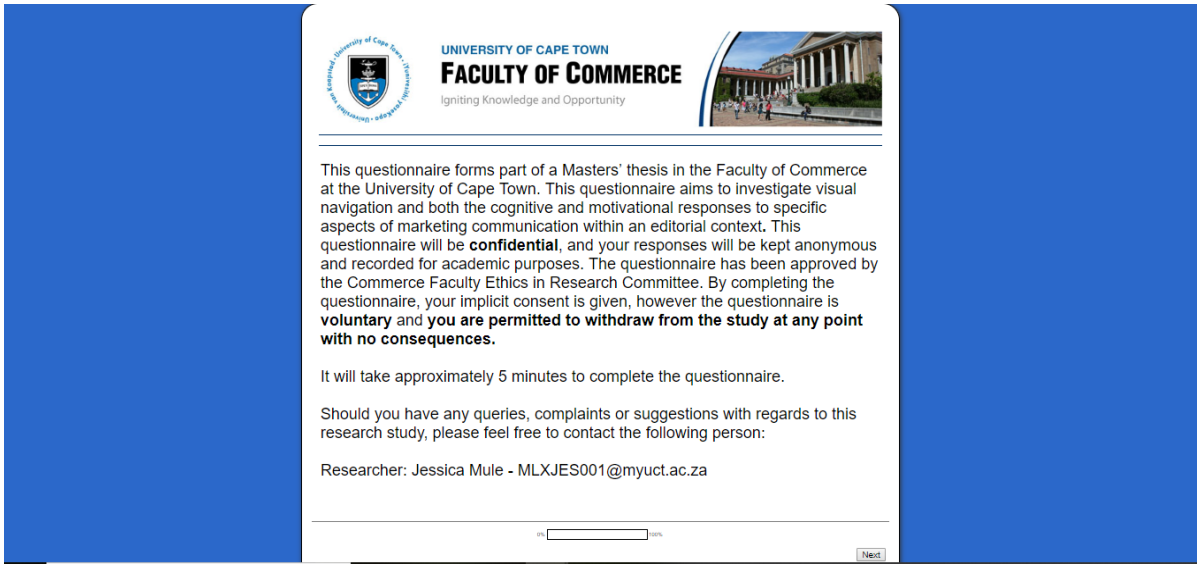



SOURCE: Meißner *et al.*, 2019

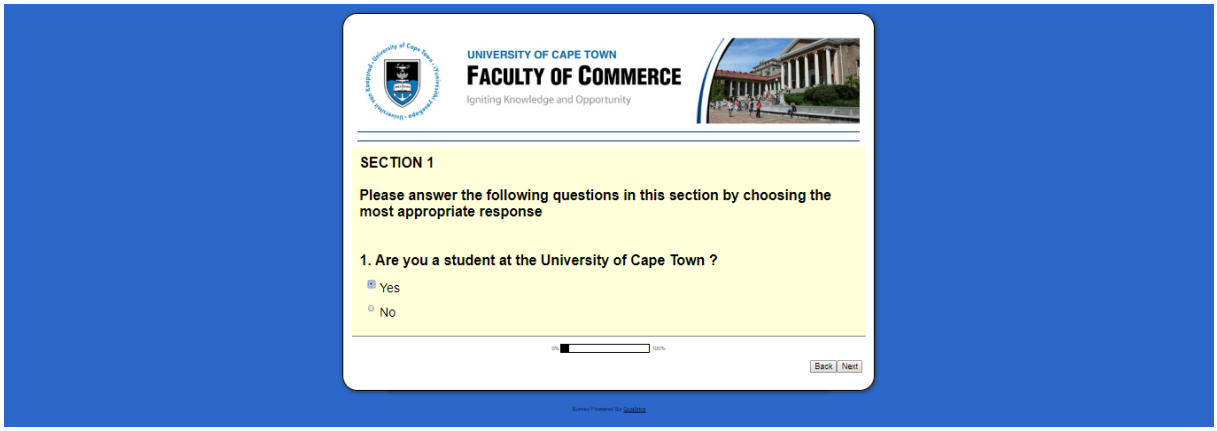
# Appendix A. 4: Measurement Instrument - Online Survey

## ONLINE SURVEY ON QUALTRICS

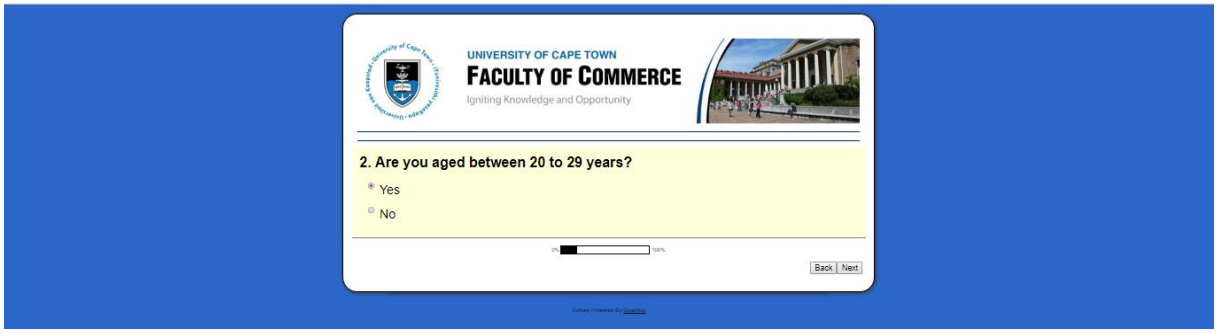
Page 1



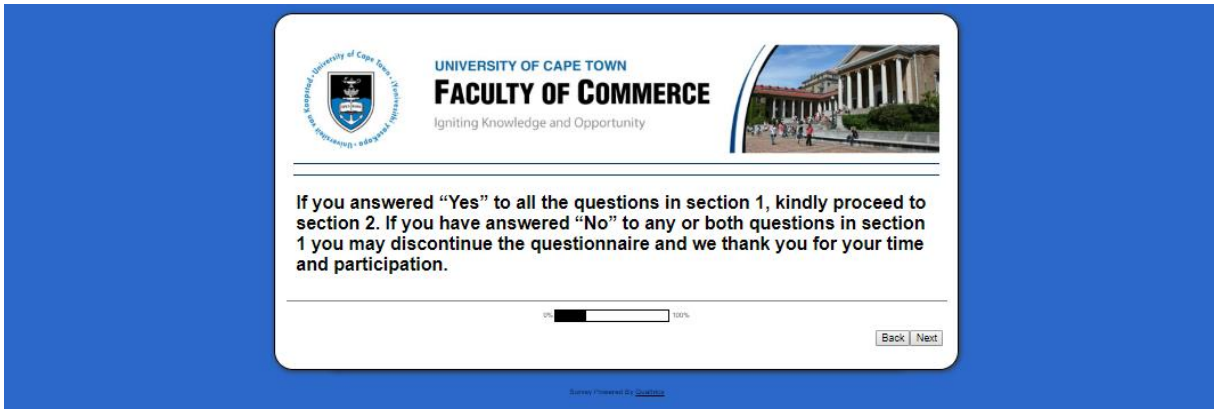

Page 2



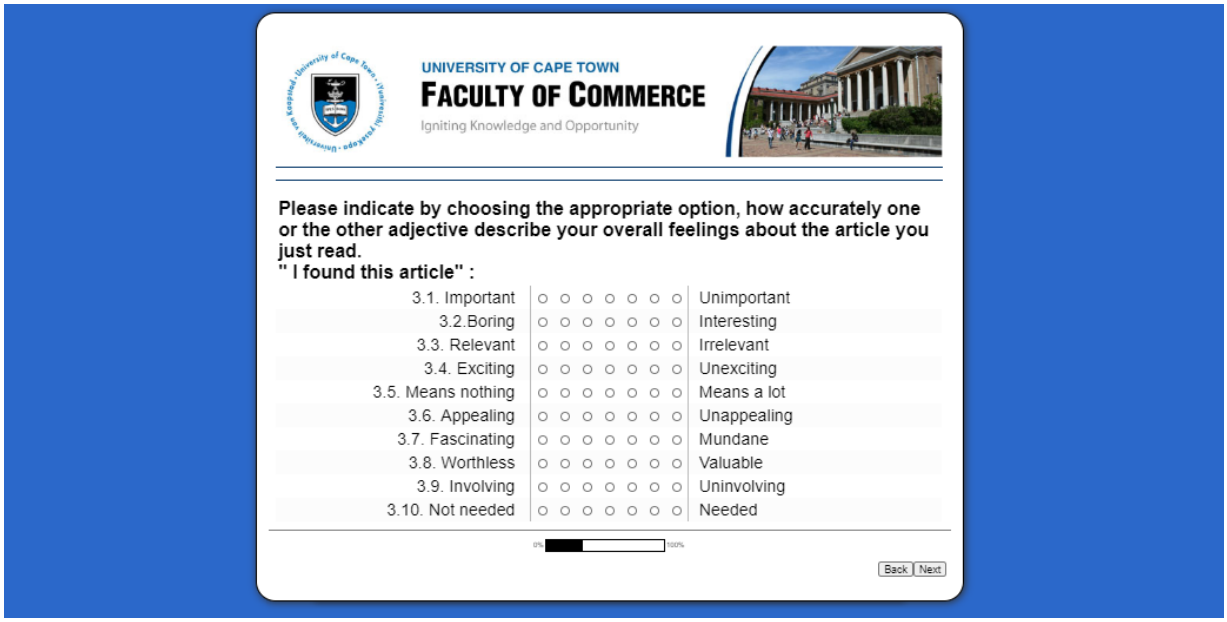

Page 3




Page 4


UNIVERSITY OF CAPE TOWN
FACULTY OF COMMERCE
Igniting Knowledge and Opportunity
If you answered "Yes" to all the questions in section 1, kindly proceed to section 2. If you have answered "No" to any or both questions in section 1 you may discontinue the questionnaire and we thank you for your time and participation.
0%
100%
Back
Next

Page 5


UNIVERSITY OF CAPE TOWN
FACULTY OF COMMERCE
Igniting Knowledge and Opportunity
Please indicate by choosing the appropriate option, how accurately one or the other adjective describe your overall feelings about the article you just read.
" I found this article" :
3.1. Important
3.2.Boring
3.3. Relevant
3.4. Exciting
3.5. Means nothing
3.6. Appealing
3.7. Fascinating
3.8. Worthless
3.9. Involving
3.10. Not needed
Unimportant
Interesting
Irrelevant
Unexciting
Means a lot
Unappealing
Mundane
Valuable
Uninvolving
Needed
0%
100%
Back
Next

Page 6

UNIVERSITY OF CAPE TOWN

**FACULTY OF COMMERCE**

Igniting Knowledge and Opportunity

**Please indicate by choosing the appropriate option, how strongly you agree or disagree with the following statements:**

| | Strongly Disagree (1) | Disagree | Somewhat Disagree | Neither Agree nor Disagree | Somewhat Agree | Agree | Strongly Agree (7) |
|---|---|---|---|---|---|---|---|
| 4.1. I think the news story was honest | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 4.2. I think the news story was trustworthy | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 4.3. I think the news story was convincing | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 4.4. I think the news story was biased | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 4.5. I think the news story was not credible | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

0% 100%

Back Next

Page 7

UNIVERSITY OF CAPE TOWN

**FACULTY OF COMMERCE**

Igniting Knowledge and Opportunity

**Please indicate by choosing the appropriate option, how strongly you agree or disagree with the following statements:**

| | Strongly Disagree (1) | Disagree | Somewhat Disagree | Neither Agree nor Disagree | Somewhat Agree | Agree | Strongly Agree (7) |
|---|---|---|---|---|---|---|---|
| 5.1.The news website is factual | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 5.2.The news website is concerned about making profit | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 5.3.The news website invades people's privacy | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 5.4.The news website is concerned about the community's well-being | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 5.5.The news website cannot be trusted | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

0% 100%

Back Next

Page 8


UNIVERSITY OF CAPE TOWN
FACULTY OF COMMERCE
Igniting Knowledge and Opportunity
6. Was there any advertising on the story page?
Yes
No
Back
Next

Page 9


UNIVERSITY OF CAPE TOWN
FACULTY OF COMMERCE
Igniting Knowledge and Opportunity
7. Please describe what in the news story indicted to you or made you think there was an adverting message present in the story page?

UNIVERSITY OF CAPE TOWN
**FACULTY OF COMMERCE**
Igniting Knowledge and Opportunity

**9. Did you notice the disclosure: *"(Sponsored by Nandos)"* in the news story?**

- ○ Yes
- ○ No

*The article you read featuring Nandos is what is known as a* ***Native Advert*** - a way of providing advertising in form of editorial content, whereby the persuasive intent of the advertisement is camouflaged as editorial content that caters to the interest of the publisher's audiences. Key characteristics of native adverts are (1) the format of the commercial message matches or is "native" to the format of non-paid content presented by the publisher (i.e The Sunday Times news website); and , (2) the content of the message presented is paid advertising by a sponsoring brand (i.e. Nandos)

**Please indicate by choosing the appropriate option, how strongly you agree or disagree with the following statements:**

| | Strongly Disagree (1) | | Somewhat disagree | Neither Agree nor Disagree | Somewhat Agree | Agree | Strongly Agree (7) |
|---|---|---|---|---|---|---|---|
| 10.1. The way this ad tries to persuade people seems acceptable to me. | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 10.2. The advertiser tried to manipulate the audience in ways I do not like. | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 10.3. I was annoyed by this ad because the advertiser seemed to be trying to inappropriately manage or control the consumer audience. | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 10.4. I didn't mind this ad; the advertiser tried to be persuasive without being excessively manipulative. | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 10.5. The ad was fair in what was said and shown. | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| 10.6. I think that this advertisement is unfair. | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

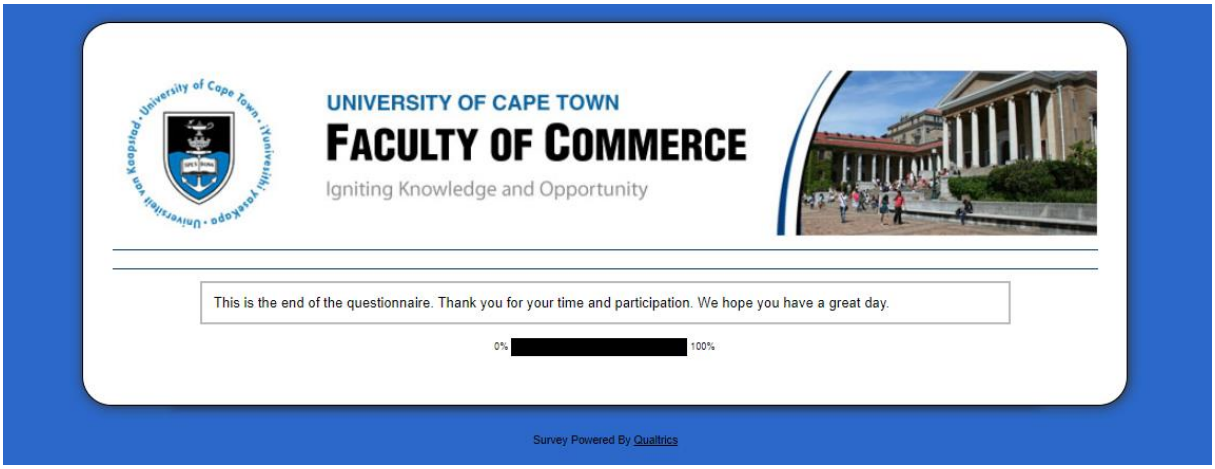
0% 100%

Back Next

Survey Powered By Qualtrics

Page 11


Page 12



# Appendix A. 5: Consent Form

# PARTICIPANT INFORMATION LEAFLET AND CONSENT FORM

**TITLE OF THE RESEARCH PROJECT: Effects of Native Advertising on the perception of news story credibility: A Consumer Neuroscience Approach**

**PRINCIPAL INVESTIGATOR: Jessica Loko Mule**

*You are being invited to take part in a research project. Please take some time to read the information presented here, which will explain the details of this project. Please ask principal researcher and assistant any questions about any part of this project that you do not fully understand. It is very important that you are fully satisfied that you clearly understand what this research entails and how you could be involved. Your participation is* ***entirely voluntary*** *and you are free to decline to participate. If you say no, this will not affect you negatively in any way whatsoever. You are also free to withdraw from the study at any point, even if you do agree to take part. Furthermore, the questionnaire you will complete in this study will be confidential, and all your responses will be kept anonymous and recorded for academic purposes.*

*This study has been approved by the* ***Commerce Faculty Ethics Committee at the University of Cape Town****.*

Should you have any queries, complaints or suggestions with regards to this research study, please feel free to contact any of the following person:

*Principal researcher: Jessica Mule - MLXJES001@myuct.ac.za ; +27794813878*
*Supervisor: Dr. Pragasen Pillay - p.pillay@uct.ac.za*
*Co-supervisor: Dr. David Rosenstein - david.rosenstein@neuralsense.co.za*
*Co-supervisor: Mr. Mark Drummond - mark.drummond@neuralsense.co.za*

You have been invited to participate in this Neuromarketing study if you are a student at the University of Cape Town and aged between 20 to 29 years.

## ABOUT THE STUDY

**Neuromarketing** refers to be the use of physiological and neuroscience research techniques to gain new insights that more accurately predict consumers' preferences, decision making, and behaviour, along with other aspects of human cognition related to marketing.

This Neuromarketing study utilising Remote Eye-tracking (RET), forms part of a Masters' thesis in the Faculty of Commerce at the University of Cape Town.

**Remote Eye-tracking (RET)** enable us to record biometric information (fixation, pupil dilation, gaze path) about your responses to the visual elements that will be presented to you on a screen during this session. They can tell us about what grabs and maintains your attention, and what information you read.

This is not a clinical/medical study and we will not be examining any of the appropriated data for medical/clinical research purposes. The data collected is for the purpose of a Marketing Masters research thesis in the Faculty of Commerce at the University of Cape Town.

***All of the information gathered will be kept strictly confidential*** by both the researcher responsible for this investigation and the company assisting in this investigation, namely Neural Sense. ***All biometric data will be kept anonymous.*** The personal data gathered will only be used for the research objectives for this investigation.

### Aim of this research

Aims to investigate visual navigation and both the cognitive and motivational responses to specific aspects of marketing communication within an editorial context.

### Data collection procedure

Data will be collected in two ways. Firstly, a combination of eye-tracking and neurophysiology metrics will be simultaneously recorded (via a static screen-based eye tracker) as participants are exposed to the stimulus. Participants will be presented with a static visual stimulus in the form of an article featured in the *Sunday Time* online newspaper. Participants are required to spend some time to read through the article. Secondly, after participants have completed viewing the stimulus they will be required to fill in a short online survey which take approximately 10 minutes to complete. The

entire data collection procedure for each participant will take approximately 40-60 minutes, of which 20-30 minutes will be needed to setup and calibrate the eye-tracking device to the participant and the remaining 20-30 minutes account for the exposure to stimulus, data collection and questionnaire completion.

**POSSIBLE RISKS INVOLVED IN PARTICIPATING IN THIS RESEARCH**

There are no foreseeable risks of physical, psychological or social harm to participants that take part in this research.

** If there are any changes to the procedures in this study or there is information that could affect you as a participant in this the study team will inform you of these updates and you may have to sign a new informed consent document containing these changes.*

**DECLARATION BY PARTICIPANT**

By signing below, I ……..……. agree to participate in this Neuromarketing study and I declare that:

- I have read or had read to me this information and consent form and it is written in a language with which I am fluent and comfortable.
- I have had a chance to ask questions and all my questions have been adequately answered.
- I understand that taking part in this study is voluntary and I have not been pressurised to take part.
- I may choose to leave the study at any time and will not be penalised or prejudiced in any way.
- I give permission to have my eye tracking and biographical details recorded and agree that the recorded data be used by the researcher who will become the owner of the recorded data.
- I may be asked to leave the study session before it has finished, if the researcher feels it is in my best interests, or if I do not follow the study plan, as agreed to.

Signed at (place) .....…..…….. on (date) ……...…….. .

Signature of participant……Signature of witness……

**DECLARATION BY RESEARCHER**

I (name) ……..…… declare that:

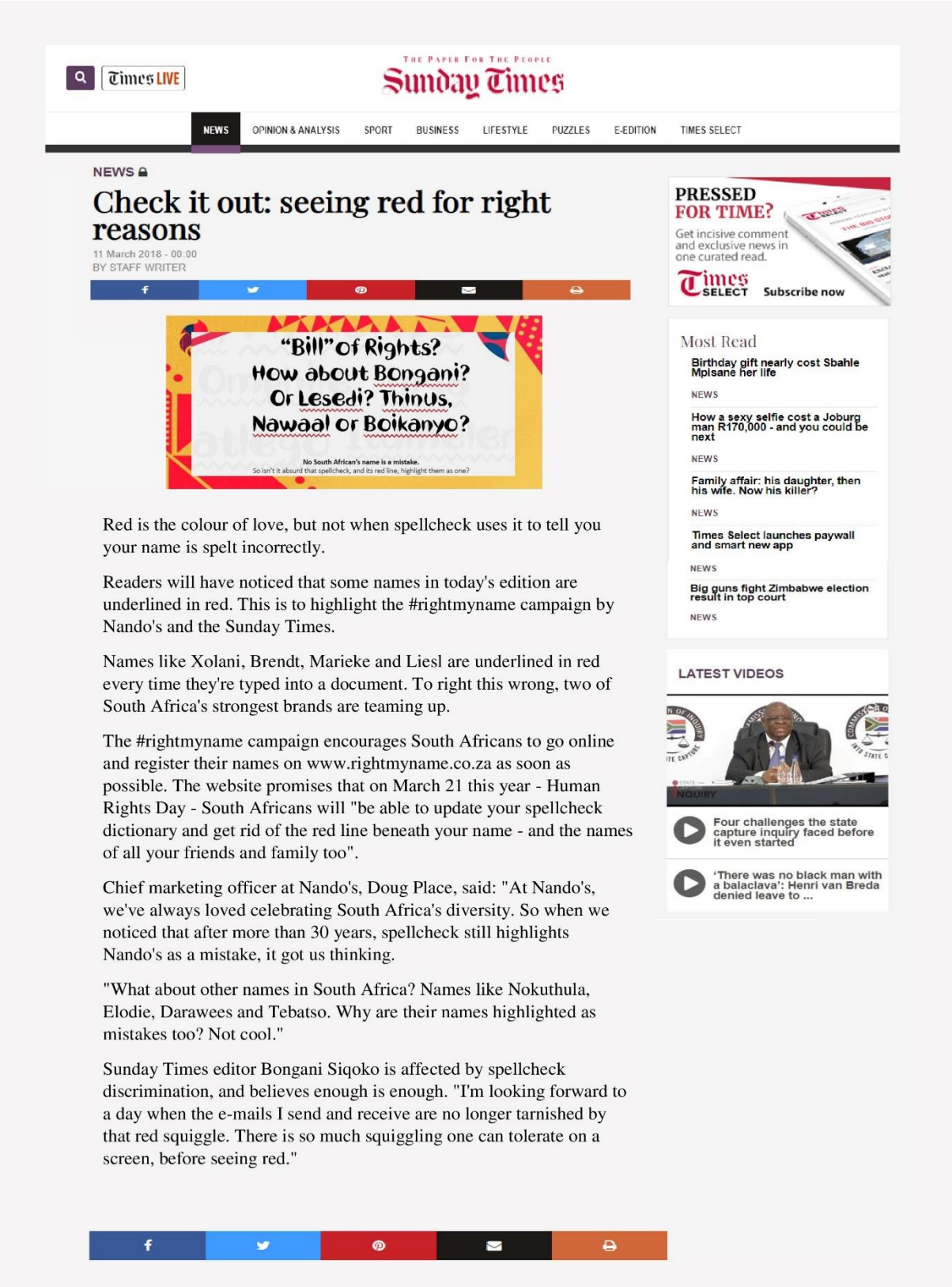
- I explained the information in this document to ……..
- I encouraged him/her to ask questions and took adequate time to answer them.
- I am satisfied that he/she adequately understands all aspects of the study, as discussed above
- I did/did not use an interpreter. (If an interpreter is used then the interpreter must sign the declaration below.

Signed at (place) .....….....…….. on (date) ……...……...

Signature of researcher……. Signature of witness……..

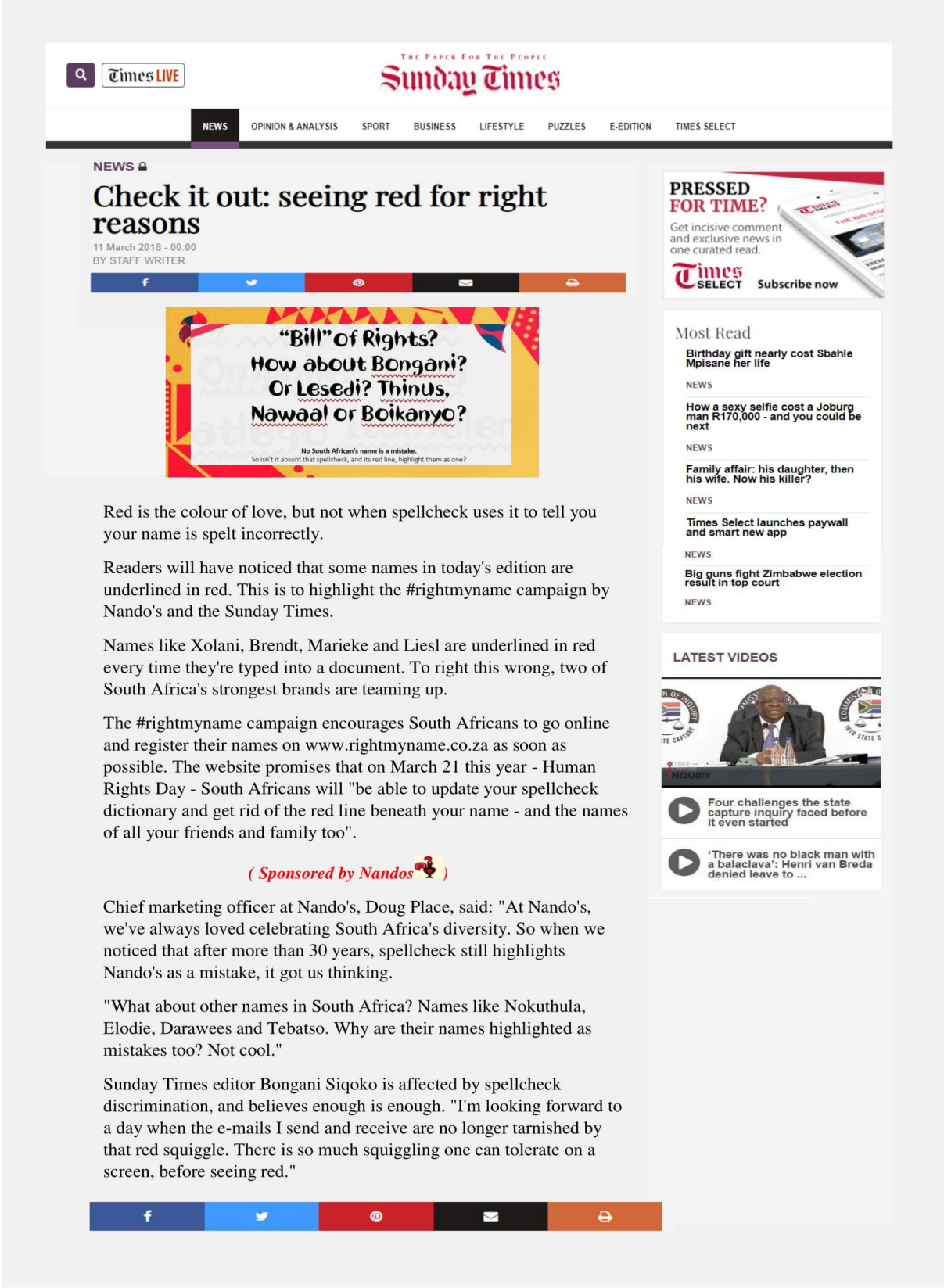
# Appendix A. 6: Core Stimulus Treatments: Nando's' "#Rightmyname" Online Advertorial

Below is the modified advertorial featuring sponsored content by Nando's which excludes a disclosure lable, published in The *Sunday Times* on the 11th of March 2018. This stimulus will be presented to the control group.



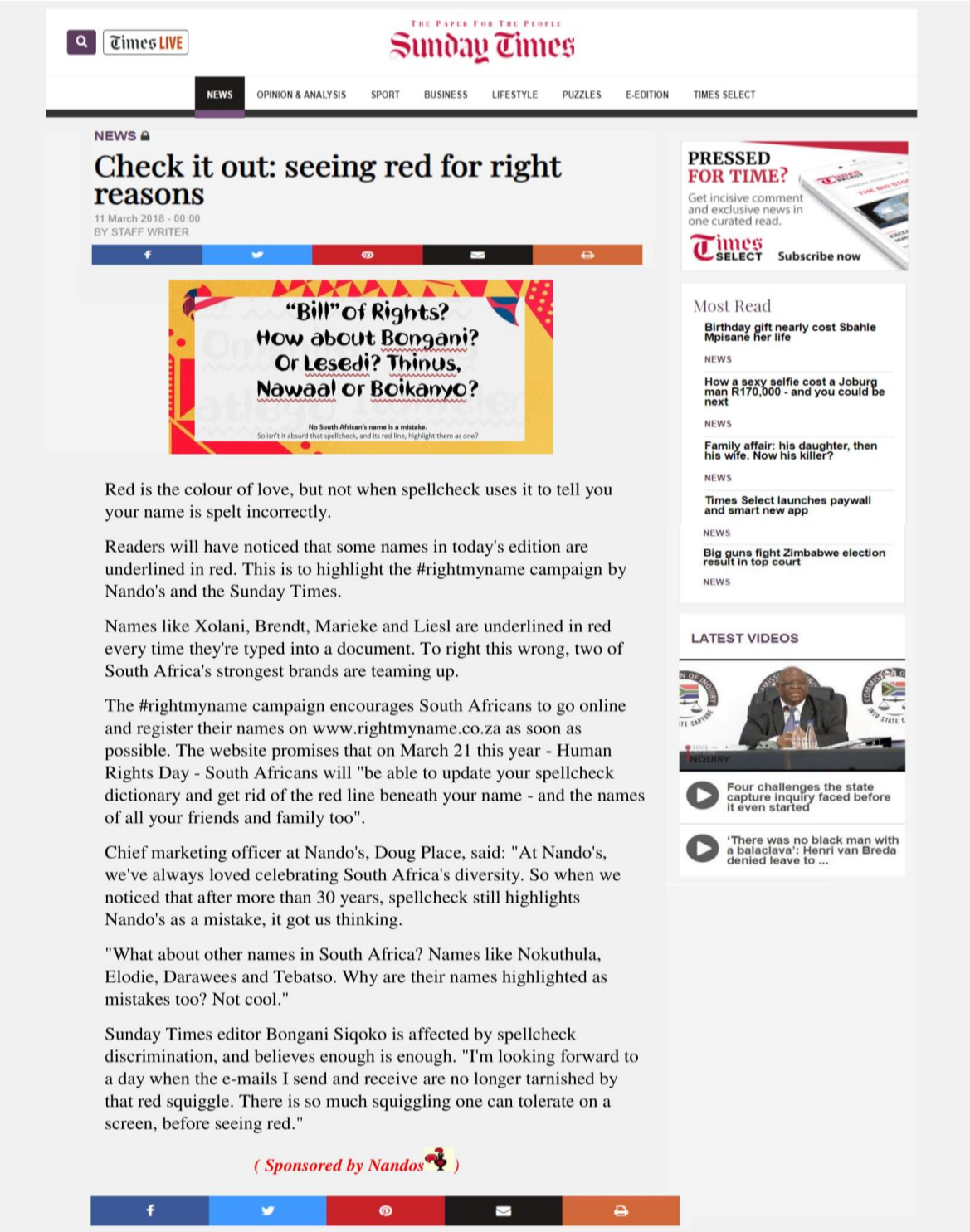

SOURCE: Adapted from the Sunday Times (2018)

Below is the modified advertorial featuring sponsored content by Nando's which includes a disclosure lable in the middle of the article.




SOURCE: Adapted from the Sunday Times (2018)

Below is the modified advertorial featuring sponsored content by Nando's which includes a disclosure at the end of the article.



Times LIVE

THE PAPER FOR THE PEOPLE
Sunday Times

NEWS | OPINION & ANALYSIS | SPORT | BUSINESS | LIFESTYLE | PUZZLES | E-EDITION | TIMES SELECT

NEWS

# Check it out: seeing red for right reasons

11 March 2018 - 00:00
BY STAFF WRITER



Red is the colour of love, but not when spellcheck uses it to tell you your name is spelt incorrectly.

Readers will have noticed that some names in today's edition are underlined in red. This is to highlight the #rightmyname campaign by Nando's and the Sunday Times.

Names like Xolani, Brendt, Marieke and Liesl are underlined in red every time they're typed into a document. To right this wrong, two of South Africa's strongest brands are teaming up.

The #rightmyname campaign encourages South Africans to go online and register their names on www.rightmyname.co.za as soon as possible. The website promises that on March 21 this year - Human Rights Day - South Africans will "be able to update your spellcheck dictionary and get rid of the red line beneath your name - and the names of all your friends and family too".

Chief marketing officer at Nando's, Doug Place, said: "At Nando's, we've always loved celebrating South Africa's diversity. So when we noticed that after more than 30 years, spellcheck still highlights Nando's as a mistake, it got us thinking.

"What about other names in South Africa? Names like Nokuthula, Elodie, Darawees and Tebatso. Why are their names highlighted as mistakes too? Not cool."

Sunday Times editor Bongani Siqoko is affected by spellcheck discrimination, and believes enough is enough. "I'm looking forward to a day when the e-mails I send and receive are no longer tarnished by that red squiggle. There is so much squiggling one can tolerate on a screen, before seeing red."

*( Sponsored by Nandos )*



Most Read

- Birthday gift nearly cost Sbahle Mpisane her life — NEWS
- How a sexy selfie cost a Joburg man R170,000 - and you could be next — NEWS
- Family affair: his daughter, then his wife. Now his killer? — NEWS
- Times Select launches paywall and smart new app — NEWS
- Big guns fight Zimbabwe election result in top court — NEWS

LATEST VIDEOS

Four challenges the state capture inquiry faced before it even started

'There was no black man with a balaclava': Henri van Breda denied leave to ...

SOURCE: Adapted from the Sunday Times (2018

# APPENDIX B: SUPPLEMENTARY DATA

# Appendix B. 1: Coding Sheet - Nominal and Interval data

## CODING SHEET

| **Construct** | **Label /Items**<br>**indicates reverse worded questions* | **Scale type & Scale values** | **Cronbach (&item if deleted Cronbach)** |
|---|---|---|---|
| Experimental Group | - | Nominal<br>[N] No disclosure label - 0<br>[M] Middle disclosure label - 1<br>[B] Bottom disclosure label - 2 | - |
| Filter question | 1. Are you a UCT student? | Nominal<br>{1, Yes}<br>{2, No} | - |
| Filter question | 2. Are you between the ages 20-29? | Nominal<br>{1, Yes}<br>{2, No} | - |
| **Involvement** | 3.1.*Important/unimportant<br>3.2.Boring/interesting<br>3.3.*Relevant/Irrelevant<br>3.4.*Exciting/unexciting<br>3.5.Means nothing/means a lot<br>3.6.*Appealing/unappealing<br>3.7.*Fascinating/mundane<br>3.8.Worthless/valuable<br>3.9.*Involving/uninvolving<br>3.10.Not needed/needed | Scale;<br>7 point Semantic differential | 0.939 |
| **News Story Credibility** | 4.1. I think the news story was honest<br>4.2. I think the news story was trustworthy<br>4.3. I think the news story was convincing<br>4.4.* I think the news story was biased<br>4.5.* I think the news story was not credible | Scale;<br>7 point Likert<br><br>1,Strongly disagree<br>2,Disagree<br>3,Somewhat disagree<br>4,Neither Agree nor Disagree<br>5,Somewhat Agree<br>6,Agree<br>7,Strongly Agree | 0.704 |
| **News Website Credibility** | 5.1. The news website is factual<br>5.2. *The news website is concerned about making profit<br>5.3. *The news website invades people's privacy | Scale;<br>7 point Likert<br><br>1,Strongly disagree<br>2,Disagree<br>3,Somewhat disagree<br>4,Neither Agree nor Disagree<br>5,Somewhat Agree | 0.638 |

| | | | |
|---|---|---|---|
| | 5.4. The news website is concerned about the community's well-being<br>5.5. *The news website cannot be trusted | 6,Agree<br>7,Strongly Agree | |
| **Advertising Recognition** [AD.REC_Q6] | 6. Was there any advertising on the story page? | Nominal<br>{1, Yes}<br>{2, No} | - |
| **Advertising Recognition** | 7. Please describe what in the news story indicted to you or made you think there was an adverting message present in the story page? | Nominal<br>{0, Don't recognize disclosure label/don't recognize article as NA}<br>{1, Recognize disclosure label}<br><br>***Alternative***<br>Nominal<br>{0, Don't recognize any form of advertising}<br>{1, Recognize ads but don't recognize article as NA/ article's disclosure label}<br>{2, Recognize article as NA/article's disclosure label}<br><br>*Originally an open ended question that was coded as detailed above | - |
| **Advertising Recognition** | 8. Did you notice the disclosure: "(Sponsored by Nando's)" in the news story? | Nominal<br>{1, Yes}<br>{2, No} | - |
| **Attitudinal Persuasion Knowledge [Inference of Manipulative intent scale]**<br><br>*(i.e. activation of critical processing and coping mechanisms after recognition of persuasive attempt )* | 9.1. The way this ad tries to persuade people seems acceptable to me.<br>9.2.* The advertiser tried to manipulate the audience in ways I do not like.<br>9.3. *I was annoyed by this ad because the advertiser seemed to be trying to inappropriately manage or control the consumer audience.<br>9.4. I didn't mind this ad; the advertiser tried to be persuasive without being excessively manipulative.<br>9.5. The ad was fair in what was said and shown. | Scale;<br>7 point Likert<br><br>1,Strongly disagree<br>2,Disagree<br>3,Somewhat disagree<br>4,Neither Agree nor Disagree<br>5,Somewhat Agree<br>6,Agree<br>7,Strongly Agree | 0.885 |

| | | | |
|---|---|---|---|
| | 9.6. *I think that this advertisement is unfair. | | |
| Gender | 10. Which gender do you identify with? | Nominal ;<br>{1,Male}<br>{2,Female}<br>{3, Prefer not to answer} | - |
| **Eye-Tracking Data** | | | |
| Attention measured as Fixation | Fixation for Area of Interest:<br>1. Nando's' Branding<br>2. Text Body<br>3. Disclosure Label | Nominal ;<br>Measured in Milliseconds | - |

# Appendix B. 2: Fixation and Heat Maps Analytics

## CONTROL GROUP CONDITION (NO DISCLOSURE LABEL)

Figure 8: Fixation Heat Map Sequence- No disclosure

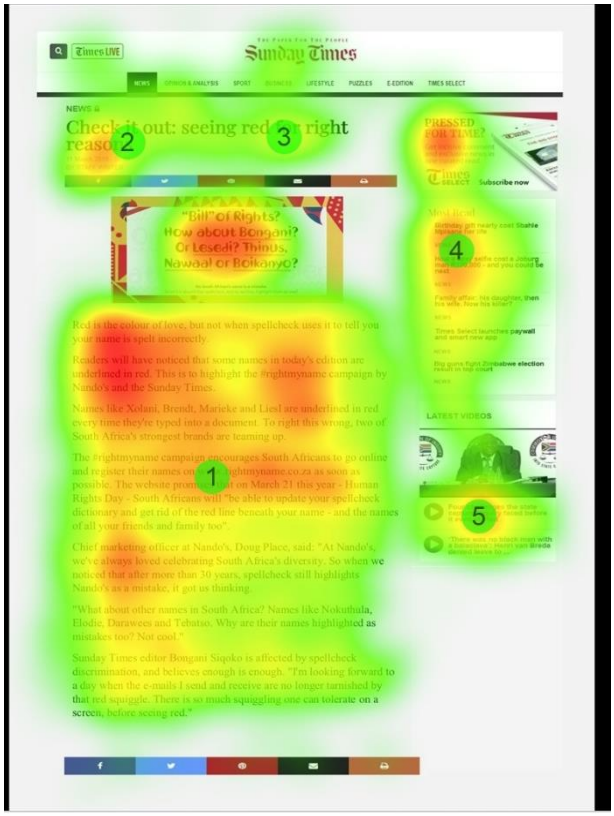



Figure 8 depicts the heat map and fixation sequence for the control group stimulus condition. The yellow and green areas suggest flattening visual attention while the red areas in the heat map suggest respondents exhibited a high number of gaze points and thus increased attention or interest to the particular area. The fixation sequence is based off where the respondents look and how much time they spend.

Figure 9 presents fixation analytics to the primary AOI in this study; (1) Nando's branding, (2) Text body, and (3) Disclosure label. TTFF refers to The Time To First Fixation which indicates "the amount of time it takes a respondent to look at a specific Area of Interest (AOI) from stimulus onset." (iMotions[c], 2016).Time spent refers to the amount of time

Figure 9: Eye-tracking metrics for Areas of Interest– No disclosure

## EXPERIMENTAL GROUP 1 - MIDDLE DISCLOSURE CONDITION

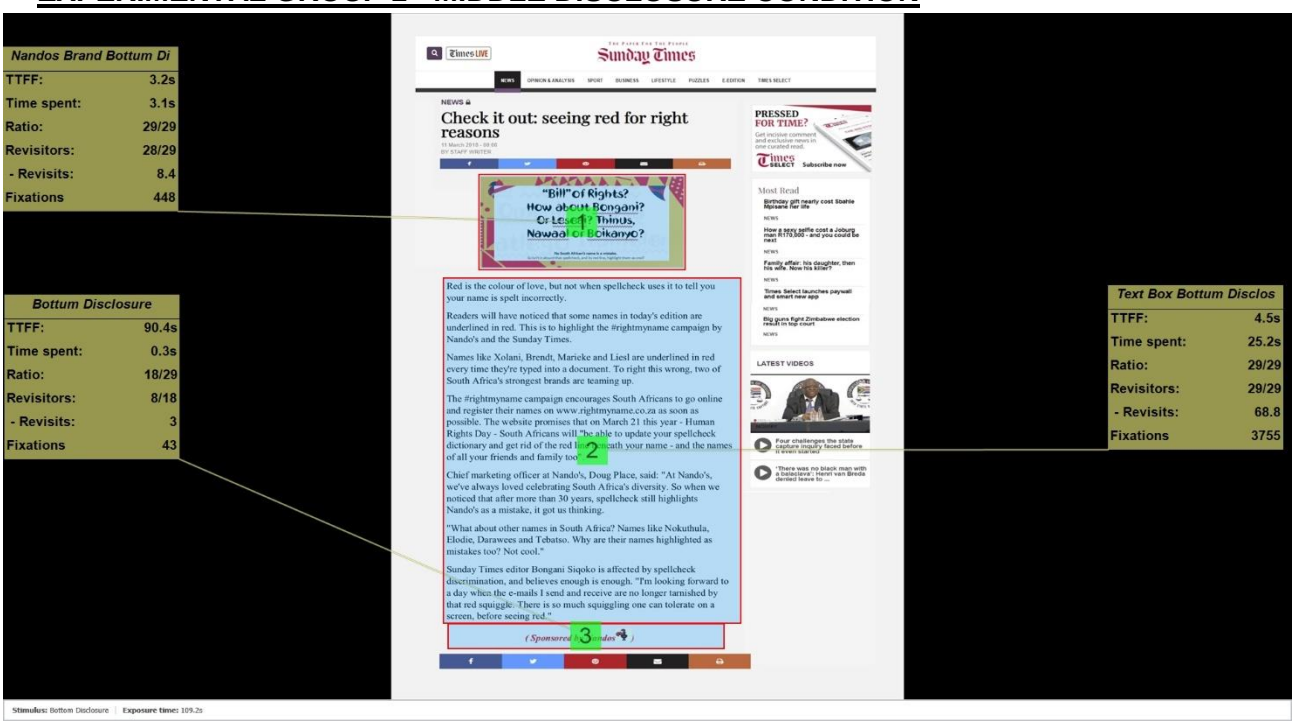


Figure 10: Fixation Heat Map Sequence- Middle disclosure

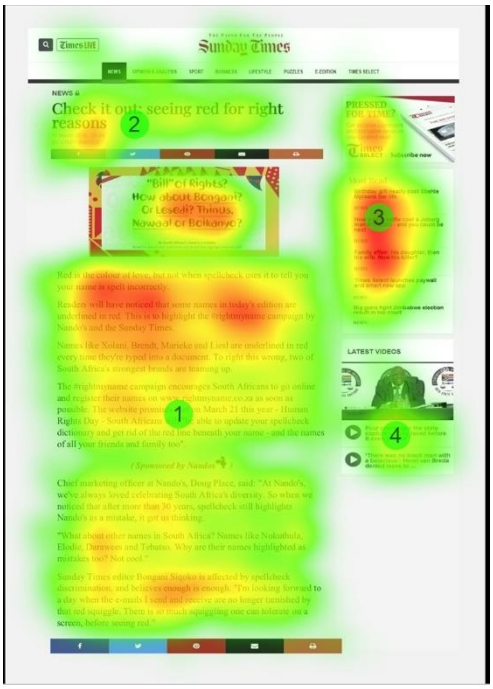
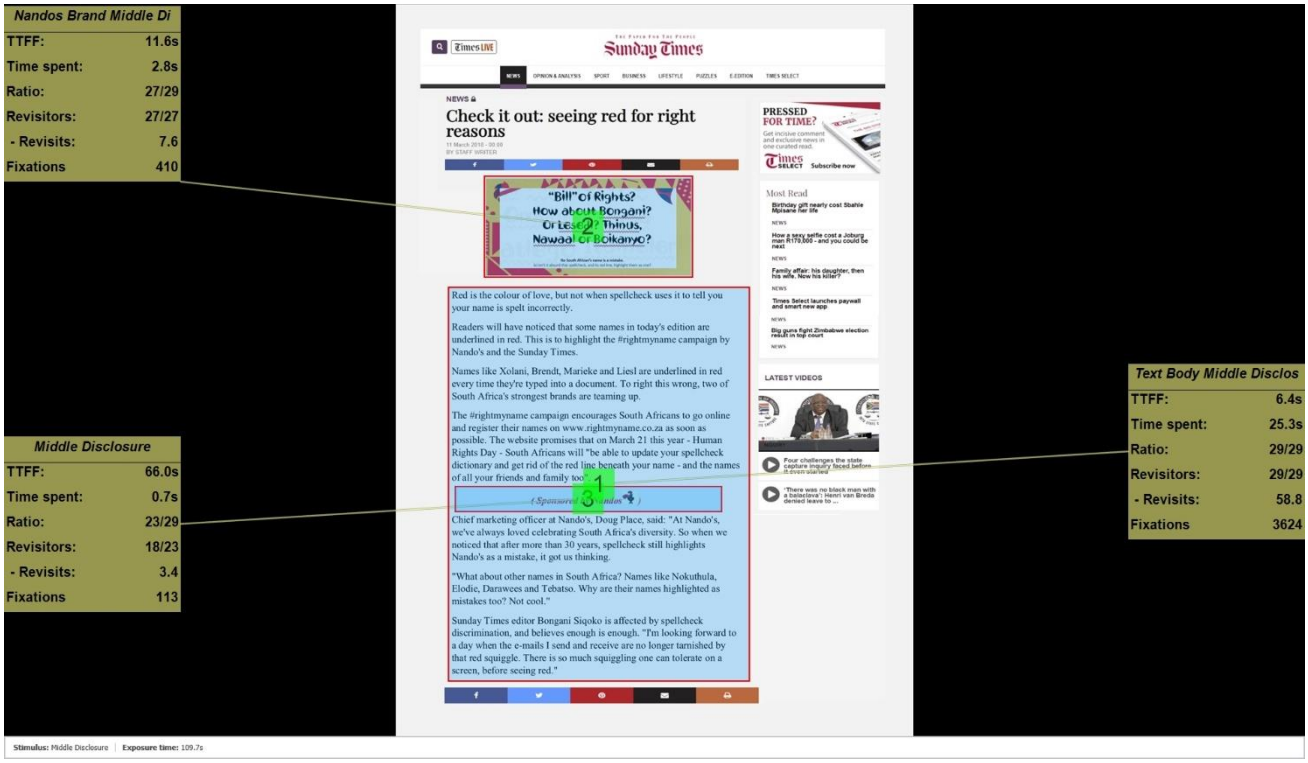



Figure 10 depicts the heat map and fixation sequence for the Middle disclosure stimulus condition. The yellow and green areas suggest flattening visual attention while the red areas in the heat map suggest respondents exhibited a high number of gaze points and thus increased attention or interest to the particular area. The fixation sequence is based off where the respondents look and how much time they spend.

Figure 11 presents fixation analytics to the primary AOI in this study; (1) Nando's branding, (2) Text body, and (3) Disclosure label. TTFF refers to The Time To First Fixation which indicates "the amount of time it takes a respondent to look at a specific Area of Interest (AOI) from stimulus onset." (iMotions[c], 2016).Time spent refers to the amount of time

Figure 11: Eye-tracking metrics for Areas of Interest– Middle disclosure



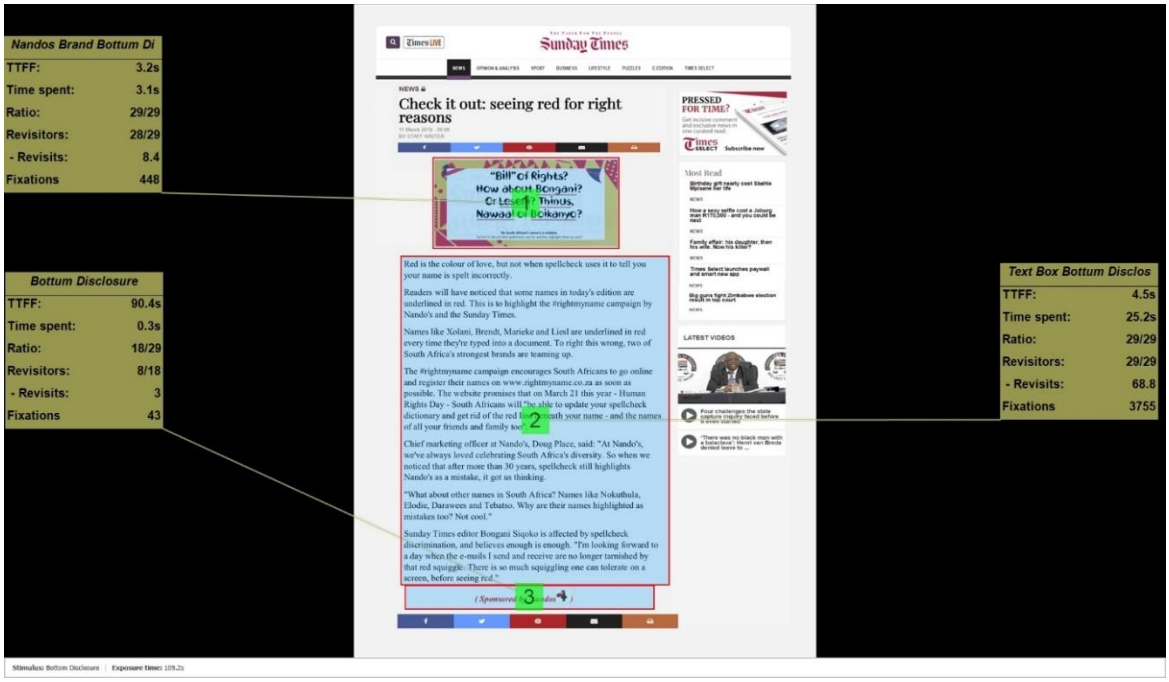
## EXPERIMENTAL GROUP 2 - BOTTOM DISCLOSURE CONDITION

Figure 12: Fixation Heat Map Sequence- Bottom disclosure

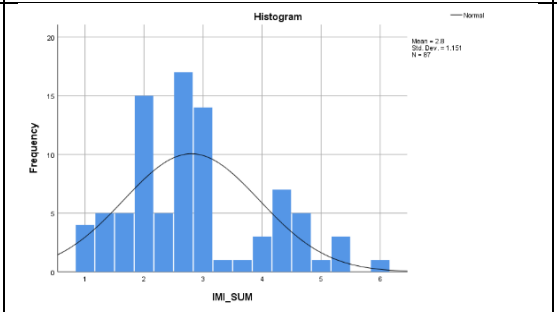
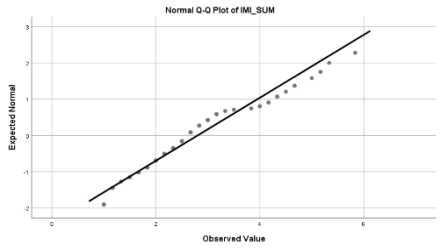
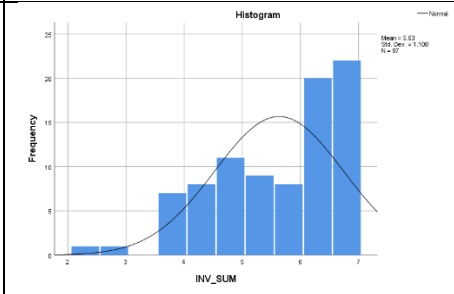
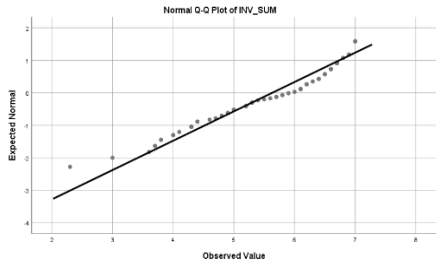
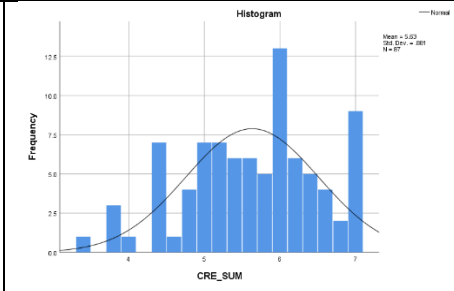
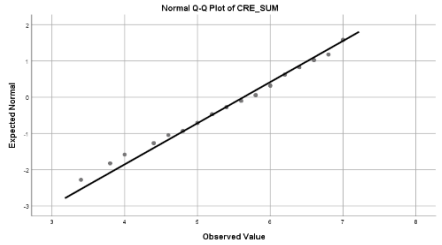
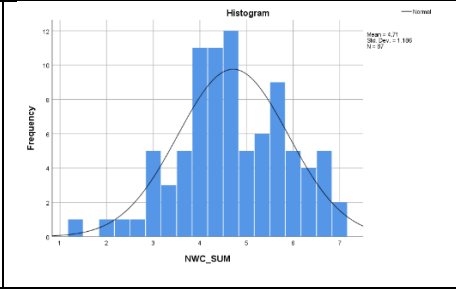
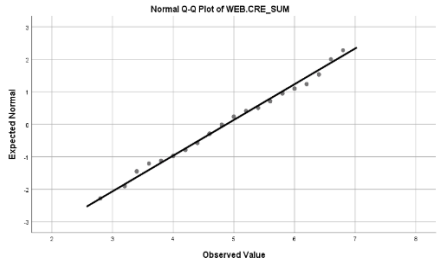

Figure 12 depicts the heat map and fixation sequence for the bottom disclosure stimulus condition. The yellow and green areas suggest flattening visual attention while the red areas in the heat map suggest respondents exhibited a high number of gaze points and thus increased attention or interest to the particular area. The fixation sequence is based off where the respondents look and how much time they spend.

Figure 13 presents fixation analytics to the primary AOI in this study; (1) Nando's branding, (2) Text body, and (3) Disclosure label. TTFF refers to The Time To First Fixation which indicates "the amount of time it takes a respondent to look at a specific Area of Interest (AOI) from stimulus onset." (iMotions[c], 2016).Time spent refers to the amount of time that respondents have spent on an AOI." (iMotions[c], 2016).

Figure 13: Eye-tracking metrics for Areas of Interest– Bottom disclosu



# Appendix B. 3: Normality Analysis – Histograms and Q-Q Plots

| MULTIVARIATE NORMALITY TESTS | | |
|---|---|---|
| **Construct** | **Histogram** | **Q-Q Plot** |
| INFERENCE OF MANIPULATIVE INTENT (IMI) |  |  |
| CONSTRUCT : INVOLVEMENT |  |  |
| CONSTRUCT : NEWS STORY CREDIBILITY |  |  |
| CONSTRUCT : NEWS WEBSITE CREDIBILITY |  |  |

# Appendix B. 4: Disclosure Recognition and Advertising Recognition Cross-tab:

**Association between Disclosure Label Recognition and Advertising Recognition**

| | | | Likelihood of Advertising Recognition | | | |
|---|---|---|---|---|---|---|
| | | | Don't recognize any form of advertising | Recognize ads but don't recognize article as NA/ article's disclosure label | Recognize article as NA/article's disclosure label | Total |
| Noticed Disclosure Label : "Sponsored by Nandos" (self-reported measure) | Yes | Count | 10 | 4 | 28 | 42 |
| | | % within | 23.8% | 9.5% | 66.7% | 100.0% |
| | | % of Total | 17.2% | 6.9% | 48.3% | **72%** |
| | No | Count | 6 | 1 | 9 | 16 |
| | | % within | 37.5% | 6.3% | 56.3% | 100.0% |
| | | % of Total | 10.3% | 1.7% | 15.5% | 27.6% |
| | Total | Count | 16 | 5 | 37 | 58 |
| | | % within | 27.6% | 8.6% | 63.8% | 100.0% |
| | | % of Total | 27.6% | 8.6% | 63.8% | 100.0% |

# Appendix B. 5: FTC guidelines and IAB guidelines for Native Advertising Disclosure

**Federal Trade Commission [FTC] guidelines for Native Advertising Disclosure**

In regards to disclosure prominence, the U.S. Federal Trade Commission (2015; para. 43) recommends that:

> *"Advertising disclosures should stand out. Disclosures should be large and visible enough for consumers to readily notice them. Therefore, advertisers should take into account the size and configuration of the device screens consumers will typically use to view their content. Text labels should be in a font size and color that consumers can easily read on the screen. To be readable, text color should contrast strongly with the background. Using lighter font colors with a dark background makes it less likely consumers will read the text of a disclosure."*

In regards to clarity of meaning in disclosure, the U.S. FTC (2015; para.49-50) recommends that:

> *"Terms likely to be understood include "Ad," "Advertisement," "Paid Advertisement," "Sponsored Advertising Content," or some variation thereof. Advertisers should not use terms such as "Promoted" or "Promoted Stories," which in this context are at best ambiguous and potentially could mislead consumers that advertising content is endorsed by a publisher site. Furthermore, depending on the context, consumers reasonably may interpret other terms, such as "Presented by [X]," "Brought to you by [X]," "Promoted by [X]," or "Sponsored by [X]" to mean that a sponsoring advertiser funded or "underwrote" but did not create or influence the content. […] Advertisers should avoid using […] company logos or brand names unaccompanied by a clear text disclosure"*

**International Advertising Bureaux [IAB] guidelines for Native Advertising Disclosure**

In 2019, the IAB published a revised and updated version of The Native Advertising Playbook (IAB, 2013, 2019) to provide the global advertising industry with a thinking-framework for native advertising, with the goal of mitigating marketplace confusion when it comes to advertising disclosure and transparency. Irrespective of the type of native advertising, the IAB advocates that prominence and clarity of disclosure is paramount to transparency. Hence, the Native Advertising Playbook (IAB, 2019: 20) recommends that:

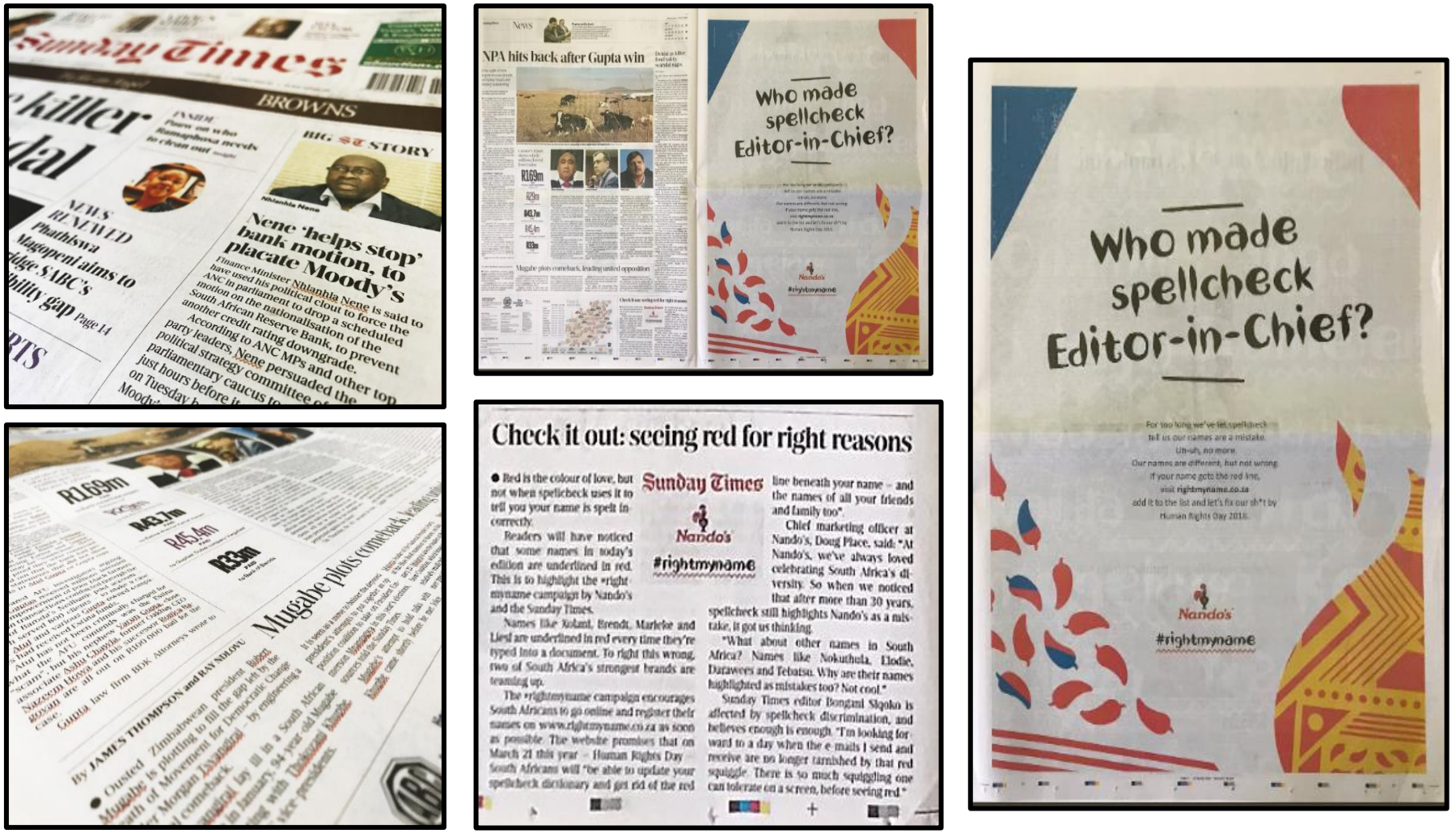
*"The disclosure must:*

- *Use language that conveys that the advertising has been paid for, thus making it an advertising unit, even if that unit does not contain traditional promotional advertising messages.*
- *Be large and visible enough for a consumer to notice it in the context of a given page and/or relative to the device that the ad is being viewed on.*

*Simply put: Regardless of context, a reasonable consumer should be able to distinguish between what is paid advertising vs. what is publisher editorial content*

# Appendix B. 6: Journalism Industry Reception to Nando's' #rightmyname campaign adverts

**Image 1: Nando's' #rightmyname campaign published in the Sunday Times Newspaper**




SOURCE: M&C Saatchi Abel (2018) https://twitter.com/mcsaatchiabel/status/972751449322074112

Image 1 displays expert copies of the cover page (top left corner of image) and first two pages (top center) of *Sunday Times* Print Newspaper where Nando's published their #*rightmyname campaign* in March 2018. Through the campaign, a digital platform was created for South Africans to add their names to a database, with the goal of fostering unity and inclusion among South African's through a database of local names which are often regarded as mistakes by electronic and online writing application (Bhengu, 2018). The database can be downloaded from the Nando's website to update the user's computer dictionary (Nando's, 2018).

While the second page of the newspaper displayed a clear traditional print ad for Nando's' #*rightmyname campaign,* the stories presented in the cover page and page 1 of the paper (refer to top and bottom left of image) featured covert marketing messaging in the form of red lines under South African names, as part of Nando's' #*rightmyname campaign* tactic, in addition to a undisclosed sponsored column (i.e. an advertorial) about the campaign (bottom center of image). Despite the success of the campaign for the Nando's' brand, the latter described approach of native advertising was received with harsh criticism for its potential to undermine journalistic integrity through its blurring of editorial and commercial lines from practitioner in the news publishing industry.