

İSTANBUL BİLGİ UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
COMMUNICATION PHD PROGRAM

EFFECTIVE NATIVE ADVERTISING FACTORS AND THEIR EFFECT ON BRAND
ATTRIBUTES

Cüneyt T. DEVRİM

116813019

Doç. Dr. Gresi Sanje

İSTANBUL

2021

Effective Native Advertising Factors and Their Effect on Brand Attributes

Efektif Nativ Reklam Faktörleri ve Bunların Marka Nitelikleri Üzerine Etkileri

Cüneyt Turgut Devrim

116813019

Tez Danışmanı: Doç. Dr. Gresi Sanje
İstanbul Bilgi Üniversitesi

Jüri Üyeleri : Prof. Dr. Yonca Aslanbay
İstanbul Bilgi Üniversitesi

Doç. Dr. Emine Eser Gegez
İstanbul Bilgi Üniversitesi

Dr. Öğr. Üyesi Ezgi Akpınar
Sabancı Üniversitesi

Dr. Öğr. Üyesi Kıvılcım Dögerlioğlu Demi
Sabacı Üniversitesi

Tezin Onaylandığı Tarih : 19.01.2021

Toplam Sayfa Sayısı : 140

Anahtar Kelimeler (Türkçe)

- 1) Nativ Reklam
- 2) Vaad Tipi
- 3) Performans Etkileri
- 4) Marka Görünümü
- 5) Ürün İlgilenimi

Anahtar Kelimeler (İngilizce)

- 1) Native Advertising
- 2) Offer Type
- 3) Performance Effects
- 4) Brand Presence
- 5) Product Involvement

PREFACE

I have received a great level of support, assistance, and contribution, throughout the writing of this dissertation.

I would first like to thank my dissertation advisor, Doç. Dr. Gresi Sanje, for her guidance and expertise on the methodology, formatting, and feedbacks on establishing the research questions.

I would like to thank my thesis jury members Doç. Dr. Ezgi Akpınar and Doç. Dr. Kıvılcım Dögerlioğlu Demir from Sabancı University, who are very helpful and instructive in guiding me in the right direction.

I would like to thank EngageYa Ltd. and EngageYa General Manager İter Avcı for providing one of the substantial field data for this study which made this research more efficient and trustworthy in terms of the results of the research.

Finally, I would like to thank my family for giving support and understanding throughout almost the four years of continuous study. Without all this support and contribution this dissertation would not come to this point.

TABLE OF CONTENTS

PREFACE	iii
TABLE OF CONTENTS	iv
LIST OF TABLES	vi
LIST OF FIGURES	xi
LIST OF ABBREVIATIONS	xii
ABSTRACT	xiii
ÖZET.....	xiv
INTRODUCTION	1
CHAPTER 1: DIGITAL ADVERTISING AND NATIVE ADVERTISING	4
1.1 Digital Advertising Progress	4
1.2 Audience Labor and Media Migration	6
1.3 Native Advertising Definition & Progress	8
CHAPTER 2: NATIVE ADVERTISING TYPES AND EFFECTS	14
2.1 Type of Native Ads	14
2.2 Deception, Secrecy & Disclosure Research in Native Advertising	15
2.3 Native Advertising Performance Effects	19
2.4 Native Advertising Factors and Brand Attributes Selected for the Research	24
CHAPTER 3: RESEARCH METHODOLOGY	31
3.1 Purpose and Importance of the Research	31
3.2 Research Design	35
3.2.1 Study 1: Study with Field Data	35
3.2.1.1 Native Advertising Unit Selection for the Study	35
3.2.1.2 Method and Article Coding for Field Study	38
3.2.2 Study 2: Native Ad Type Manipulative Laboratory Experiment	42
3.2.2.1 Stimulus Material for the Laboratory Experiment	43

3.2.2.2 Survey for the Laboratory Experiment	44
3.3 The hypothesis of the Research.....	47
3.3.1 Hypothesis for Study 1: Study with Field Data	47
3.3.1.1 Hypothesis Set 1.....	47
3.3.1.2 Hypothesis Set 2.....	48
3.3.1.3 Hypothesis Set 3.....	48
3.3.1.4 Hypothesis Set 4.....	50
3.3.1.5 Hypothesis Set 5	51
3.3.1.6 Hypothesis Set 6	51
3.3.2 Hypothesis for Study 2: Native Ad Type, Manipulative Laboratory Exp.....	52
3.3.2.1 Hypothesis Set 7.....	52
3.3.2.2 Hypothesis Set 8.....	52
3.3.2.3 Hypothesis 9.....	53
3.3.2.4 Hypothesis 10.....	53
CHAPTER 4: DATA ANALYSIS & FINDINGS FOR FIELD STUDY	55
4.1 Data Sample and Data Collection	55
4.2 Findings.....	57
4.3 Discussion	76
4.4 Limitations	78
CHAPTER 5: DATA ANALYSIS & FINDINGS FOR EXPERIMENTs	80
5.1 Data Sample and Data Collection	80
5.2 Findings.....	81
5.3 Discussion	89
5.4 Limitations	90
CONCLUSION.....	91
REFERENCES.....	95
APPENDIX.....	110

LIST OF TABLES

Table 3. 1 Survey Design for Laboratory Experiment	45
Table 4. 1: Regression Model Showing the Effect of Informational Offer on the Click-Through Rates (CTRs)/ Model Summary	57
Table 4. 2: ANOVA Analysis for the Effect of Informational Offer on the Click-Through Rates (CTRs)	58
Table 4. 3 Coefficients for the Effect of Informational Offer on the Click-Through Rates (CTRs).....	58
Table 4. 4: Regression Model Showing the Effect of Product Involvement on the Click-Through Rates (CTRs)/ Model Summary	59
Table 4. 5: ANOVA Analysis for the Effect of Product Involvement on the CTRs.	59
Table 4. 6: Coefficients for The Effect of Product Involvement on the CTRs	59
Table 4. 7: Process Macro Used to Find A Correlation Between Product Involvement and Informational Offer and Their Effect on the Click-Through Rates (CTRs)/ Model Summary	60
Table 4. 8: ANOVA Analysis for The Product Involvement and Informational Offer and Their Effect on the CTRs	60
Table 4. 9: Coefficients for The Product Involvement and Informational Offer and Their Effect on the CTRs	60
Table 4. 10: Conditional Effects of the Focal Predictor at Values of the Moderators(S).	61
Table 4. 11: Moderator Value(S) Defining Johson-Neyman Significance Region(S):	61

Table 4. 12: Conditional Effect of Focal Predictor at Values of the Moderator	61
Table 4. 13: Conditional Effects of the Focal Predictor at Values of the Moderators(S)	62
Table 4. 14: Moderator Value(S) Defining Johson-Neyman Significance Region(S)	62
Table 4. 15: Conditional Effect of Focal Predictor at Values of the Moderator	63
Table 4. 16: Regression Model Showing the Effect of Brand Presence in Ad Text on the Click-Through Rates (CTRs)/ Model Summary	64
Table 4. 17: ANOVA Analysis for the Effect of Brand Presence in Ad Text on the CTRs	64
Table 4. 18: Coefficients for the Effect of Brand Presence in Ad Text on the CTRs	64
Table 4. 19: Regression Model Showing the Effect of Brand Presence in Ad Visual on the Click-Through Rates (CTRs)/ Model Summary	65
Table 4. 20: ANOVA Analysis for the Effect of Brand Presence in Ad Visual on the CTRs	65
Table 4. 21: Coefficients for the Effect of Brand Presence in Ad Visual on the CTRs	65
Table 4. 22: Regression Model Showing the Interaction Between Brand Presence in Ad Text and Informational Offer and Their Effect on the Click-Through Rates (CTRs)/ Model Summary.....	66
Table 4. 23: ANOVA Analysis for the Interaction Between Brand Presence in Ad Text and Informational Offer and Their Effect on the CTRs	66
Table 4. 24: Coefficients for the Interaction Between Brand Presence in Ad Text and Informational Offer and Their Effect on the CTRs.....	67

Table 4. 25: Regression Model Showing the Interaction Between Brand Presence in Ad Visual and Informational Offer and Their Effect on the Click-Through Rates (CTRs)/ Model Summary..... 67

Table 4. 26: ANOVA Analysis for the Interaction Between Brand Presence in Ad Visual and Informational Offer and Their Effect on the Click-Through Rates CTRs67

Table 4. 27: Coefficients for the Interaction Between Brand Presence in Ad Visual and Informational Offer and Their Effect on the Click-Through Rates CTRs 68

Table 4. 28: Regression Model Showing the Effect of Assertive/Suggestive Language on the Click-Through Rates (CTRs)/ Model Summary 69

Table 4. 29: ANOVA Analysis for the Effect of Assertive/Suggestive Language on The CTRs 69

Table 4. 30: Coefficients for the Effect of Assertive/Suggestive Language on the CTRs 69

Table 4. 31: Regression Model Showing the Effect of Explicit/Implicit Language on The CTRs 69

Table 4. 32: ANOVA Analysis for the Effect of Explicit/Implicit Language on the CTRs 70

Table 4. 33: Coefficients for the Effect of Explicit/Implicit Language on the CTRs 70

Table 4. 34: One Way ANOVA Model Showing the Effect of Temporal Distance on The CTRs 71

Table 4. 35: Tests of Between-Subject Effects of Temporal Distance on the CTRs 71

Table 4. 36: Descriptive Statistics of Temporal Distance on the CTRs..... 72

Table 4. 37: Test of Homogeneity of Variances of Temporal Distance on the CTRs72

Table 4. 38: ANOVA Analysis of Temporal Distance on the CTRs 72

Table 4. 39: Brown-Forsythe And Welch Tests of Temporal Distance on the CTRs	73
Table 4. 40: Regression Model showing the effect of explicit/implicit language on the click-through rates (CTRs)/ Model Summary	74
Table 4. 41: ANOVA Analysis for the effect of explicit/implicit language on the CTRs	74
Table 4. 42: Coefficients for the effect of explicit/implicit language on the CTRs	74
Table 4. 43: Process Macro Showing the Interaction Between the Involvement Level and the Temporal Focus/ Model Summary	75
Table 4. 44: Model for the Interaction Between the Involvement Level and The Temporal Focus	75
Table 4. 45: Johnson-Neyman Table of the Conditional Effect of Focal Predictor at Values of The Moderator	75
Table 5. 1: Tests of Between-Subjects Effects for the Manipulation Check	81
Table 5. 2: One Way ANOVA Model Showing the Effect of Offer Type on the Click-Through-Rates (CTRs) / Descriptive Statistics	82
Table 5. 3: Tests of Between-Subjects Effects for the Effect of Offer Type on the Click-Through-Rates (CTRs)	82
Table 5. 4: Estimated Marginal Means for the Effect of Offer Type on the Click-Through-Rates (CTRs)	82
Table 5. 5: UNIANOVA Model Showing the Effect of the Product on The Motivation to Click-in All Variations	83
Table 5. 6: Pairwise Comparison of The Product Effect Between A Promotional Ad with Branding (Ad Text & Ad Visual) and without Branding	83

Table 5. 7: UNIANOVA Model Showing the Effect of the Look and Feel to the Motivation to Click-in All Variations 84

Table 5. 8: Pairwise Comparison of the Look and Feel Effect Between Promotional and Informational Ads without Branding (Ad Text & Ad Visual) 84

Table 5. 9: Pairwise Comparison of the Look and Feel Effect Between Promotional Ads with (Ad Text & Ad Visual) and without Branding 84

Table 5. 10: UNIANOVA Model Showing the Effect of the Promotion to the Motivation to Click-in All Variations 85

Table 5. 11: Pairwise Comparison of the Promotion Effect Between Informational Ads with Branding (Ad Text & Ad Visual) and without Branding 85

Table 5. 12: Pairwise Comparison of the Look and Feel Effect Between Informational Ads with (Ad Text & Ad Visual) Branding and Informational Ads with Branding-in Ad Visual 85

Table 5. 13: Chi-Square Tests Showing the Effect of Ad Offer Type on Brand Recall 86

Table 5. 14: Brand vs Condition Cross Tabulation 87

Table 5. 15: UNIANOVA Model Showing the Effect of All Variations on the Attitude Towards the Brand (Impression)..... 88

Table 5. 16: UNIANOVA Model Showing the Effect of Offer Type on the Attitude Towards the Brand (Impression) / Descriptive Statistics..... 88

Table 5. 17: Tests of Between-Subject Effects for The Effect of Offer Type on The Attitude Towards the Brand (Impression)..... 88

LIST OF FIGURES

Figure 1. 1 Native Ad First Layer/Second Layer	12
Figure 2.1: Second Layer on Native Ads.....	24
Figure 3. 1 Native Content Ad	36
Figure 3. 2 Native Ads Hyperlinks.....	37
Figure 3. 3 Click from First Layer to Second Layer	39
Figure 3. 4 Model of the Study (The model of effects on native advertising performance factors. *f = Field Study, e = lab experiment)	46
Figure 4. 1 Native Ad Unit Parts; Ad Visual, Ad Text, and Ad Disclosure	56
Figure 4. 2 Mean Plot for Temporal Distance and (CTR)	73

LIST OF ABBREVIATIONS

ASME: American Society of Magazine Editors

CTR: Click-Through Rate

CVR: Conversion Ratio

ELM: Elaboration Likelihood Model

FTC: The U.S Federal Trade Commission

IAB: Interactive Advertising Bureau

IPG Media Lab: Interpublic Group Media Lab

PKM: Persuasion Knowledge Model

ST: Sponsorship Transparency

ABSTRACT

Native advertising has become a phenomenon in the advertising industry in the last decade. There are many solid grounds behind this development by considering the user's point of view. Digital advertising space users are trying to keep up and adapt to new ways of commercial messaging. New generation consumers' way of consuming media made the industry mimic the content and design of the advertising material to their original environment. This dissertation aims to investigate the main factors that may make native advertising more effective in terms of the offer type, language use, temporal focus, brand presence, and product involvement levels. The literature on this field is limited to some specific areas which are mostly concentrated on ad disclosure, persuasion, and deception effects of native advertising. Three major methodologic approaches are tested within the scope of the research to get an extensive spectrum of findings. The first study was conducted with field data from two years (2018-2019) native advertising campaign data (N = 7725) from one of the biggest native advertising technology platforms, EngageYa. For the second step of the research, a laboratory experiment was designed to investigate the effects of brand presence, brand recall, and attribute effects, and finally, a field experiment was applied to analyze the brand presence on ad visual. Findings that are refined after the research, showed some significant implications that have not been seemed to be explored within the given literature. Contributed to new inferences in the field also raise some new questions and opens further areas to scrutinize.

Keywords: Native Advertising, Offer Type, Performance Effects, Brand Presence, Product Involvement

ÖZET

Native reklam modelleri, reklam iletişimi alanında son on yıl içerisinde çok önemli bir yer kaplamaya başlamıştır. Bu önemli ve hızlı gelişmenin arkasında, tüketicinin davranışları temelli çok geçerli nedenler mevcuttur. Yeni nesil kullanıcıların, dijital medyayı tüketim şekilleri, reklam endüstrisinin kendi stratejilerini gözden geçirip, kullanıcıların zaman geçirdikleri platformların tasarım ve içeriklerine benzer ticari iletişim malzemeleri üretmelerine sebep olmuştur. Bu tez çalışmasının amacı native reklamların daha başarılı olmasını sağlayan ana faktörler olarak görülen vaat tipi, reklam dil kullanımı, zamansal odak, marka varlığı ve ürün ilgilenimi boyutlarının araştırması olarak çerçevelenmektedir. Native reklamların yeni bir alan olmasından dolayı bu konuda akademik araştırmaların hala yeterli düzeyde olmadığı görülmekte ve çalışmaların ağırlıklı olarak reklam ifşası, ikna ve reklamın aldatma etkileri üzerine olduğu anlaşılmaktadır. Araştırmanın hedeflenen alanlarda kapsayıcı olabilmesi için üç farklı boyutta araştırma uygulanmıştır. Birincisi, bölgenin en büyük native reklam platformlarından biri olan EngageYa'nın iki yılı (2018 – 2019) kapsayan tüm kampanyaları (N = 7725) ve kampanya verileri üzerinden yapılan analizdir. İkinci araştırma alanı deneysel kurgu içerisinde modellendirilmiş ve reklam içinde marka varlığının etkilerini görmek ve marka hatırlanmasını ölçmek amaçlanmıştır. Araştırmanın üçüncü modellemesi reklam görseli üzerinden marka varlığını test etmek amacıyla saha deneyi kurgusunun analizini kapsamıştır. Araştırmanın sonunda daha önce yapılan çalışmalarda karşılaşılmayan sonuçlara ulaşıldığı gibi, konu hakkında ileride yapılabilecek yeni araştırmalara yol açabilecek alanlar da tespit edilmiştir.

Anahtar Kelimeler: Nativ Reklam, Vaad Tipi, Performans Etkileri, Marka Görünümü, Ürün İlgilenimi

INTRODUCTION

Native advertising is a new phenomenon in the advertising industry taking a central role and budget allocation from the advertiser's in the last decade. Even though, Native advertising is a new way of advertising we have seen a very rapid incline towards it; in the last 4 years, the spending on native advertising almost quadrupled from \$16 Billion to \$53 Billion in US Market (eMarketer, 2019). Digital platforms by their democratized foundation, are not suited for interruptive advertising communication despite the industry practices. The evolution of new platforms such as social media channels and a new generation of websites made the user's journey of consuming these platforms differ. Banner blindness and ad-blocking are becoming a great obstacle in front of marketers to reach out to their customers. The latest numbers show that just in the last year, since the beginning of 2019, the click-through-rate (CTR) performance of banner ads decreased by %41 (Smartinsights, 2020).

All these developments are increasing the spotlights on the native advertising whereby its nature it's more construal to the platforms that they reside and not being interruptive as much as the other formats. Native advertising's main characteristic is to become native to its surrounding environment by design and content. Interactive Advertising Bureau in 2013 first published a native advertising definition and six format types that have been used in the industry (IAB, 2013: 4). In 2019, the second version of the playbook was released, and the format types of native advertising are simplified to three major formats. Infeed/In Content ads, Content Recommendation Ads, and Branded/Native Content. In the study, the main focus will be on one of the most commonly used formats out of these three which is content recommendation ads. %42 of all the advertisers in the world claim that they use content recommendation ads in their marketing plans (Statista, 2019).

Despite all this interest in the area, the academic research on the subject has still got quite a way to go. In the existing literature, there are specific areas such as disclosure and secrecy effects, performance effects related to content quality, congruency to the placed environment effects, has been researched in different studies, but there are some areas such as the factors that are making a native ad more effective have not been researched extensively. There is also a lack of research on the subject with a large set of field data. All related studies have been done by experiments and interviews with selected users. Thus, the study with real-life industry field data helped to unravel new findings and create a unique contribution to the area of research.

In this dissertation study to explore the areas we concentrated there have been two different data sets have been used. We have used field data from one of the largest international native advertising platforms on content recommendation ads, EngageYa. All campaigns that have been activated on the platform in 2018 and 2019 were incorporated into the analysis (N = 7725). Independent coders coded all the data for the defined dimensions according to the research design and I have put the data into empirical analysis to test the hypotheses. Later I have designed an experiment by creating a survey with eight different ads on the Qualtrics platform (N = 274) to see the effects on the brand attributes with the help of the participant's answers. Finally, a field experiment has designed to test two different native ads with their brand presence in the ad visual.

Throughout the two studies, I have focused on several dimensions to search for real insights and outcomes. These dimensions were the offer type of the native ad (Informational or Promotional), product involvement level (high or low), language use (assertive/suggestive, explicit/implicit), brand presence (in ad text or ad visual), temporal focus (present or future orientation) and self-construal (targeted to independent or interdependent users).

Native advertising by its disposition always related to content quality and what it provides to the user such as editorial content. The study identifies that native ads with informational (knowledge) offer to perform better in terms of the click-through-rates. Also, when I look into the products that have been advertised, it has been easily identified that native advertising is producing surpassing results for high involvement products like automotive, real estate, or health. In general, having brand presence seemed to decrease the user's willingness to click on a native ad but for informational native ads, it has been found that brand presence does not have any effect on the user's behavior towards the ad. Also when the temporal orientation changes on the native ad it creates an effect but it's more critical for high involvement products. Future orientation in a native ad outperforms for a high involvement product despite the common use in the industry. In terms of language use (explicit/implicit), there are no significant effects found regardless of the offer type or the product involvement level. Only more direct and assertive language that enacts users to a specific behavior generates a positive effect on the consumer's response towards the native ad.

The research shows specific elements that affect the performance factors of native ads and their brand attribute effects. But also, underlines that this is an area that still fellow scholars and industry players are trying to solve to approach it from the right way. There is still great room to do further research to enlighten the unexplored areas.

CHAPTER 1

DIGITAL ADVERTISING AND NATIVE ADVERTISING

Advertising and the field of commercial messaging literature has a long way back since the 1950s. However digital advertising literature has been grown rapidly since the beginning of this century. It seems like the developments and the progress is going with the speed of light, academic literature is hardly keeping up with the latest development. One of the latest chapters in digital advertising is native advertising that has been an area of interest for many scholars in the last decade but became a focal point in the last five years. Due to the newness of this field in the literature, there have been various definitions, assumptions, and acceptations about native advertising. In this chapter, I would like to cover the progress in the digital advertising literature, audience and labor relationship discussion in the digital advertising ecosystem and finally the definitions and the progress on native advertising.

1.1 Digital Advertising Progress

From the beginning of 2000, there has been a steady increase in advertising spending on digital platforms. At first, it has started by many brands, very experimental and fractional in their media budgets. But in ten years of time advertising on the internet has become one of the most used media among all the media channels that have accumulated in the total expenditure. At the beginning of the 2000s, the Internet Advertising Bureau announced that the most popular format of internet advertising was banner ads. Among all the digital formats, banner ads were accumulated %55 of all digital ads (IAB, 2000: 12). Of course, this vast amount of usage of banner ads as the leading format slowed down during the years and by 2012 it has accounted for the %21 of all the digital ads that have been placed (PricewaterhouseCoopers, 2013: 14).

Also, the performance of the banner ads during the first decade of 2000 started to decrease during the years. Click-through rates were contracted from %0,5 per

impression in 2009 to %0,1 per impression in 2009 (Urban et al., 2013: 31). Recent studies show that banner ad viewability dropped down to %46 percent in 2015 (Comscore, 2015). Almost %50 of ad clicks in Mobile Mediums are accidental (Pagefair, 2015).

When the performance started to decrease, there has been some techniques and methods tried to put in place to improve the response rates of the users. One of the methods that have been used and still in use is more animated visuals to distract the user from their current concentration and attract their attention (Sundar and Kalyanaraman, 2004: 12). Pop-up techniques, uninvited, and interruptive attempts to get in the direct attention of the user. In some cases, they showed to have more interaction with the users, but it shall not be forgotten that most of those clicks are coming from the mistaken clicks by the users while they are trying to close the pop-up ads. Later textual context matching methods started to be used in many digital platforms (Iyer et al., 2005: 465). This technique tried to match the correct keyword describing the content of the banner ad with the corresponding web page where the banner ad will be presented. For example, if the banner is about skiing, the banner ad will be placed on a web page containing the word “Skiing”. These attempts showed that there is an increase when you achieve the correct level of matching on banner ads up to %3.3 lift (Joshi et al. 2011: 56).

Throughout the years after the contextual matching, there was a new technique of behavioral targeting which started to become popular. Data and more computation power put behind this technique where the advertisers can target a user with their banner ads with the user’s past behavior on the web site. Using this kind of technology to target the users started to increase the performance of the click-through-rates (CTRs) up to %20 (Chen et al., 2009: 8).

The context was always an issue for digital advertising. Due to the nature of dynamic web pages and the placement of the ads, the placement of the ads became an issue for the advertisers. Even though banner ads were similar in some respects to print ads,

there are some significant differences according to the vehicle-source effects (Shamdasani, Stanaland and Tan, 2001: 12). These effects are described mostly under two main categories: reputation effects and context effects. Advertisers usually cannot control on which page that their ad will be placed and what would be the context on that page. This is one of the main differences between the traditional advertising process.

After the era of Web 2.0, there has been a time of social media arrived. With the help of the platforms like Facebook, Twitter, Youtube consumers started to become not just passive receivers of the served message through the mediums but they become active partners that communicate, connect, create, produce and share. This way of the internet starts to expedite new ways of consumer connections and communications that are leading to the co-creation of generating the brand message (Ritzer, Jurgenson, 2010: 18). A new Marketing theory started to arise with the rise of the consumer-to-consumer interactions that have created new meaning and value. The new generation of consumers in this new era started to be called the prosumer, a unique and reformist composition of the consumer and the producer (Toffler, 1980: 128).

1.2 Audience Labor and Media Migration

Audience labor has been a discussion in media studies for several decades. The basic definition of the labor of the consumer is defined from the time that they have been spending in front of the medium like television and laboring their attention to the medium to receive the desired content in return (Symthe, 1977: 205). Symthe first introduced this concept to enlighten the political economy of communication. Later in the years a new concept introduced as the audience commodity, defining the attention of the audience captured by the media owners, has been traded to advertisers as a commodity. Like many other commodities on trade, advertisers can buy audiences in bulk as a commodity from media companies, and in the light of this theory audience members start to work for the advertisers to pay attention and learn about their commercial messages. Audience labor has been put into the spotlight in the digital era

where prosumers and the consumers are taking over the audiences (Nixon, 2014: 720). Later many scholars worked on the advancement of the digital labor theory. One of the first definitions that have been done for digital labor was described as free labor, but even though it's considered as free, not so much of the cultural consumption dimension has been taken into account (Terranova, 2000: 45).

The main theory is coming from in the new platforms, the audience is not become captive by the media owners and by passive receivers they are paying their part by processing the messages that are targeted to them, but in digital platforms, mostly on social media, users become producers themselves. This makes them consume and produce at the same time as the term prosumer describes them. In digital ecosystems like Facebook or Twitter where the platforms enable the technology but not create any content for the audience, they actually by creating the technology and platform, make all the audience work for them by paying their attention and also by creating content at the same time (Nixon, 2014: 720). Digital platforms like websites for providing content about news, sports, or lifestyle also can be categorized under creating a digital audience that labors to receive advertisers' commercial messages while consuming the information that they are seeking. While the users are reading an article about something that they are interested in right under that article, as recommended news pieces, there are some other articles related to the article on top. Native ads (content recommendation ads) can be placed right here besides the real editorial contents and use the audience labor to receive the desired message by the advertiser.

Digital media becomes a different medium that media channels and advertisers are getting connected with the audience. As I described before the digital audience can be seen as a commodity but also can be described as a hyperactive audience (Jenkins, 2004: 37). According to Jenkins, we must reconsider our knowledge and understanding of how we consume media. Most of the terms and assumptions are subject to change under a new digital era where we think the old audience is passive and the new ones more active. Also not like the old, isolated individuals we have a more socially

connected audience. Changing how we measure the audience, regulate the content, redesigning the digital economy, and intellectual property. This is highly related to content-related advertising where there are new ways introduced to reach and connect to the new generation of users.

According to some studies focused on the user's activity and how it is evolved in the new era, there is a new concept, media migration has been introduced (Shade, Kornfield and Oliver, 2015: 325). Shade et al. Media migration according to these scholars is defined as, on digital platforms audience members follow a piece of content to other media where they engage with it. Showed that starting from the internet's main proposition of informational learning, they conceptualized that content-based information seeking can lead to a great deal of media migration on digital platforms. Native ads are also a good example of a satisfactory media migration that has been theorized.

1.3 Native Advertising Definition and Progress

Native advertising has become one of the most talked and discussed subjects of the advertising industry in the last 5 years. Yet this incremental progress on native ads there is still limited research and literature on the field. Even though editorial content and advertising had a history going back to the early days of advertising, the digital platform evolution distribution of content-based advertising become convenient and highly effective. Digital advertising is having efficiency problems in the last decade in the industry. Banner ad responsiveness (click-through-rates) by the consumers dropped severely from 2.1% in 1996 to 0.04% in 2012 due to banner blindness (Infolinks, 2013). All these developments in the industry are caused to find new and better ways to engage with consumers online.

Research shows that natively placed ads by location are 200% more effective than traditionally placed banner ads (Infolinks, 2013). Native ads are viewed 53% more than banner ads (Dedicated media, 2013), 32% of users said they would share a native ad

when it's relevant to their friends and family versus 19% on banner ads (ShareThrough, 2013). Due to these developments in the industry advertisers moving rapidly in this new format where the industry advertising expenditure numbers are backing this shift towards native advertising. A digital survey done by Business Insider predicted that %74 of all display advertising will become native advertising in 2021 (Boland, 2016).

There are many definitions of native advertising. One definition calls it, desired marketing communications that appear in-stream (Campbell and Marks, 2015: 240). Another one defines it as, commercial content that appears in the feed of a targeted customer (Kammerer, Kalbfell and Gerjets, 2016: 434). Also referred to as sponsored content, streaming advertising, or an increasingly popular way of disguised online display advertising (Wang, Xiong and Yang, 2019: 86). Wojdyski and Evans (2016: 157) described native advertising as “*any paid advertising that takes the specific form and appearance of editorial content from the publisher itself*”. As a Format wise Native advertising can be considered as the integration of news and advertising and this combination contemplated as a more persuasive combination than advertising alone (Ansolabehere and Iyengar, 1994: 352; Micu and Thorson, 2008: 16). Before the extensive development of digital platforms, promotional content has been used in traditional media. For these formats research showed that consumers having a hard time distinguishing between editorial and sponsored content in print (Cameron and Jupa, 2000: 68; Salmon et al. 1985: 556). One of the early studies on native advertising focused on the advertorial section of a newspaper, despite clear labeling as advertorials, readers did not differentiate between paid sections and editorial content (Brown and Waltzer 2004: 552). Newsweek columnist Jonathan Alter wrote as the era of the big blur about the thinning line between the editorial content and advertising, years before the World Wide Web's presence (Alter, 1989: 74). And it's still a considerable discussion in journalism the thinning line between content and advertising (Macnamara, 2016: 120).

A major denominator for all different types of native advertising is its format of communication. Most of the digital advertising formats seek to gain the consumer's attention by standing out from the surrounding content. They use intrusive and distracting tactics, like animations, pop-up placements, or stand-out visuals, resulting in more negative responses from consumers and avoidance (Campbell and Marks, 2015: 602). This immersive process brings advertisers to use more aggressive tactics to display their banner ads, generating more resistance from the consumers. All these forces consumers to use various ways to avoid these persuasive methods like ad blockers. Usage of ad blockers is on the rise and their penetration reached almost %26 of U.S internet users in 2019 (eMarketer, 2019). 91% of consumers in the U.S. expressed that they were exposed to irritating display ads frequently (An, 2016). On the other hand, native advertising is designed to be consistent and congruent to the consumer's online experience. Visually, placement wise and most likely content-wise it looks and acts as part of the environment that it's placed. While this congruency level makes it indistinguishable from the editorial content, the impact of this confusion on the consumer's side and the related regulations will be shared in the upcoming part of this literature review.

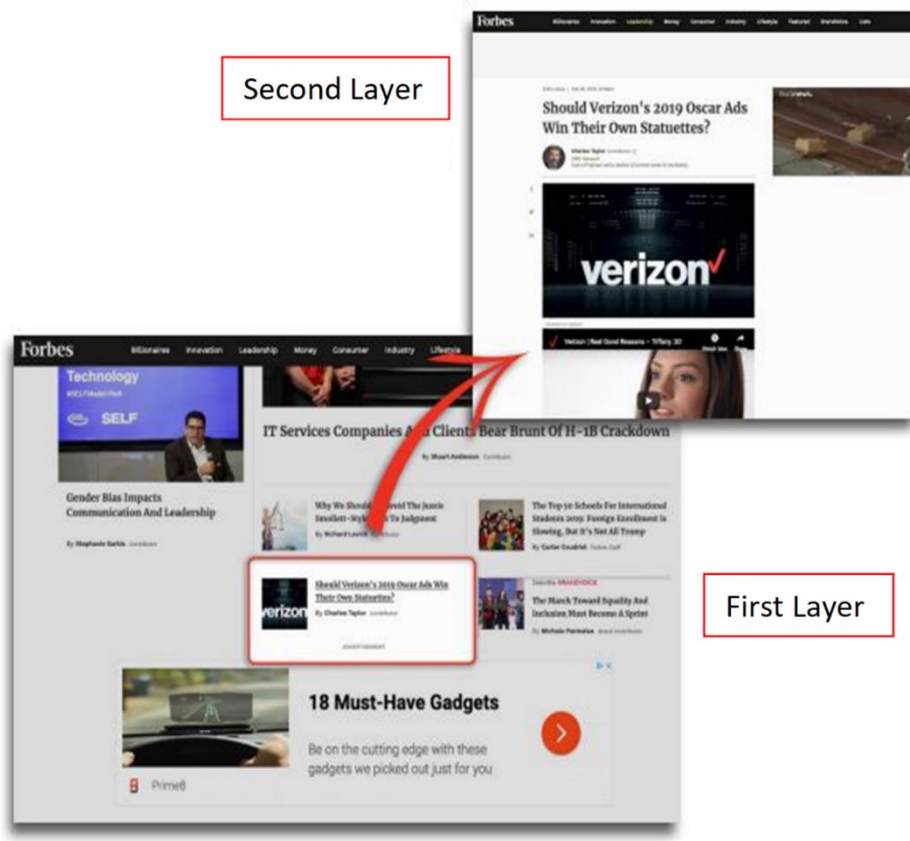
There has been a lot of misconception about native advertising is the same concept as content marketing. IAB identifies that Native advertising is different from content marketing in that it is a paid form of advertising, whereas content marketing is not (IAB, 2013: 5). Before the clear definition of native advertising, there was great confusion in the industry about whether an ad unit is native or not. One of the main concerns that triggered IAB to start this study was to put aside this confusion and start focusing on higher-level discussions such as effectiveness and disclosure (IAB, 2013: 2).

It has been considered the high potential to mislead consumers, regulators of the industry have been watching closely the progression on the field. The U.S Federal Trade Commission (FTC) gathered a workshop from industry experts to discuss policing the potentially deceptive executions of the native ads (FTC, 2013b). FTC did

not come out with any guidelines for the advertising community for ad disclosure but other organizations such as Interactive Advertising Bureau (IAB) published a guideline for advertisers and the American Society of Magazine Editors (ASME) have issued a recommendation list for the publishers.

While defining native advertising besides the type of native advertising two main sections can be identified for investigation. The first section is where the user makes its initial contact with the native ad unit. This placement is on the content pages of the website or digital channel where it's placed contextually relevant to its surrounding format. This ad unit calls for the user's action by clicking and continue to read the rest of the content. This section can be described as the "First Layer" of the native ad unit. After a user clicks to the native ad unit at the first layer, it continues to the destination page whether that is on the same platform or links out to a different digital platform. This section where the user ends up after clicking the ad unit is described as the "Second Layer". In this study, the main concentration will be on the data and scrutinized its effects from the first layer.

Figure 1. 1: Native Ad First Layer/Second Layer



Reference: IAB Playbook 2.0, 2019.

The latest definition for native advertising was completed in the study that is published by IAB Global (IAB, 2019: 6). In this study, IAB introduces four key aspects that are very critical to identify native advertising. These four elements are design, location, ad behavior, and disclosure. Design is pivotal if the ad matches the visual design of the experience it lives within and looks and feels like natural content. Being in the publisher's content feed or outside the feed is two main differentiation points for the native ad's location. A third key element of the native ad is how well the ad's behavior matches the surrounding content. Does it link to an on-site story page or links off-site to another destination page in the second layer? The final element is the disclosure of

the native ad. If the ad disclosure clear and prominent that the publisher undoubtedly informs the consumer that the ad is not part of their editorial content.

CHAPTER 2

NATIVE ADVERTISING TYPES AND EFFECTS

Several types of native advertising formats actively have been used in the industry. Even though the main fundamentals are the same, there are differences in terms of how they have been placed, configured, and designed. In this chapter we would like to go through the definitions defined types and forms of native advertising and the most researched areas on this subject.

2.1 Type of Native Ads

The first official definition of native advertising and its types was published by IAB study “Native Advertising Playbook” (IAB, 2013: 5). IAB in this study defined six different types of native advertising formats (See Appendix H). In-Feed units are placed on the medium’s normal content feed and link into its pages as editorial content, the brand’s placed content. These kinds of ads are also referred to as Click-in ads. The second type defined by IAB is search ads. Most of the social media ad units are considered under In-feed ad units as well. Search ads are placed natively in your search feed, relative to your search, and congruent to the site's overall design such as Google AdWords.

The third type is recommendation widgets (content recommendation ads), wherein content publishing websites, right after the article, there are content recommendations listed under the current article which are related to it. Recommendation widgets as much as real news articles contain native ad placements as well. These look-alikes with the genuine editorial contents by its design and visual formation. These ads mostly link off to another website out of the original website, that’s why these ads are referred to as Click-out ads. Promoted listings are the fourth native ad type listed in the playbook. Promoted listings are found on websites that usually do not have traditional editorial content, so they are designed to fit seamlessly into the users' browsing experience. The

fifth native ad type is In-Ad advertising units which are a standard IAB container that is placed outside of the editorial well, contains contextually relevant content within the ad, links to an offsite page. The final native ad type is a custom ad unit that's defined as if it is not fit into any of the previous five native ad types can be considered under the custom native ad unit.

After this thorough definition by IAB in 2013, by the dynamic progress in the native ad usage, IAB decided to re-visit the playbook in 2019 (IAB, 2019: 4). Playbook 2.0 is released with new and simpler native ad types. The native ad type count is decreased from six to three. In-feed/In-content and content recommendation ads remained the same from the previous playbook (See Appendix D, E) while the other four native ad types (Search ad, Promoted Listings, In-Ad, and Custom Ad) were removed from the list. Branded/Native content, a new type as the third is introduced. Branded/Native content is paid content from a brand that is published in the same format as a full editorial on a publisher's site, generally in conjunction with the publisher's content teams themselves.

2.2 Deception, Secrecy and Disclosure Research in Native Advertising

One of the main concentration areas of the studies on native advertising is the deception and secrecy element concerning the ad disclosure of the advertising method. Controversy about the paid articles is becoming deceptive to readers is not a recent discussion in the industry. After seeing the first examples of native advertising used widely at the beginning of 2010, due to its unique character of mimicking the existing environment, the discussion started to arise around if this is misleading the users and deceiving them. A rapid increase in the use of native advertising due to its superior performance also raised a concern about the success of the native ads are coming from the consumer's lack of awareness that they are facing a paid advertisement (Carlson, 2015: 852).

If the brand logo or visual did not exist in the native ad, there was no other disclosure for consumers to understand that content is not an editorial piece but a paid ad. The discussion led to the regulators take action and in 2013, FTC started a commission to analyze the current situation and after that organized a workshop to share the disclosure principles with the industry (FTC, 2013). They concentrated on two distinctive questions; consumers' recognition and understanding of these ads and how do they differentiate them from regular content. Sponsorship on native advertising needs to be disclosed such as via visual cues or labels that help consumers to identify that piece of content, they are experiencing is a paid content. Any of these visual cues and labels can be categorized under advertising disclosure, needs to be placed where an author is getting paid for its placement. Disclosure guideline for native ads issued by FTC to help the industry to regulate this field (Federal Trade Commission, 2015).

Disclosure principles and regulations were put in place, but this did not stop the arguments around the negative and positive effects of native advertising. There have been some studies that analyzed these effects on different mediums. From the persuasiveness point of view, there were critics about native ads are camouflage the persuasion attempt by the advertiser (Mansfield, 2015: 6). Van Reijmersdal analyzed advertorials' negative and positive effects as it can be considered one of the pioneer forms of native advertising (Van Reijmersdal et al., 2005). Negative and positive effects of native ads originated from their intrusiveness and deceptive elements analyzed for banner ads (Tutaj and Van Reijmersdal, 2012: 9) and online video ads (Kim, 2015: 850).

A study focused on the relationship between disclosure recognition and brand presence in native ads revealed that there is a direct and strong affiliation. High and low brand presence (brand mention or visual) in the native ad unarguably increases the attitudinal persuasion knowledge thus resulting in negative effects on the attitude towards the ad, brand, and the website credibility (Krouwer, Poels and Paulussen, 2017: 124). Similar studies show that when users perceive the native advertisement as clearly labeled and

highly transparent, they consider native advertising more proper and less deceptive (Becker-Olsen 2003: 21; Wei, Fischer and Main, 2008: 36; Carr and Hayes, 2014: 41). A recent study by Grigsby and Mellema (2020: 62) shows us that for native ads on social media disclosure label placement does not create a significant difference in the consumer's recognition of the advertisement.

Even though there has been an effort to come up with some regulation for the native eco-systems, there have been loopholes that need to be addressed. Critics have raised the argument that a major part of the success of native advertising is due to the deception of consumers (Dumenco, 2014: 35; Berry, 2014; Colhoun, 2015). Dean of Berkeley Graduate School of Journalism, Edward Wasserman claims, "*native advertising, in short, is all about deception. You as a reader, are encouraged to perceive the messages as something other than what they are*" (Wasserman, 2013). Verlegh, Fransen, and Kirmani (2015: 4) pointed out that the practices have an inclination towards deception on advertising, give a bad name, and can lead consumers to avoid, distrust, or perceive the ads negatively.

Campbell and Marks (2015: 602) focused on the classification of the secrecy on the native ads and they defined three levels of secrecy for native ads by analyzing the industry examples such as Strong Secrecy where there is almost no ad disclosure by the publication about the editorial content that's been placed by the brand. Moderate secrecy, where the content is still on a third-party editorial publication but there is a disclosure about it has been sponsored by a brand. No secrecy is where brands creating native content for the digital platforms, but the product or brand is part of the content, no disguises or no unbranded content (Campbell and Marks, 2015: 602).

Becker-Olsen (2003: 18) found that users perceive websites with native ads as more responsive to their customers than web sites with traditional banner ads. Another study looked at if the native ads influence the credibility of the websites because of the deception issues. The study showed that the credibility effect of the ad type is minimal or negligible (Howe and Teufel, 2014: 82). Also, in the same study, they examined the

age and generation difference effect on the credibility perceptions. The research identified that the age of the consumers does not influence the credibility perception towards a website depending on if they are exposed to native advertising. While there has been a lot of discussion around the deception factor of native advertising, Tutaj and Van Reijmersdal (2012: 9) found that most of the consumers display lower skepticism toward native advertising as compared to banner advertisements and they consider the content less irritating and more informative and entertaining. And a more positive attitude against the ads causes by their less intrusive nature (Kim, 2015: 850). Research done among readers of news websites in the U.S and UK found out that readers were expressed that they are more accepting against the native advertising when they acknowledge in advance that the piece that they were reading was a paid advertising (Newman, Levy and Nielsen, 2015: 23).

Disclosure position and language effects on the advertising recognition and correspondingly its effects on consumers attitudes towards the ad, brand, and publishers analyzed by the experiments hold by Wojdyski and Evans (2016: 157). The study showed that disclosure of advertising at the top of the article leads to decreased ad recognition. Also, advertising recognition creates a less positive attitude towards the advertiser and the publisher. But one of the significant takeaways from the study is the only %7 of consumers can differentiate the sponsored native ad from an editorial content on the exposed website irrespectively to its disclosure position or language. They also identified the disclosure language effects on the consumer's recognition performance. If the disclosure statement is placed in the middle or bottom with specified advertising or sponsored label is more likely to be recognized by the consumers. Other disclosure characteristics such as proximity, visual prominence, clarity of wording, and logo presence are the most common attributes that increase recognition of native advertising as an ad instead of editorial content (Wojdyski and Evans, 2016: 162). Besides the websites and news sites when we consider native ads on social media, another study shows that consumers found native advertising in social

media context less intrusive and have more positive attitudes toward the ad (Lee, Kim, and Ham, 2016: 1429).

The latest research on native ad disclosure developed a measurement scale called Sponsorship Transparency (ST). ST can be defined as a scale that identifies the degree of a sponsored (paid) communication that makes it noticeable to the consumers, its paid nature, and the identity of the brand that is behind it (Wojdyski and Hoy, 2017: 4). A recent study by Krouwer et al. (2020: 129) discusses how more transparency for native advertisements on news websites, influence the user's evaluations of the credibility of native ads, advertisers, or website. Research puts two different disclosure types (sponsored by a brand, partner content) and finds out that for ad recognition purposes two disclosure types do not differ from each other. The study also reveals that when the transparency about the authorship of the native increases the credit towards the native ad, advertisers, and the news media in general (Krower, Poels and Paulussen, 2020: 57).

2.3 Native Advertising Performance Effects

A second important and growing area of study in the literature about native advertising is ad performance; factors to increase or the parameters affecting the performance of the native ads. Even though it's a new area for native advertising research some specific topics stand out. Performance effects compared to the other forms of digital ads (banner ads) are one of the most researched areas in the literature. Fulgoni and his colleagues looked into find similarities and metrics to measure the effectiveness and performance of native advertising by comparing it to traditional advertorials. They propose deeper metrics of engagement such as social amplification, behavioral effectiveness measurement to identify the real difference that a branded content creates in its context (Fulgoni, Pettit and Lipsman, 2016: 47).

When I look at the online advertising literature there has been an extensive study on the context of display advertising performance. Research mostly focused on the

prediction of how an ad will perform according to various effectiveness measures (Azimi, et al., 2012: 501; Rosales, et al, 2012: 296). The main ad quality and performance indicator on the display advertising context is considered as the Click Thru Rate (CTR), which is the ratio of the number of clicks of consumers against the number of the ad has been shown (Kim, et al, 2014: 196; Sodomka, et al, 2013: 1182). But just focusing on the click action and not considering the consumer experience after the click is not acceptable for native advertising. A positive experience with a native ad and its landing page increases the possibility of converting a consumer. Barbieri, Silvestri, and Lalmas (2016: 34) study try to measure and predict the user engagement on native ads by integrating this information with the advertising quality. Research shows ad quality has a consistent uplift on dwell time, also the increase in CTR, and a considerable decrease in bounce rate.

Native advertising effects on brand attributes, the attitude of the consumer towards the brand, and purchase intent are some of the critical areas that have been researched. Sharethrough conducted research comparing native ads to non-native ads on generated attention, brand affinity, and purchase intent. This study via eye-tracking technology and surveys showed that native ads generated 53% more attention, 9% more brand affinity, and %18 increase in purchase intent, compared to non-native ads (Sharethrough, 2018).

When there are different motivations behind the consumers' content experience the performance effects might vary. Consumers that have information-seeking motivations have more tendency to retain a positive attitude towards the native ads. A study that took place in social media channels revealed persuasion knowledge hurt consumers' attitude towards the native ad, also lowers their intention to share the content on their social media feeds (Lee, Kim and Ham, 2016: 1425). Contrarily non-intrusiveness influence on the ads increases the positive effect on advertising and sharing intentions. Congruence of the native ad to its surrounding medium is a key subject derived from the definition of native advertising. Predictably, congruence can be a decisive measure

that has a significant effect on native advertising performance. As a native advertising unit, it's in its essence to be placed natively into the existing medium. There have been some studies analyzing the response rates, purchase intent, and consumer behavior changes that native ads vs. banner ads. Sharethrough/IPG Media labs study shows that native ads created a %53 increase in attention, %9 increase in brand affinity, and %18 increase in purchase intent when it's compared to non-native ads (IPG Media Lab, 2013; Sharethrough 2018). Not many studies put the focus on the congruency level of the native ads and look deeply into ad performance effects changing under these congruency levels. Jooyoung Kim and his associates (2019) recently done a study mainly focused on this issue and tested hypotheses around these perspectives.

They defined ad nativeness is formed by its perceived content and design congruence with its media context and first evaluated if the advertising nativeness is a formative or a reflective construct (Kim, Choi, and Kim, 2019: 849). Also, their study analyzed the consequences of the ad nativeness, if it is causing a positive or negative effect on attributes such as attitude towards the ad, attitude towards the brand, and purchase intent. The study concluded as ad nativeness is a formative construct based on media design and content congruence with an ad. Also, research clearly shows that ad nativeness by content and design to its placed media increases the response levels of consumers' attitude towards the ad, brand, and the purchase intent. The study revealed that native content and design generate a favorable outcome toward the attitude towards the ad, brand, and purchase intent vs. a non-native content and design (Kim, Choi, and Kim, 2019: 849). The authors also discussed the effects of native ads vs non-native ads under high or low involvement situations. They defined the involvement level with the consumers' motivation to pay attention and comprehend relevant information that is in line with their goal (Celsi and Olson, 1988: 214). Results expose that native ad's content and design vise effect on the attitude towards the ad, brand, and purchase intent under high involvement situations vs low involvement situations, are stronger than non-native ads.

A recent study analyzed the effects of the serial position of native ads on the web page on the performance metrics (Wang, Xiong and Yang, 2019: 82). The authors identified two main metrics such as publisher's metric as click-thru rates (CTR) and advertiser's metric as conversion ratio (CVR). Research showed that lowering serial position for a native ad has negative effects on performance, but these effects are more modest for the publisher's metric (CTR) and more radical for the advertiser's metric (CVR). Ranking in the native ad serial position does not determine by its relevance to the consumer such as it is done in search sponsored ads. Thus, the authors concluded that lowering the serial position and shown down in the list makes the conversion ratio to reduce dramatically. Of course, this creates a serious dilemma for the publishers. While they are trying to get the best results for advertisers by providing the best spots to increase the conversion, too many ads in the first spots might destroy the user experience.

The persuasion Knowledge Model (PKM) has been applied by many scholars for decoding consumers' responses towards native advertising (Wu et al., 2016: 1501; Evans et al., 2017: 131; Jung and Heo, 2019: 6; Youn and Kim, 2019: 655). Past research on Persuasion Knowledge Model (PKM) (Friestad and Wright, 1994: 11) shows that activation of persuasion knowledge leads to negative effects on consumers' responses (Wojdynski and Evans, 2015: 161; Boerman et al. 2017: 85). On the other hand, some other studies show not so negative effects caused by ad recognition, or indeed positive effects caused by clear ad disclosure (Tewksbury et al. 2011: 331; Carr and Hayes, 2014: 41; Boerman and Van Reijmersdal, 2016: 85). One other study including three different ethnic backgrounds including Turkey has been analyzed the persuasion effects of native advertising on adolescents (Zimand-Sheiner et al., 2020: 615). Results showing that adolescents regardless of their ethnic origin are coping better with the persuasion attempts of native advertising, finding it more credible and with a more positive ethical attitude towards native advertising.

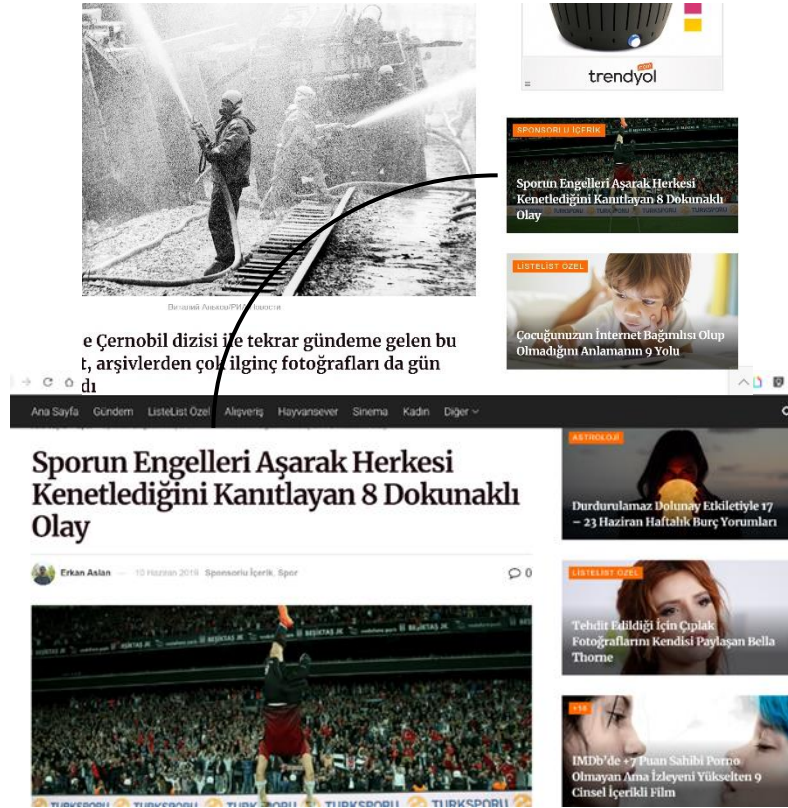
The study took place among young millennials and their exposure to native ads in Facebook uncovers that when conceptual persuasion knowledge is not activated thus the users are not aware of the content, they are experiencing is a paid ad; relevance of the native ad is highly critical for the response of the user (Youn and Kim, 2019: 653). If the relevance of the native ad is low for the user and the user detects the content is paid advertisement after paying attention after first involvement, the reaction becomes even more negative than the immediate activation of persuasion knowledge.

A different study published recently by Hwang and Jeong (2019: 19) tries to explore the brand placement and content quality effect on native advertising effectiveness. An online experiment was designed among internet users to test the hypothesis about brand placement and content quality effects. The study concentrated on the effects of brand placement and content quality effects on source & message perceptions, brand attitudes, and behavioral intentions. Results showed that there is no significant effect of brand placement (by itself) on all of these attributes.

High-quality content of native advertisement might create a more positive persuasive effect on consumers and lower the negative effects of the brand placement in the ad. Also, content quality by itself does not have a significant effect on source credibility, message attitude, and brand attitude. But there is a significant main effect of content quality on behavioral intentions. High content quality compared to low, creates a greater behavioral intention. Experiment results showed that when the content quality is low, we can experience the negative effects towards the message and the source credibility but not when the content quality is high. When the content quality is high, it will enable to minimize or neutralize the negative impacts of brand placement effects on message perceptions. It should be noted that Hwang and Jeong (2019: 19) study has been concentrated on the editorial content on the second layer (Figure 2.1.) where you directed after you click on the link to read more. Ad quality in this context affects the positive post-click experiences, and this leads to an increase in the possibility of users

to click more ads in the future. Thus, results in an uplift in the long-term engagement affection for the consumers (Lalmas, et al, 2015: 1932).

Figure 2. 1: Second Layer on Native Ads



Reference: Listalist.com, retrieved on May 14, 2018

2.4 Native Advertising Factors and Brand Attributes Selected for the Research

After going through the literature that covered various fields on native advertising, it becomes more explicit the areas that have been densely researched and the areas that need to be scrutinized. One of the major dichotomies of native advertising is the offer type of ads, being informational vs promotional. Informational ads are by their nature considered to be more suited for the native advertising definition. There has been a vast

literature on ad appeals and types are more aimed to be informational. One of the outstanding factors in advertising research is ad appeals. Mainly it can be broken down into emotional appeals and informative appeals (MacInnis, Rao and Weiss, 2002: 394). Some of the native ads are designed to appeal to the consumer's emotions by using, humor, inspiration, attractive imagery, and other emotion eliciting techniques. On the other hand, some of the native ads use informational (knowledge) appeal, where the ad is using objective information about the product, describing brand attributes and benefits of the product. Information (knowledge) is more factual, rational, and beneficial.

Scholars, Aaker and Stayman (1992: 241) classified ads as transformational and informational and discussed the personality trait's effects on these two different types of ads. Informational advertising is considered to be used to change the user's belief or attitude towards a brand or a product by providing useful information about them. At the earliest studies on the subject, it's quantified by how many pieces of information took place in a message (Shannon and Weaver, 1949). Later a study by Hunt (1976: 8) discussed that quantity is not enough by itself the quality of the information is very critical for the success of the message and created a new model to measure the informational messages. MacInnis, Rao and Weiss (2002: 394) also created a model to measure the scale of the informational advertisements which is used in this study to code if the native ads are informational or not.

A different standpoint for the classification of native ads can be through the intended audience's structure. The native ad can be directed to specific individuals or groups of individuals. Self-construal refers to the grounds of self-definition. Native ads that target consumers who are independent individuals or interdependent groups of individuals might have an interrelation with their responses towards the ads. The self-construal dimension suggests that independent or interdependent individuals persistently alter the way that they attend to other individuals. Independents, considering their behavior routine, principally care about their thoughts, needs, and goals rather than the other

ones. Of course, this behavior results in paying more attention to self than others. On the contrary, interdependent individual's main motive behind their action is the thought for others (Wu, Moore, and Fitzsimons, 2018: 511). Thus, how the ad text is written aimed toward this construal can have a significant influence on the consumer's response. When a review on advertising persuasion is applied probably one of the most confronted theories would be the Elaboration Likelihood Model (Petty and Cappio, 1981: 313). The model also leads us to one of the most used ways to categorize products by the involvement level of the product category.

ELM identifies two clear routes for the attitude changes of consumers, central persuasion, and peripheral persuasion route (Petty and Cacioppo, 1981: 312). Central persuasion route, consumers attentively elaborate on the product information, cognitively evaluates the marketing messages, and integrate all into the final evaluation of the product. On the other hand, through the peripheral route, consumers favor a product due to its visually appealing presence or the frequency that they are exposed to it rather than more evaluating the arguments behind the product. In marketing studies, Krugman came up with one of the oldest models of product categorization based on the consumers' involvement with a product category (Krugman 1965: 351). According to this model of categorization, products can be divided into high and low involvement based on the consumer's interest in the product category. Consumers will spend time and effort with the products that they are interested in according to the involvement level, and this demands different volumes of marketing communications. Product categorization depending on the involvement level is widely used in marketing research, notably in the context of ELM.

One of the alternative product categorizations, taking its origin from information theory is the search versus experience goods. In this method, the products are categorized by whether a consumer establishes the thoughts about a product before or after the purchase (Nelson, 1974: 130). After a review of the related literature decided not to use this method for the product categorization for a digital-centric study. Micu and Pentina

tried to apply it to their study for the integrated advertising in the online environment and they found out that it's not a useful tool for creating online communications (Micu and Pentina, 2014: 382). The analysis aimed to put a focus on the effects of the products categorized according to their involvement levels (high and low) and search for the reactions of consumers. Some studies have been done for the product involvement effects on the banner ad performances (Shamdasani, Stanaland and Tan, 2001: 11) but there has been no research for the native ads and the product involvement relationship.

On digital advertising, there has been a debate about the effects of seeing the brand by its brand logo or product, visually or in a text to the performance of the ad (Akpınar and Berger, 2017: 321; Hwang and Jeong, 2018: 19). Digital advertising has the option of making the brand presence less visible and even sometimes completely disappear from their advertising material. But on so-called interruptive formats such as TV commercials, where users do not have a choice of following the message and directed to advertiser's platforms, they need to consume the commercially addressed message right on the medium, thus, brand presence is inevitable. It seems that brand presence on a native advertisement, which is an editorial area, has a serious influence on the reactions of the consumers and that's one of the aspects that we should be analyzed in our study. Advertisers may choose to place their brands in the first layer or the second layer of the native ad. Also, they can execute the brand placement either explicitly or implicitly (Hwang and Jeong, 2018: 19). Explicit placement refers to an integration of the brand that directly mentions the brand name in the ad text, ad visual, or editorial content. Implicit placement is a brand integration where there is no brand name referring in the ad text, visual, or in the editorial content yet addresses how a particular product or service category is related.

A common belief in content-related advertising activities, brand presence lowers the consumer's positive response towards the advertisement (Stephen, Sciandra, and Inman, 2015: 29). Past research revealed that the activation of persuasion knowledge causes negative responses (Campbell and Kirmani, 2000: 72; Cowley and Barron,

2008: 90; Nelson, Wood, and Paek, 2009: 225; Wei, Ficher, and Main, 2008: 36). Thus, advertisers are eager to make the brand a more integral and native part of the advertising material. Some other recent research shows that in viral advertisements, brand presence does not have a negative impact on the consumers' views and response rates (Akpinar and Berger, 2017: 322). One other recent study showed that brand presence on native ads in social media increases the responses of the consumers (Grigsby and Mellema, 2020: 66). While looking into the effects of the brand placement one other consideration might be, in some cases positive effects can be generated because of the brand placement. If the category and the content of the native ad are relevant to the consumer, the involvement level with the advertising will increase for the consumer. In such instances having the brand placement in the advertisement might not negatively affect the desired response from the consumer, on the contrary, it might ease the inferring process for the consumer thus, increase the reactions of the consumer. Because it's very dependent on the content, I thought that language use has a direct effect on the consumer's response to native ads. Native ads are distinctive from traditional display banner ads by the content layer they carry in their composition. The structural formation of the content element in the native ads especially pivotal for the first layer ad text. The length of the first layer ads is generally limited by the publisher and the native ad platforms. Thus, the phrasing of the ad text becomes highly important to be able to get the desired response from the targeted audience. There have been several studies to understand the language effects on consumer behavior (Moore and McFerran, 2017: 232; Ruth, Shrum and Lowrey, 2018: 1262; Packard and Berger, 2020: 3).

One of the language uses dimensions that it has been considered to look deeper was the assertiveness of the used language. Assertive language directs consumers to enact specific behaviors. On the other hand, non-assertive (suggestive) language does not command the user in an imperative manner (Moore and McFerran, 2017: 233). There is also a prediction that assertive language has a more positive effect on the high

involvement products where non-assertive language might have a better response for low involvement products (Kronrod, Grinstein and Wathieu, 2012: 39). The second dimension was considered to have an impact on the user's attitude towards the ad is being explicit or implicit. Explicit language is assumed to have a more persuasive effect on the consumers while implicit language is delivering the message by implying the core directive (Packard and Berger, 2020: 3).

One other factor that has been considered to have an impact on the performance of native advertising is the temporal distance. The temporal distance can be described as simply the psychological distance of how much time separates the perceiver's present time from the target event (Bar-Anan, Liberman, and Algom, 2007: 615). Some of the native ad's message about the product or service is present-oriented while some others are future-oriented. These different construals result in changes in how people respond to future events (Trope and Liberman 2003: 489). The research focused on the user's temporal orientation shows that they have different responses towards the advertising they have been exposed to (Martin, Gnoth, and Strong, 2013: 8). The study analyzed the relationship between the temporal distance and the weighing of the attributes of the products that are advertised. Temporal construal theory posits that advertisements that represent more distant-future events, primary features of the product's communication become more influential on the judgments of the consumers. For near-future events, the weight assigned to the secondary attributes becomes more influential. Even though that research has been done not for digital mediums it reveals that there is a correlation between the temporal orientation of the ad and the responses of the consumers, and this brings me to explore more in this subject to identify the effects of temporal distance on the native ads. The temporal distance of each ad coded rather they are present or future-oriented (Pennington and Roese, 2003: 565). Time to the realization of the product/service provokes a divergent relationship between the native ad's composition. Advertising literature discussed the idea that a consumer's attitude towards the advertising message, has a direct correlation with the consumer's behavior (Shimp,

1981: 12; Mitchell and Olson, 1981: 320). There have been a lot of subset dimensions mentioned to constitute the attitude towards the ad. But it is more essential to learn what forms the attitudes toward an advertisement, is to identify the consequences of this attitude change (Muehling, McCann, 1993: 32). There are also many studies discussing the relationship between the attitude towards the ad and the attitude towards the brand (MacKenzie, Lutz, & Belch 1986: 134, Hastak and Olson, 1989: 449). These attitude changes also affect the purchase intentions (Lutz, McKenzie, & Belch, 1983: 534) and the overall attribute scores. Attitudes towards the brand generates also cognitive consequences such as recall and recognition for the brand (Zinkhan, Locander, and Leigh, 1986:40).

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Purpose and Importance of The Research

Native Advertising grows into the final pursuit to counter online advertising avoidance and increases engagement. There has been some confusion between content marketing and native advertising in terms of definition whereas native advertising is a sub-form of content marketing. In some sources categorization of this new format is classified under Contextual Advertising or In-Stream Advertising (Chun et al., 2014: 354; Lalmas et al; 2015: 1931). The term is also used to comprise a wide variety of advertising formats – including one-off videos, series of articles, blocks of hyperlinks, or social media posts – as long as the advertisement was created in a way that mirrors the appearance of, and (often) uses the same publishing platform as, the non-commercial content published on the same Web site. From a higher perspective native advertising can be defined and described as a new online advertising form to focus on minimizing disruption to a consumer’s online experience by appearing in native locations(in-stream) rather than traditional banner locations (Marks and Campbell, 2015: 602). Native advertising is a term to describe any paid advertising that takes the specific form and appearance of the editorial content of the publisher itself.

Native advertising has been opening a newline to online content publishers that have been struggling to raise digital advertising dollars. Between 2013 and 2015, native advertising has been a major area for advertisers, content publishers, and agencies that specialize in creating native advertising content. Native advertising revenue has continued to grow each year, current state shows that the spending was around \$8 billion in 2015 and it will raise to \$21 billion in 2018 (Rosin, 2015). Web content site Buzzfeed alone was expected to have made \$120 million in native advertising in 2014 (Agius, 2015). One of the main reasons that Native advertising on the raise is digital

advertising is having efficiency problems in the last decade in the advertising industry. Recent studies show that banner ad viewability dropped down to %46 percent in 2015 (Comscore, 2015). Almost %50 of ad clicks in Mobile Mediums are accidental (Pagefair, 2015). Banner ad responsiveness (Click through rates) by the consumers dropped severely from 2.1% in 1996 to 0.04% in 2012 due to banner blindness (Infolinks, 2013). All these developments in the industry are caused to find new and better ways to engage with consumers online.

Research shows that natively placed ads by location are 200% more effective than traditionally placed banner ads (Infolinks, 2013). Native ads are viewed 53% more than banner ads (Dedicated media, 2013), 32% of users said they would share a native ad when it's relevant to their friends and family versus 19% on banner ads (ShareThrough, 2013). Due to these developments in the industry advertisers moving rapidly in this new format where the industry advertising expenditure numbers are backing this shift towards native advertising.

Literature review shows that almost all the studies done in this field about native advertising have been done with experiments and with a real-life large set of data. Using two yearlong field data helps to construct a profound hypothesis and search for diverse effects of various dimensions that have not been analyzed before. A substantial contribution of the study will be analyzing and identifying the real drivers behind this new platform of the digital advertising space.

The aim of the study to reveal the main effects on native advertising such as the offer type (informational or promotional), level of product involvement (high or low), brand presence (Ad Text, Ad Visual), language use (assertive/suggestive, explicit/implicit) and temporal focus. Also, native advertising affects consumers' attitudes towards the brand and brand recall. Two main characteristics of native advertising: integration with the publisher's platform and delivering original & unique content that is relevant to the publication's audience, conclude with a prediction that when native advertising is

applied with high quality the results for the brand attributes should be higher compared to other digital ad formats.

Online advertising scenery is vastly changing due to many factors and native advertising is one of the main actors for defining how this change will affect the industry. It will make us examine how we specify advertising content, and how we consider the distinction between editorial and commercial content. Also, the way we interpret persuasion knowledge (Friestad and Wright, 1994: 14) is about to change as well. Additional research needs to be done to be able to comprehend the effects of native advertising. As it's been underlined in our literature review, the studies in this area are mostly focused on two major areas; the first one is the deception element of native advertising and the parameters that are affecting this deceptive perception and its caused effects on the ads. The second one is the ad performance studies that are looked at what parameters are affecting the click-through-rate (CTR) or decreasing bounce rate. Also, studies analyzing the post-click experience and its effect on the interactions after the conversion of the clicks with the consumers. These performance studies are also following the same path and approach as the display advertising performance studies. Native advertising by its form is not an alternative to display advertising, it's a new form of advertising where consumer-relevant content integrates with the brand messages and connects with the consumer. Thus, the performance factors and the brand lift effects of this new form should be handled with a new and fresh mindset.

While the industry is talking about native advertising and content marketing is one of the critical milestones of advertising history; digital is moving to mobile and mobile platforms are only driving native advertising for reaching their consumers. In the middle of such an important paradigm shift, we should look deeply into what are the short-term and long-term effects of this advertising technique on brand attributes not only from the media performance angle but from the persuasion and consumer behavior point of view. Lack of literature on the field about what are the main reasons behind a

successful native advertising campaign, when it's been done right what is the impact on the brand and its persuasion intent; makes the advertisers follow closely all the action around it but keep them hesitant to make major investments on the native advertising. Understanding when and how to use the advertising method for the goals to achieve on the brand side; makes a great contribution to the industry.

Successful native advertising campaigns need to have high-quality content that attracts and engages with its targeted consumers. When in the context of an article on a publisher's web site, providing relevant and beneficial information via native ads, will have a higher response than traditional ads. Consumers perceive a more informative ad, they have a strong tendency to avoid an ad (Woltman Elpers, Wedel and Pieters, 2003: 442). In the light of all this information, it will not be hard to say if I can show the native advertising effects on brand-related outcomes, such as attitude toward the brand, brand recall, and the parameters affecting this ad performance for native advertising will have a significant contribution to the industry.

Our research is aiming to find out the real effects of the performance factors such as the offer type (informational or promotional), product involvement level (high or low), brand presence (ad text, ad visual), language use (assertive/suggestive, explicit/implicit), temporal distance (present or future) and also try to determine the factors affecting the brand attributes like the brand recall and the users' attitude towards the brand. I worked to determine the stand-alone effects of some of these dimensions and some others with their interactions with each other. One of the vital elements of this study is that most of these dimensions and their effects on creating a better performing native advertising have not been studied before by any scholar.

3.2 Research Design

Research has been designed two-fold in terms of its execution. The first research was conducted on the field data collected from EngageYa. All the data, after it's been coded by the independent coders, analyzed empirically to find the regressions and relations between the dimension and how are they affecting the user's click-through-rates (CTRs). The second research was a designed experiment to see the brand attribute effects by showing the users eight specifically designed native ads. The experiment was held and conducted on the Qualtrics Platform at Sabancı University. The experiment aimed to present how the users are reacting to these native ads and how are these ads affecting their reaction towards the ad and the brand. The model of the study can be found in Figure 3.4.

3.2.1 Study 1: Study with Field Data

3.2.1.1 Native Advertising Unit Selection for the Study

Even though there have been many definitions for native advertising, the first categorization for the actual ad units is done by the Interactive Advertising Bureau, Native Advertising Playbook (IAB, 2013: 5). IAB defines 6 native ad units, in-feed units, paid search units, recommendation widgets, promoted listings, in-ad native element units, and custom units (See Appendix H). Interactive Advertising Bureau revisited their classification in 2019 and they simplified the categorization to the core three. In-feed/In-content native ads, Content Recommendation Ads, Branded/Native Content (IAB, 2019: 6). In-feed/In-content ads and Content Recommendation ads are the two-ad types that remained the same from the previous categorization. From the media buying perspective, this categorization is correct, but this classification focuses largely on the formats and the distribution scheme for the advertising material. When we put the advertising content in the center of our classification we will come out with a different order. Wojdyski (2016: 159) classified native ad content according to the nature of content or the format in which the consumer experiences the advertising. This

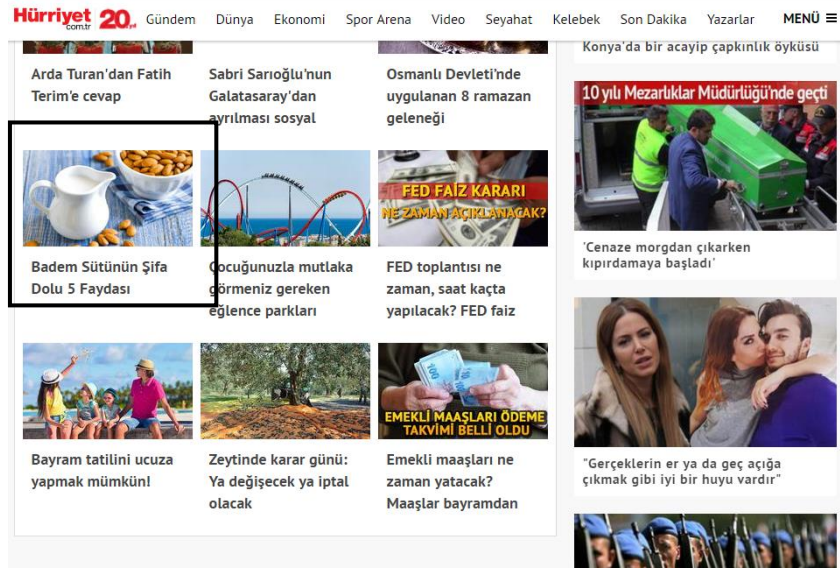
media-agnostic approach resulted in 3 categories: native content (Figure 3.1), native hyperlinks (Figure 3.2), and native social media posts. Native content is the content, resides in the publisher's platform and with an ad disclosure such as "sponsored content" or "advertising" shared with the consumer. Native content is also classified as a "Click-in" model where the clicks are forwarded to an internal page under the same publisher.

Figure 3. 1 Native Content Ad



Reference: Listalist.com, retrieved on May, 14, 2018

Figure 3. 2 Native Ads Hyperlinks



Reference: Hurriyet.com.tr, retrieved on May 25, 2018

Native hyperlinks are the native content links recommended to consumers according to their visiting page or their behavior throughout the publisher's platform and the links will lead the consumer to the advertiser's landing page. Native Hyperlinks are also named as Click-Out model where the users are directed to a different page outside the ads residing site. Native social media posts are the social media content that is created by the advertiser and promoted in the corresponding social media platform. Native content is the same as what Wojdynski categorized, Core content is considered as the content generated by the advertiser which can be distributed as a hyperlink on publisher platforms also social media posts created and placed on social media platforms. Influencer content is the content generated and distributed by the influencers for the brand.

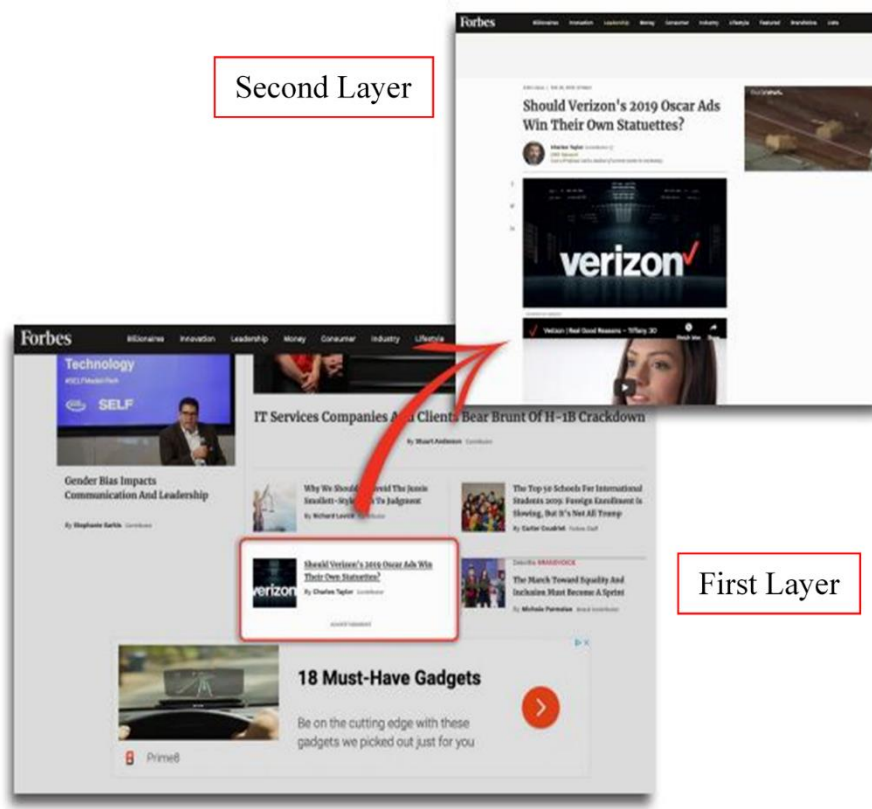
In this study, it has been decided to concentrate one of the most used types of native advertising according to IAB; content recommendation ads (See Appendix E). Because of the data selection and the formation of the study, In-feed/In-Content ads and branded native ads are excluded in this study (IAB, 2019: 6).

3.2.1.2 Method and Article Coding for Field Study

To be able to break down the research and to understand the effects of native advertising on brand-related outcomes, the study will be concentrated on a specific type of native advertising; according to IAB definition it's content recommendation ads, Wojdyński (2016: 160) categorizes them as native hyperlinks. For the selected type of native advertising, the study will analyze different advertising appeals that will have different brand-related outcomes and ad performance measures (Akpınar, Berger, 2017: 321). As we examined further, regardless of their ad type (Click-in or Click-out), there are 2 layers of Native Ads where at the first layer initial consumer interaction happens and at the second layer main content of the ad is revealed. Users click on a native ad (first layer) and follow the link to either inside the same site or an outside platform to reach the main content (second layer). Relevance between these two layers is very critical for the user's satisfaction for the whole native ad journey.

One of the biggest global and Turkey's leading native content platforms, EngageYa with its more than 5000 publishers and 40 Billion monthly impressions will be partnering to provide field data for the part of the study. The study will take all the field data of native ads placed on different sites by the EngageYa platform in 2018 and 2019 years period (7725 Native Ads) and analyze the consumers' response to click and move from the first layer to the second layer (click-through-rates CTR) (Figure 3.3).

Figure 3. 3 Click from First Layer to Second Layer



Reference: Native Advertising Playbook 2.0, IAB, 2019

6 independent coders were selected from the Sabancı University's and Bilgi University's academic staff to article coding of all the dimensions established. Automatic coding software option was exercised but there was no available option for the Turkish language. Coders were not told of any of the hypotheses that will be tested in the study. They did not have any access to the full data as well. They have given adequate information (Ad visual, Ad Text) to complete the dimensions they have been told to code.

Main dimensions (offer type, product involvement, brand presence, language use, temporal distance) were coded by these 6 independent coders and they rated each native

ad according to a detailed coding instruction that they have given to them (See Appendix A).

Dimensions that have been coded for the study starts with the first factor that we have considered to have an impact on the behavior and the response of the consumer, which is the offer type (informational or promotional) of the native ad (MacInnis, Rao and Weiss, 2002: 402). Some native ads have more commercial intention and directly carry out the promotional offer. Some other native ads, more suited to the real nature of being native to the existent environment. These ads carry out more information and content for the consumers about their interests, areas of need, and searched topics or more product related, information about the product, describing brand attributes and benefits of the product. Information is more factual, rational, and beneficial. These ads can be categorized as native ads with an informational (knowledge) offer. Both of the offer types coded independently and coded on a 5-point Likert scale; for the promotional offer (1 = no promotional offer; 5 = considerable promotional offer), for the informational offer (1 = no informational offer; 5 = considerable informational offer).

Products in the native ads may vary according to the consumers' involvement levels. The second dimension that has been coded was the product involvement level in each advertisement that is in our data. Some of the products related to their technical specs, price, risks involved with the choice, or considerable differences between the alternatives, require higher involvement from the consumers (Petty and Cacioppo, 1981: 403). And products which have a low price, non-differentiable by the specs, almost the same features as the alternatives can be categorized as low-involvement products. In an advertising format such as native ads where the content related to the product is vastly critical, product involvement levels should be taken into consideration (Shamdasani, Stanaland and Tan, 2001: 10). Product Involvement levels coded in a 5-point scale (1 = Low Involvement; 5 = High Involvement).

The study will also analyze the language use such as assertive vs non-assertive (suggestive) (Kronrod, Grinstein and Wathieu, 2012: 39), explicit or implicit language

use (Packard and Berger, 2020: 3), native ad's message more towards prevention vs promotion or having a surprise element.

Assertive language gives directions to consumers in an imperative manner. While the non-assertive language is more on the suggestive side. Explicit language is clearly and fully expressing the real motive nothing is implied such as in an implicit use of language. Coders by the given instructions rate each native ad on a five-point Likert scale by analyzing their ad text (1= Non-Assertive, 5 = Assertive; 1 = Implicit, 5 = Explicit). The third ad characteristic that will be analyzed is the prevention vs promotion focus. Language in some of the ads is about avoiding loss or prevention of risk while some others focused on benefits. Coders instructed to code this dimension on a 2 two-point scale (1 = Prevention, 2 = Promotion). Finally, the surprise element as an ad characteristic will be analyzed. A five-point Likert scale was chosen to be able to rate the surprise element of each native ad (1= not at all surprising, 5= extremely surprising)

One of the critical elements for triggering the persuasion knowledge for the consumer during the native advertising exposure is the element of brand presence. For content recommendation ads, brand presence can be found in the ad text, in the ad visual, or both. Either on the visual as placing the product or placing the logo of the advertiser or placing the brand in the ad text might affect the click-through ad performance or the attitude towards the native ad. Raters will code the native ads by looking if the brand is on the visual by logo or product, on the text, or both and rate it according to if they see a brand presence in the ad text or the ad visual. Coders were instructed to code this dimension on a 2-point scale (Yes = Brand Presence, No = No Brand Presence).

Contextual characteristics defined for the native ads were temporal distance and self-construal. Both dimensions were coded on a two-point Likert scale. Temporal distance focuses and tries to reveal if the offer of the product or the service in the native ad has realized immediately or in the future. Thus, coding investigates two options as (1 = Present oriented, 2 = Future-oriented). Self-Construal refers to the grounds of self-

definition, and the extent to which the self-defined independently of others or independently with others. Some of the statements, in the native ads, focus on independent individuals, while others are more focused on a group of individuals. Self-construal coded as (1= Interdependent, 2 = Independent).

Two more dimensions, practical utility and evoked interest were also coded for the study. Native ad texts may vary according to how much practical knowledge that they carry. Some of the ad text might contain information that consumers can use in their daily lives, can change their behaviors. Coders were instructed to code practical utility on a 5-point Likert scale as (1 = No practical utility, 5 = Considerable practical utility). Native ad text may vary with how much interest that they evoke from the consumers. Some of the ad text makes you curious about reading more while some others do not. To be able to identify the effects of this dimension coders were asked to code the evoked interest on a 5-point Likert scale (1 = Evoke no interest, 5 = Evokes a lot of interest).

3.2.2 Study 2: Native Ad Type Manipulative Laboratory Experiment

On the final step of the study, an experiment for native hyperlinks will be designed to test the brand-related outcomes; inferences about persuasive attempts, purchase intent, and brand knowledge. Field data shows me the reactions of consumers to ads that have a brand presence in their text or its visual. Analysis of the data shows inconsistent results for the brand presence on the native ad text and native ad visual. To be able to identify these effects there was a need for deeper analysis of the brand presence for native ads whether they are promotional or informational.

Data has been collected from, 31 to 35 participants for each of the eight conditions that we have created, in a total of 274 participants (Age M = 21,48, SD =2,13, 31,8% Male, 68,2% Female) from Sabancı University. The survey was designed on Qualtrics Platform.

3.2.2.1 Stimulus Material for the Laboratory Experiment

All participants have given the same priming that “*Imagine you are interested in buying a family car and looking for a suitable for the winter conditions*”. Then, they have been told that they have come across the native advertisement that they are showed while they were reading an online news website (See Appendix G). To be able to test the native ad properly, a realistic web page was designed for the participants where the native ads were implemented. The native ad that needs to be tested, highlighted on the page and the rest of the page made blurred for reducing the distraction for the participants. The high involvement category product decided to be used for the experiment. All coded data analyzed for the involvement levels of the products and found out that automotive is one of the highest involved categories among all the products. Thus, the automotive category was selected to be used in the experiment. Two main native ads designed that has informational offer and promotional offer. For the informational offer I selected to use the native ad text as “*Five tips to select the right car for winter conditions.*” and for the promotional offer native ad text was “*Enjoy the best deals in the right car for the winter conditions.*”. Not to create controversy for the results I decided to keep the ad visual the same for both informational and promotional ads. To be able to test the effects of brand presence in the native ad text and native ad visual, under each category there are four alternatives created according to their brand presence; no brand presence on text or visual, brand presence on text, brand presence on visual and brand presence on both. This resulted in eight conditions to be tested by the participants. (See Appendix F). Brand implementation is done by adding the maker and the model of the automotive brand into the ad text such as “*Five tips to select Volvo S90 for winter conditions.*” for informational and “*Enjoy the best deals in Volvo S90 for the winter conditions.*” for promotional ads. Brand implementation to the visuals done by adding the car manufacturer’s logo to the top right corner of the corresponding native ad.

3.2.2.2 Survey for the Laboratory Experiment

A survey in the experiment was primarily designed to understand the user's behavioral acts after they have been exposed to our eight different conditioned native ads. First, it has been asked to the participants about their interest to follow thru the ad by clicking it. This is designed to gather information about the main desire generated on the user side. Given the circumstances, if the user would like to interact with the native ad or not. The participants in the survey answered this by choosing from a 7-point Likert scale.

Next, users are asked to answer if the native ad that they are experiencing is whether an informational or a promotional native ad. If the native that they were exposed to gives them a promotional (commercial) promise or more informational (knowledge) promise, they have been asked to select from a 7-point Likert scale. Then they have been asked which components of the ad are generating the bigger motivation to click on the native ad. Motivational elements such as the product itself, overall look, and feel, the promotion itself, made them feel. Each participant was asked to answer every motivational element on a 7-point Likert scale. Later users answered that if they recall the brand of the car manufacturer in the ad. They have been presented by four car brands which one of which was the advertised brand and asked to select the brand that they remember to be in the native ad. Finally, we asked to check the tendency of their attitude towards the brand, if their impression about the brand has changed after they have seen the native ad (7-point Likert scale). The list of the questions in the survey and answering scale for the users are listed in Table 3.1.

Table 3. 1 Survey Design for Laboratory Experiment

<p>How likely are you to click on this ad?</p>							
Extremely unlikely	Moderately unlikely	Slightly unlikely	Neither likely nor unlikely	Slightly likely	Moderately likely	Extremely likely	
0	0	0	0	0	0	0	
<p>Please indicate to what extent you agree with the following statements about this ad?</p>							
	Strongly disagree	Moderately disagree	Slightly disagree	Neither disagree not agree	Slightly agree	Moderately agree	Strongly agree
The ad provides a commercial promise (e.g., discount rate, sales campaign) of the advertiser.	0	0	0	0	0	0	0
The ad provides an informational promise (e.g., useful information about the product category, relates to interests of the consumer) of the advertiser.	0	0	0	0	0	0	0
<p>Please indicate to what extent, the following components would motivate you to click on the ad more?</p>							
	Not at all (1)	2	3	4	5	6	To a high extent (7)
The Product	0	0	0	0	0	0	0
The overall look and feel	0	0	0	0	0	0	0
The promotion/offer	0	0	0	0	0	0	0
The way it made me feel	0	0	0	0	0	0	0
<p>What specific brand was featured in the content you just saw?</p>							
0	BMW						
0	Volvo						
0	Audi						
0	None of these						
<p>After seeing this content, would you say that your impression of Volvo has...</p>							
Worsened a lot	Worsened a little	Not changed	Improved a little	Improved a lot			
0	0	0	0	0			
<p>Demographics</p>							
<p>Indicate your age</p>							
<input style="width: 100px; height: 15px;" type="text"/>							
<p>Please indicate your gender</p>							
<input type="radio"/> Male <input type="radio"/> Female							

3.2.2 Model of the Research

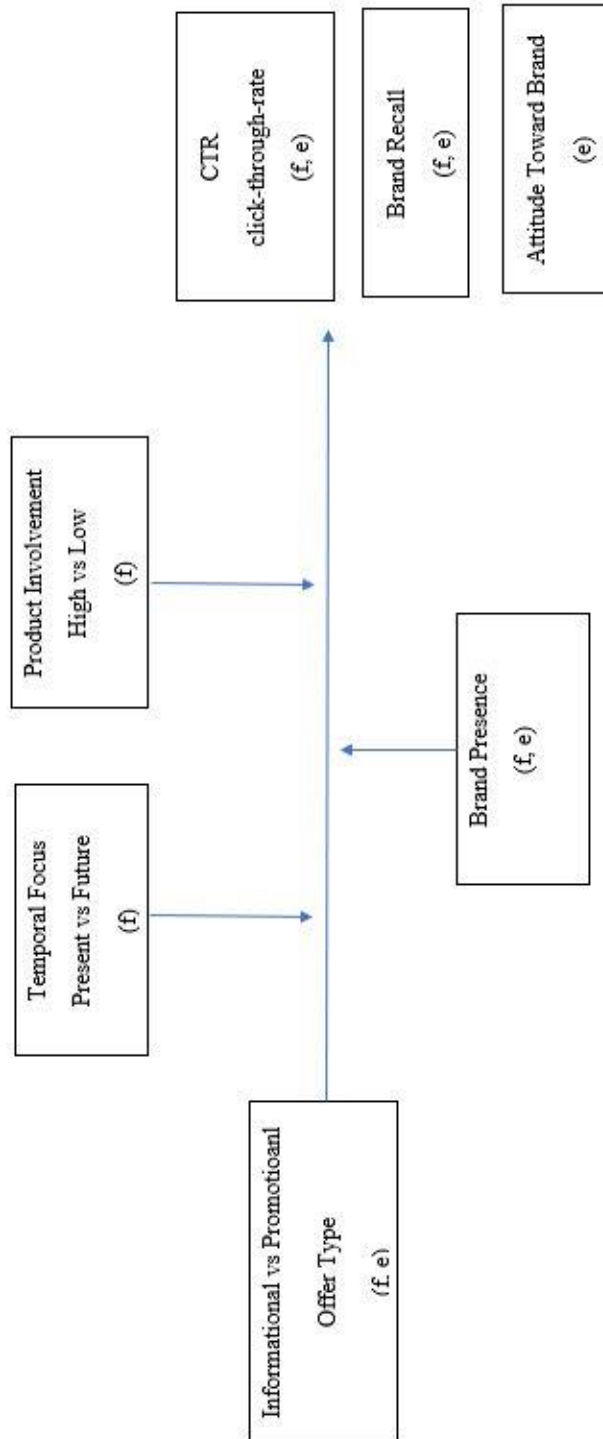


Figure 3. 4 Model of the Study (The model of effects on native advertising performance factors. *f = Field Study, e = lab experiment)

3.3 The Hypothesis of the Research

3.3.1 Hypothesis for Study 1: Study with Field Data

3.3.1.1 Hypothesis Set 1

The native content study will take a selected number of native content ads placed on different sites by the EngageYa platform in the last 2 years period and analyze their total number of reads/impressions and consumer interactions. In Native ads because of the nature of the format more correct approach to classifying the ads by their offer type. The main two offer types that can be identified easily would be informational (knowledge) offers and promotional offers. All the native ads in our data set coded in a 5-point Likert scale if they are informational (1=No informational offer, 5=Considerable promotional offer) and promotional (1=No promotional offer, 5=Considerable promotional offer).

When the data collected from the Engageya platform after a thorough analysis of the campaigns that have been placed in 2018-2019 a clear classification of the Native Ads appeared. A large set of campaigns have more informational in terms of the advertising message by the advertiser. These ads carry more of the advertiser's promotional persuasion message to the exposed consumer. Therefore, these types of native ads are classified as Promotional Offer. The second group of ads is more relevant to the definition of native advertising. They are more native to the medium that they are placed, in terms of the content offer and their visual appearance. They carry out content that its initial offer is providing knowledge about an interesting subject by the consumer. These ads are classified as the informational (knowledge) offer.

After the coding of the selected ads according to the work of MacInnis, Rao, and Weiss (2002: 402), an analysis will be run for the interaction rates of each ad and how they performed according to their offer type. Due to the nature of the native ads informational (knowledge) offer is expected to be in the data set but %11 of the native ads had information (knowledge) offer. Even though the lack of informational offer

type, I thought it's very valuable to look deeper into the effects of the informational offer type native ads compared to the promotional ads. Native ads by definition have more space towards containing information about the subject that they are advertising. This is one of the major distinguishing characteristics of native ads that differs from traditional digital display advertisements. Thus, disclose the main effect of the offer type on the user's reaction to the native ad is of paramount importance.

Hypothesis 1: According to the offer type of ads, at the first layer of a native ad, if the native ad becomes more information (knowledge) offer than promotion offer, interaction performance of the ad will get higher.

3.3.1.2 Hypothesis Set 2

Native advertising targeting a specific audience group can be another differentiation area as a performance factor. Self-Construal defines that if the native advertising is aimed towards independent more self-absorbed individuals or interdependent individuals. One of the main objectives of this hypothesis is to identify when the ads are classified according to this specific dimension does the performance of the native ads have a significant difference or not.

Hypothesis 2: Native ads that target independent individuals get a higher response (CTR) than the ones that target the interdependent individuals.

3.3.1.3 Hypothesis Set 3:

To analyze the effects of the advertising message, one of the most used alternative methods is to test the messages according to the product categories that are targeted. The amount of time, energy, and the emphasis by the consumer define the involvement

level of the product (Krugman 1965). Some categories because of the decision-making process, price, or the complexity of the process can be considered as the high involvement products, while some others are considered to have an easier mental process to make a buying decision, can be defined as low involvement products. This categorization of the products also affects how we compose our advertising messages towards the receivers of this communication.

There is a clear correlation between the advertised product and the offer type that's selected for crossing the commercial message for the product. Therefore, native ad offer type such as information (knowledge) or promotional offer creates a reflection on the effects of the product involvement levels. According to the offer type of the native ad, involvement level might have a substantial role or not. Because of the significant content association in native advertising, there can be a clear assumption made that the products have a greater need to be understood by the consumers might need the help of native ads even more than the other products. Our set of hypotheses are created to test our predictions for the effects of the product involvement levels on native advertising. Also, to test our predictions on the interaction of offer type and product involvement.

Hypothesis 3a: When product involvement increases in a native ad, this creates a positive effect on the Click-through-rate (CTR) of the user.

Hypothesis 3b: For products with a high informational offer, higher product involvement levels increase the click-through rates (CTRs).

Hypothesis 3c: For low involvement products, we predict a promotional offer will create more click-through-rate (CTR) from the consumers.

3.3.1.4 Hypothesis Set 4

Other than traditional advertising, on digital platforms, there has been a long history of using more content related messages rather than promotional messages. Thus, advertising material consists less of brand presence rather having the consumer's awaited content. But this creates an argument about the effects of having a brand present in digital advertising creates a negative effect on the user's behavior.

By definition, native ads are designed to be integral to the environment that they are placed in. This definition naturally creates a focus on the brand presence effects and generates a hypothesis around the brand presence effects on the consumer's response toward the message that they are exposed to. Brand presence can be in the native ad text or ad visual. Both of these cases are coded in the data and it's fairly a homogenous distribution of ads with brand presence and no brand presence. In all the campaigns that accounted for two years, %54,8 of the ads has a brand presence in the Add Text, and %45,5 of the ads have a brand presence in the Ad Visual. The predictions about how the brand presence is affecting the ad performance will be put to test in the upcoming hypothesis. I also would like to analyze the interaction between the offer type and brand presence.

Hypothesis 4a: When brand presence is visible in the ad visual by the appearance of a brand logo, product, or both, the response of consumers will tend to get lower.

Hypothesis 4b: When brand presence is visible in the ad text by brand name, product name, or both are written, the response of consumers will tend to get lower.

Hypothesis 4c: For native ads with an informational offer, brand presence in ad text will lower the consumer's response in terms of click-through-rate (CTR).

Hypothesis 4d: For native ads with an informational offer, no branding in ad text will increase the consumer's response in terms of click-through-rate (CTR).

Hypothesis 4e: For native ads with an informational offer, no branding in ad visuals will increase the consumer's response in terms of click-through-rate (CTR).

3.3.1.5 Hypothesis Set 5

Native advertising success has a very close association with the content that has been used on the ads. This dimension includes the contextual congruity, content quality but also the use of the language. Specifically, to identify the effects of the language used on native ad text, two dimensions are selected to be coded in our field data. Assertiveness and explicitness of the language that has been used. I tried to identify if being assertive vs suggestive or explicit vs implicit language creates a significant effect on the performance of a native advertisement.

I have put these predictions to test through the hypotheses that have been written below.

Hypothesis 5a: Native ads that used assertive language creates a more positive response in terms of click-through-rate (CTR) from the consumers.

Hypothesis 5b: Explicit language is more direct about the message of the advertiser. Thus, explicit language has a positive effect on the consumers' response by increasing the click-through-rate (CTR).

Hypothesis 5c: Implicit language is more about content and context. Native ads that are using implicit language have a negative effect on the click-through-rates (CTRs).

3.3.1.6 Hypothesis Set 6

Temporal construal theory hypothesizes that temporal distance affects how people mentally conceive future events. Thus, results in how they respond to the advertising

messages that are related if the message is present-oriented or future-oriented. When the data have been analyzed it was manifested that most of the native ads (%89) using present-oriented messages. But in my prediction, I would like to challenge if this common usage is the best way of approaching native advertising. Also, I believe that there is a distinct correlation between temporal distance and product involvement. So, I have tested these predictions with the following hypotheses to reveal the real outputs.

Hypothesis 6a: Where the native ad is present-oriented, we expect to have an increase in the click-through-rates (CTRs) of the consumers.

Hypothesis 6b: Where the native ad is future-oriented, we expect to have a decrease in the click-through-rates (CTRs) of the consumers.

Hypothesis 6c: For low involvement products we predict that present-oriented native ads have more click-through-rates (CTRs).

Hypothesis 6d: For high involvement products we predict that future-oriented native ads have more click-through-rates (CTRs).

3.3.2 Hypothesis for Study 2: Native Ad Type Manipulative Laboratory Experiment

3.3.2.1 Hypothesis Set 7

One of the main dimensions in the experiment is the offer type, informational, and promotional. In the hypotheses, I would like to test the effect of the offer type on the willingness of the participants to click on the eight variations of the native ads designed for the experiment.

Hypothesis 7: There has been a prediction that informational offer type ads will initiate more willingness to click compared to promotional ads.

3.3.2.2 Hypothesis Set 8

In the designed experience it has been asked to the participants to select their motivation behind their click actions if it's due to the product, promotion/offer shared, or the look and feel of the ad. For all the eight variations of the ads, it has been asked to the participants about their motivational drive behind their clicks and analyzed their significance resulted in their actions. After an overall evaluation, I disclosed the predictions and put them to test through the hypotheses.

Hypothesis 8a: For promotional ads, there is a prediction that the effect of the product has a positive influence on the willingness to click.

Hypothesis 8b: For informational ads, there is a prediction that when there is no brand presence the look and feel of the ad have a more positive effect on the willingness to click compared to promotional ads.

Hypothesis 8c: There is a prediction that promotional ads are more positively influenced by the promotion/offer shared compared to informational ads.

3.3.2.3 Hypothesis Set 9

Brand recall is a critical element in all commercial messages. In the experiment after they have been presented by the specific native ad out of the eight variations, participants have been asked to select the brand name from a list. The prediction has been put into test in the following hypothesis about the effect on the brand recall.

Hypothesis 9: The prediction is that regardless of the offer type brand presence will increase the brand recall.

3.3.2.4 Hypothesis Set 10

One other pivotal dimension of the effects of native advertising is its influence on the user's attitude towards the brand. Participants have been asked about how their impression changed after seeing the native ad. It has been acknowledged that triggered

persuasion knowledge may have a negative effect on the attitude toward the brand (Campbell and Kirmani, 2000: 72), I would like to hypothesize this prediction on native advertising's effect on the attitude toward the brand.

Hypothesis 10: The prediction that informational ads will have a more positive influence on the attitude towards the brand than promotional ads.

CHAPTER 4

DATA ANALYSIS & FINDINGS FOR FIELD STUDY

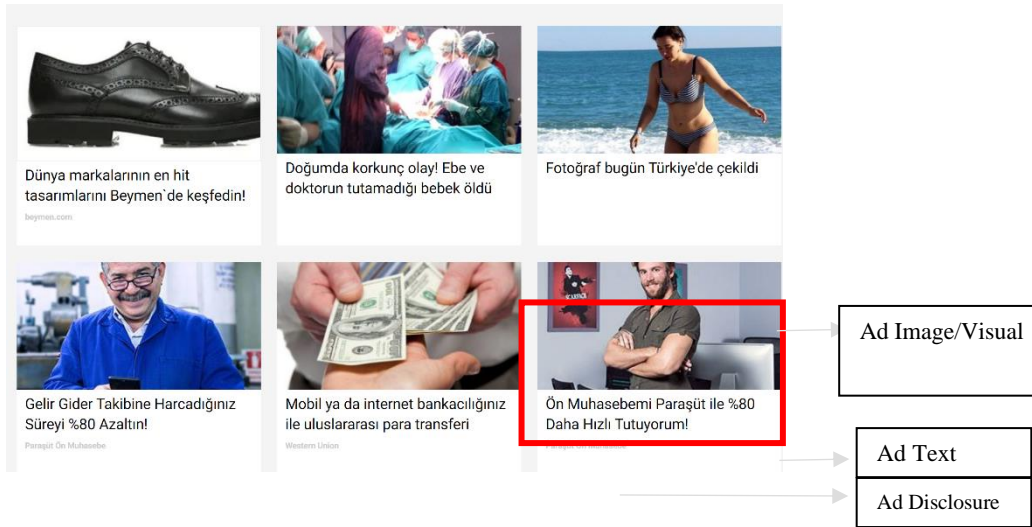
4.1 Data Sample and Data Collection

There are 2 sets of data that will be used for the study. The first set is the field data collected from native advertising campaigns that are categorized as content recommendation ads (IAB, 2019: 6), and the second set of data collected from the experiment that is designed on the Qualtrics platform.

The first set of data will be used to test Hypothesis 1 to 6. Content recommendation ads are one of the most used formats that have been identified by IAB Global (IAB, 2019: 6). Historically this format was created by the publishers and website owners that have many contents for their users to be able to direct to related material throughout the website. These leading publishers generated content recommendation widgets at the end of each article/news page and provided the content recommendations according to the other user's preferences and shared them as whoever read this article, read these articles too. After native advertising become a great phenomenon for advertisers, many publishers started to share these content recommendation windows with native advertisement distribution channels for their ad placements. EngageYa is one of the leading native advertising distributing platforms in Turkey and the region. They have 220 advertisers, 105 partner websites, and 40 Billion impressions through their platform. EngageYa provided all the native advertisement campaigns placed through their network in 2018 and 2019. There are in total 7725 campaigns from 746 different advertisers. Data set is including the name of the Advertiser, Ad Image, Ad Text, Sum of Impressions, Sum of Clicks, web site domain, start and end dates of the campaigns. Content Recommendation Ad unit data that has been provided has two distinctive parts (Figure 4.1). Ad Image and Ad Text parts are the size and format-wise identical for all the campaigns. Ad Text typography changes on each placed web sites, where the ad

text mimics the typography on the publisher's website. Sum of Impressions means the number of times the specific native ad unit has been shown to users by EngageYa Platform. Sum of Clicks means the number of clicks generated by the users through the provided link from the ad to the second layer (destination website domain). Website Domain is the destination website that the users are directed to after they clicked on the ad. Start and End dates of the campaigns signifies the duration that the Engageya Platform showed the native ads to the users.

Figure 4. 1Native Ad Unit Parts; Ad Visual, Ad Text, and Ad Disclosure



Reference: Hurriyet.com.tr retrieved on June 12, 2019.

4.2 Findings

The ads in the data consists of a wide-range ad that score on informativeness, ($M = 2.52$, $SD = .98$; $n = 7722$). Further, the average rating of product involvement was close to the mean ($M = 3.25$, $SD = 1.42$; $n = 7721$). When I look for the data of language use, assertiveness seemed to be used more often then the suggestive language ($M = 1.45$, $SD = 1.38$, $n = 7718$). For the explicitness in the language, data shows that it's close to the mean ($M = 2.51$, $SD = 1.53$, $n = 7716$). Self-Construal dimension seemed to be closer to the mean but it's not so much deviated ($M = 1.92$, $SD = 0.46$, $n = 7716$). The ads consisting temporal distance with present orientation seems to have the majority ($M = 1.06$, $SD = 0.31$, $n = 7718$).

To test hypothesis 1, to calculate an offer rating, I calculated a composite score of informational offers by averaging the ratings of informational offer and reverse score of promotional offers, which are negatively correlated ($r = -.31$, $p < .001$). A simple linear regression was conducted with the Informational(knowledge) offer variable and CTR as the dependent variable. There is a significant effect of informational (knowledge) offer on the Click-through-rate (CTR) on the ads, ($\beta = .03$, $t = 2.12$, $p = .034$, $F(1,7716) = 5.57$, $p = 0.018$), $R^2 = .001$ (Table 4.1, 4.2, 4.3). The results showed that the increase in informational (knowledge) offer, positively affects the CTR. Thus, hypothesis 1 was supported.

Table 4. 1: Regression Model Showing the Effect of Informational Offer on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.027	0,001	0,001	0,05889139

a.Predictors: (constant), Bilgi_total

Table 4. 2: ANOVA Analysis for the Effect of Informational Offer on the Click-Through Rates (CTRs)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,019	1	0,019	5,573	.018
	Residual	26,761	7716	0,003		
	Total	26,780	7717			

a. Dependent Variable: CTR

b. Predictors: (Constant), Bilgi_Total

Table 4. 3 Coefficients for the Effect of Informational Offer on the Click-Through Rates (CTRs)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	0,004	0,002		2,117	0,034
	Bilgi_Total	0,002	0,001	0,027	2,361	0,018

a. Dependent Variable: CTR

Next, the relationship between product involvement and CTRs have been tested, as well as its relationship with the offer type. First, I analyzed the relation between the product involvement level (high involvement versus low involvement) and the CTRs. A simple linear regression was conducted to determine if there is a significant effect of product involvement on CTRs. The results showed that, there is a positive and significant relationship between product involvement and CTRs ($\beta = .068$, $t = -.71$, $p = .000$, ($F(1,7715) = 35.68$, $p = .000$, $R^2 = .005$) (Table 4.4, 4.5, 4.6). The results provide supporting evidence for hypothesis 3(a).

Table 4. 4: Regression Model Showing the Effect of Product Involvement on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.068	0,005	0,004	0,05877479

a.Predictors: (constant), Tüketici Katılımı

Table 4. 5: ANOVA Analysis for the Effect of Product Involvement on the CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,123	1	0,123	35,678	.000
	Residual	26,651	7715	0,003		
	Total	26,775	7716			

a.Dependent Variable: CTR

b.Predictors: (Constant), Tüketici Katılımı

Table 4. 6: Coefficients for The Effect of Product Involvement on the CTRs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	-0,001	0,002		-0,709	0,478
	Tüketici Katılımı	0,003	0,000	0,068	5,973	0,000

a.Dependent Variable: CTR

Next, the interaction effect between the offer type and product involvement on CTR has been tested. Regression results showed me, there is a significant interaction effect between the offer type and product involvement on CTR ($F(3, 7712) = 14,36, p < 0.01, R^2 = 0.006$) (Table 4.7, 4.8, 4.9). Further analysis was conducted a spotlight analysis using PROCESS macro (Hayes, 2018) showed that for informational offer type native ads, product involvement level has a significant effect on CTR up to a certain level (p

< .05, under the levels of product involvement, M= 3.2) (Table 4.10, 4.11, 4.12). When it gets high product involvement, its effect becomes insignificant. This result concluded with a different output than what we have predicted. Prediction on hypothesis 3(b) was that for high informational offer types, higher product involvement creates more CTR but on the contrary, results showed that the effect becomes insignificant when the product involvement level gets higher. Thus, hypothesis 3(b) is not supported. For the native ads with a low product involvement level, a lower informational offer (M = 3,79) increases the effect on click-through-rates (CTRs) please see Table 4.13, 4.14, and 4.15. In light of this result, hypothesis 3(c) is supported.

Table 4. 7: Process Macro Used to Find A Correlation Between Product Involvement and Informational Offer and Their Effect on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.075	0,006	0,005	0,05875801

a.Predictors: (constant), INT_katirim_bilgi, Bilgi_total, Tüketici Katılımı

Table 4. 8: ANOVA Analysis for The Product Involvement and Informational Offer and Their Effect on the CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,149	3	0,050	14,363	.000
	Residual	26,626	7712	0,003		
	Total	26,774	7715			

a.Dependent Variable: CTR

b.Predictors: (Constant), INT_katirim_bilgi, Bilgi_total, Tüketici Katılımı

Table 4. 9: Coefficients for The Product Involvement and Informational Offer and Their Effect on the CTRs

Mode 1	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	β		

1	(Constant)	-0,012	0,005		-2,603	0,009
	Bilgi_total	0,004	0,002	0,073	2,536	0,011
	Tüketici Katılımı	0,005	0,001	0,123	3,917	0,000
	INT_katirim_bilgi	-0,001	0,000	-0,082	-1,939	0,053

a. Dependent Variable: CTR

Table 4. 10: Conditional Effects of the Focal Predictor at Values of the Moderators(S).

Tüketici	Effect	se	t	p	LLCI	ULCI
2.0000	.0025	.0009	2.7157	.0066	.0007	.0043
3.0000	.0016	.0007	2.2337	.0255	.0002	.0029
5.0000	-.0003	.0011	-.3024	.7623	-.0025	.0018

Table 4. 11: Moderator Value(S) Defining Johson-Neyman Significance Region(S):

Value	% below	% above
3.2265	57.1410	42.8590

Table 4. 12: Conditional Effect of Focal Predictor at Values of the Moderator

Tüketici	Effect	se	t	p	LLCI	ULCI
1.0000	.0034	.0013	2.6546	.0080	.0009	.0060
1.2000	.0032	.0012	2.6775	.0074	.0009	.0056
1.4000	.0031	.0011	2.6977	.0070	.0008	.0053
1.6000	.0029	.0011	2.7132	.0067	.0008	.0049
1.8000	.0027	.0010	2.7207	.0065	.0007	.0046
2.0000	.0025	.0009	2.7157	.0066	.0007	.0043
2.2000	.0023	.0009	2.6919	.0071	.0006	.0040
2.4000	.0021	.0008	2.6411	.0083	.0005	.0037
2.6000	.0019	.0008	2.5536	.0107	.0004	.0034
2.8000	.0017	.0007	2.4199	.0155	.0003	.0031
3.0000	.0016	.0007	2.2337	.0255	.0002	.0029

3.2000	.0014	.0007	1.9953	.0460	.0000	.0027
3.2265	.0013	.0007	1.9603	.0500	.0000	.0027
3.4000	.0012	.0007	1.7142	.0865	-.0002	.0025
3.6000	.0010	.0007	1.4074	.1593	-.0004	.0024
3.8000	.0008	.0007	1.0951	.2735	-.0006	.0022
4.0000	.0006	.0008	.7945	.4269	-.0009	.0021
4.2000	.0004	.0008	.5173	.6049	-.0012	.0020
4.4000	.0002	.0009	.2692	.7878	-.0015	.0020
4.6000	.0000	.0009	.0512	.9592	-.0018	.0019
4.8000	-.0001	.0010	-.1384	.8900	-.0021	.0018
5.0000	-.0003	.0011	-.3024	.7623	-.0025	.0018

Table 4. 13: Conditional Effects of the Focal Predictor at Values of the Moderators(S)

Bilgi_to	Effect	se	t	p	LLCI	ULCI
1.5000	.0037	.0007	5.4428	.0000	.0024	.0050
2.5000	.0028	.0005	5.8192	.0000	.0018	.0037
3.2500	.0020	.0006	3.4361	.0006	.0009	.0032

Table 4. 14: Moderator Value(S) Defining Johson-Neyman Significance Region(S)

Value	% below	% above
3.7925	92.0166	7.9834

Table 4. 15: Conditional Effect of Focal Predictor at Values of the Moderator

Bilgi_to	Effect	se	t	p	LLCI	ULCI
1.0000	.0042	.0009	4.7909	.0000	.0025	.0059
1.2000	.0040	.0008	5.0357	.0000	.0024	.0055
1.4000	.0038	.0007	5.3033	.0000	.0024	.0052
1.6000	.0036	.0006	5.5830	.0000	.0023	.0049
1.8000	.0034	.0006	5.8497	.0000	.0023	.0046
2.0000	.0032	.0005	6.0554	.0000	.0022	.0043
2.2000	.0030	.0005	6.1268	.0000	.0021	.0040
2.4000	.0028	.0005	5.9847	.0000	.0019	.0038
2.6000	.0027	.0005	5.5928	.0000	.0017	.0036
2.8000	.0025	.0005	4.9962	.0000	.0015	.0034
3.0000	.0023	.0005	4.2991	.0000	.0012	.0033
3.2000	.0021	.0006	3.6022	.0003	.0010	.0032
3.4000	.0019	.0006	2.9662	.0030	.0006	.0032
3.6000	.0017	.0007	2.4135	.0158	.0003	.0031
3.7925	.0015	.0008	1.9603	.0500	.0000	.0031
3.8000	.0015	.0008	1.9441	.0519	.0000	.0031
4.0000	.0013	.0009	1.5488	.1215	-.0004	.0030
4.2000	.0012	.0009	1.2157	.2241	-.0007	.0030
4.4000	.0010	.0010	.9337	.3505	-.0011	.0030
4.6000	.0008	.0011	.6935	.4880	-.0014	.0030
4.8000	.0006	.0012	.4874	.6260	-.0018	.0030
5.0000	.0004	.0013	.3091	.7573	-.0021	.0029

Brand presence variable in ad text and ad visual, is a very homogenously distributed among all the data. %54 of ads have brand presence in the ad text with a ($M = 1.37$, $SD = 0.49$, $n = 6700$) and %45 of ads have brand presence in the ad visual with ($M = 1.46$, $SD = 0.50$, $n = 7728$). Brand presence (ad text & visual) effects on the consumer responses with simple linear regression have been analyzed. For ad text it has been

found that ($F(1, 6694) = 6.89, p = .009, R^2 = .001$) there is a significant relevance (Table 4.16, 4.17, 4.18). For ad visual also there was a strong correlation between the ad presence and the CTR ($F(1, 7722) = 12.37, p = .000, R^2 = .002$). Regression analysis showed that for both ad text and ad visual brand presence has a negative correlation between the responses of the consumers. Brand presence in ad text, results $\beta = -.032, t = 5.83, p = .009$, and ad visual $\beta = -.040, t = 7.18, p = .000$ (Table 4.19, 4.20, 4.21). Thus, hypothesis 4(a) and 4(b) were supported.

Table 4. 16: Regression Model Showing the Effect of Brand Presence in Ad Text on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.032	0,001	0,001	0,05920401

a.Predictors: (constant), metin_marka

Table 4. 17: ANOVA Analysis for the Effect of Brand Presence in Ad Text on the CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,024	1	0,024	6,897	.009
	Residual	23,463	6694	0,004		
	Total	23,487	6695			

a.Dependent Variable: CTR

b.Predictors: (Constant), metin_marka

Table 4. 18: Coefficients for the Effect of Brand Presence in Ad Text on the CTRs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	0,014	0,002		5,830	0,000
	metin_marka	-0,004	0,001	-0,032	-2,626	0,009

a.Dependent Variable: CTR

Table 4. 19: Regression Model Showing the Effect of Brand Presence in Ad Visual on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.040	0,002	0,001	0,05884302

a.Predictors: (constant), gorsel_marka

Table 4. 20: ANOVA Analysis for the Effect of Brand Presence in Ad Visual on the CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,043	1	0,043	12,367	.000
	Residual	26,737	7722	0,003		
	Total	26,780	7723			

a.Dependent Variable: CTR

b.Predictors: (Constant), gorsel_marka

Table 4. 21: Coefficients for the Effect of Brand Presence in Ad Visual on the CTRs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	0,015	0,002		7,180	0,000
	gorsel_marka	-0,005	0,001	-0,040	-3,517	0,000

a.Dependent Variable: CTR

Further regression was conducted to test the moderating role of brand presence, for both visual and text on the informational offer effect on the CTRs. When I analyzed the interaction between the brand presence in ad text/visual and the informational offer I found out that there is an interaction effect of brand presence in ad text and information offered on click-through-rate ($F(3, 6692) = 4,395, p = .004, R^2 = 0,002$)(Table 4.22, 4.23). Also, there is an interaction effect of brand presence in ad visual and informational offer on click-through-rate ($F(3, 7714) = 7,640, p < .001, R^2$

= 0,003) (Table 4.25, 4.26). Then a deeper analysis has been conducted and I have reached that when there is no branding in text, there is no significant effect of the information offered on click-through-rate ($\beta = -0,051, t = 1,352, p = 0,176$) (Table 4.24). When there is branding in text, there is a positive significant effect of informational offer on click-through-rate ($\beta = 0,087, t = 1,967, p = 0,049$) (Table 4.21). These results showed that hypotheses 4 (c) and 4(d) is not supported. Because of this contradicting result with our predictions we wanted to validate the consequences of brand recall in an experiment.

For native ads with informational offer, when there is no branding on the ad visuals, click-through-rate positively affected ($\beta = 0,102, t = 2,988, p = 0,003$) (Table 27). With this result hypothesis, 4(e) is supported. Even though this result is in line with the prediction, I wanted to validate this in a field experiment with further research.

Table 4. 22: Regression Model Showing the Interaction Between Brand Presence in Ad Text and Informational Offer and Their Effect on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.044	0,002	0,002	0,05918508

a.Predictors: (constant), Bilgi_total, metin_marka, INT_metin_marka

Table 4. 23: ANOVA Analysis for the Interaction Between Brand Presence in Ad Text and Informational Offer and Their Effect on the CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,046	3	0,015	4,395	.004
	Residual	23,441	6692	0,004		
	Total	23,487	6695			

a.Dependent Variable: CTR

b.Predictors: (Constant), Bilgi_total, metin_marka, INT_metin_marka

Table 4. 24: Coefficients for the Interaction Between Brand Presence in Ad Text and Informational Offer and Their Effect on the CTRs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	0,021	0,006		3,320	0,001
	metin_marka	-0,011	0,004	-0,089	-2,682	0,007
	INT_metin_marka	0,003	0,001	0,087	1,967	0,049
	Bilgi_total	-0,003	0,002	-0,051	-1,352	0,176

a. Dependent Variable: CTR

Table 4. 25: Regression Model Showing the Interaction Between Brand Presence in Ad Visual and Informational Offer and Their Effect on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.054	0,003	0,003	0,05883295

a. Predictors: (constant), Bilgi_total, gorsel_marka, INT_gorsel_marka

Table 4. 26: ANOVA Analysis for the Interaction Between Brand Presence in Ad Visual and Informational Offer and Their Effect on the Click-Through Rates CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,079	3	0,026	7,640	.000
	Residual	26,701	7714	0,003		
	Total	26,780	7717			

a. Dependent Variable: CTR

b. Predictors: (Constant), Bilgi_total, gorsel_marka, INT_gorsel_marka

Table 4. 27: Coefficients for the Interaction Between Brand Presence in Ad Visual and Informational Offer and Their Effect on the Click-Through Rates CTRs

Mo del		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	-0,001	0,006		-0,136	0,892
	gorsel_marka	0,004	0,004	0,034	1,043	0,297
	INT_gorsel_marka	-0,003	0,001	-0,107	-2,386	0,017
	Bilgi_total	0,006	0,002	0,102	2,988	0,003

a. Dependent Variable: CTR

A simple linear regression was conducted to test the correlation between the assertive versus suggestive language use effects on the click-thru rates (CTRs). When I looked at the coded data, there is a common use of suggestive language use %74 in the total data set. Regression analysis showed me that there is a significant relationship between language use (assertive-suggestive) and the click-through-rates. Results reveals that ($\beta = .048$, $t = 3.48$, $p = .000$, ($F(1, 7717) = 18.02$, $p < .001$), $R^2 = .002$) (Table 4.28, 4.29, 4.30). Regardless of the offer type assertive language use positively affects the click-thru rates (CTRs). Thus, hypothesis 5(a) is supported.

To test hypothesis 5(b), another simple linear regression analysis was conducted. The analysis was done to identify the regression relation between the explicit/implicit language use and the click-through-rates (CTRs). Main variable entered was explicit/implicit language use ($M = 2.51$, $SD = 1.53$, $n = 7716$), where the dependent variable was CTRs. The results showed that ($F(1, 7715) = 0.015$, $p = .902$, $R^2 = .000$) there was no significant correlation between explicit/implicit language use and the click-thru rates (CTRs) (Table 4.31, 4.32, 4.33). In this case hypothesis, 5(b) and 5(c) are not supported.

Table 4. 28: Regression Model Showing the Effect of Assertive/Suggestive Language on the Click-Through Rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.048	0,002	0,002	0,05884022

a.Predictors: (constant), Kesin/ İmalı Dil Kullanımı

Table 4. 29: ANOVA Analysis for the Effect of Assertive/Suggestive Language on The CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,062	1	d	18,028	.000
	Residual	26,718	7717	0,003		
	Total	26,780	7718			

a.Dependent Variable: CTR

b.Predictors: (Constant), Kesin/ İmalı Dil Kullanımı

Table 4. 30: Coefficients for the Effect of Assertive/Suggestive Language on the CTRs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	0,004	0,001		3,848	0,000
	Kesin/ İmalı Dil Kullanımı	0,002	0,000	0,048	4,246	0,000

a.Dependent Variable: CTR

Table 4. 31: Regression Model Showing the Effect of Explicit/Implicit Language on The CTRs

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.001	0,000	0,000	0,05891635

a.Predictors: (constant), Dolaylı/ Doğrudan Dil Kullanımı

Table 4. 32: ANOVA Analysis for the Effect of Explicit/Implicit Language on the CTRs

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	0,000	1	0,000	0,015	.902
	Residual	26,780	7715	0,003		
	Total	26,780	7716			

a. Dependent Variable: CTR

b. Predictors: (Constant), Dolaylı/ Doğrudan Dil Kullanımı

Table 4. 33: Coefficients for the Effect of Explicit/Implicit Language on the CTRs

Model	1	Unstandardized Coefficients		Standardized Coefficients β	t	Sig.
		B	Std. Error			
1	(Constant)	0,008	0,001		5,662	0,000
	Dolaylı/ Doğrudan Dil Kullanımı	-5,396E-05	0,000	-0,001	-0,123	0,902

a. Dependent Variable: CTR

A one-way ANOVA was conducted to compare the effect of temporal distance on the CTR. Analysis of variance showed that the effect of temporal distance on the CTR was significant ($F(1,7716) = 6.316, p = 0.012$). To normalize the unequal sample sizes (sample size for present-oriented = 6988, the sample size for future-oriented = 730), Brown-Forsythe and Welch tests have been conducted. It has been replicated the results they both gave the significance level of $p < 0.05$. The test indicated that the mean score for the present-oriented native ads ($M = 0.007, SD = 0.076$) was significantly different than the future-oriented condition ($M = 0.013, SD = 0.076$). This identifies that future orientation positively affects the CTR (Table 4.34, 4.35, 4.36, 4.37, 4.38, 4.39), (Figure

4.2). Hypothesis 6(a) and 6(b) not supported, instead of present-oriented ads, even though they have been used more common, future-oriented ads have a positive effect on the CTRs.

Table 4. 34: One Way ANOVA Model Showing the Effect of Temporal Distance on The CTRs

Dependent Variable: CTR

Zamansal Mesafe	Mean	Std. Deviation	N
1	0,0074278	0,05677602	6988
2	0,0131845	0,07622185	730
Total	0,0079723	0,05890884	7718

Table 4. 35: Tests of Between-Subject Effects of Temporal Distance on the CTRs

Dependent Variable: CTR

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	.022	1	0,022	6,316	0,012
Intercept	0,281	1	0,281	80,977	0,000
Zamansal Mesafe	0,022	1	0,022	6,316	0,012
Error	26,758	7716	0,003		
Total	26,270	7718			
Corrected Total	26,780	7717			

a. R Squared = .001 (Adjusted R Squared = .001)

Table 4. 36: Descriptive Statistics of Temporal Distance on the CTRs

	N	Mean	Std. Deviation	Std. Error	%95 Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1	6988	0,0074 278	0,0567760 2	0,000 67919	0,00609 64	0,00875 92	0,00000	1,8000 0
2	730	0,0131 845	0,0762218 5	0,002 82110	0,00764 61	0,01872 30	0,00000	1,0000 0
Total	7718	0,0079 723	0,0589088 4	0,000 67055	0,00665 79	0,00928 68	0,00000	1,8000 0

Table 4. 37: Test of Homogeneity of Variances of Temporal Distance on the CTRs

		Levene Statistics	df1	df2	Sig.
CTR	Based on Mean	17,891	1	7716	0,000
	Based on Median	6,299	1	7716	0,012
	Based on Median and with adjusted df	6,299	1	7365,940	0,012
	Based on trimmed mean	7,564	1	7716	0,006

Table 4. 38: ANOVA Analysis of Temporal Distance on the CTRs

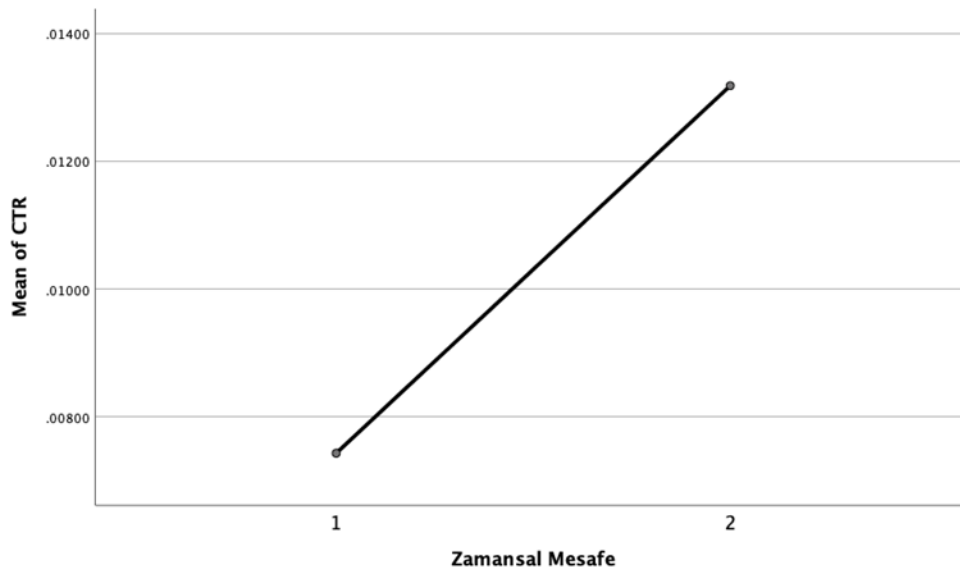
CTR		Sum of Squares	df	Mean Square	F	Sig.
	Between Groups	0,022	1	0,022	6,316	0,012
	Within Groups	26,758	7716	0,003		
	Total	26,780	7717			

Table 4. 39: Brown-Forsythe And Welch Tests of Temporal Distance on the CTRs

CTR	Statistic	df1	df2	Sig.
Welch	3,936	1	815,671	0,048
Brown-Forsythe	3,936	1	815,671	0,048

a.Asymptotically F distributed

Figure 4. 2 Mean Plot for Temporal Distance and (CTR)



Temporal Distance, 1 = Now, 2 = Future

To test hypothesis 2, I have analyzed the relationship between the self-construal variable and the CTRs. It has been found that ($\beta = .013$, $t = .286$, $p = .239$, ($F(1, 7715) = 1.38$, $p = .239$), $R^2 = .000$) (Table 4.40, 4.41, 4.42). This result reveals that there is no significant relationship between the self-construal dimension and the click-thru rates (CTR). Thus, hypothesis 2 is not supported.

Table 4. 40: Regression Model showing the effect of explicit/implicit language on the click-through rates (CTRs)/ Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.013	0,000	0,000	0,05884671

a.Predictors: (constant), Benlik Kurgusu

Table 4. 41: ANOVA Analysis for the effect of explicit/implicit language on the CTRs

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0,005	1	0,005	1,385	.239
	Residual	26,717	7715	0,003		
	Total	26,721	7716			

a.Dependent Variable: CTR

b.Predictors: (Constant), Benlik Kurgusu

Table 4. 42: Coefficients for the effect of explicit/implicit language on the CTRs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	β		
1	(Constant)	0,002	0,005		0,286	0,775
	Benlik Kurgusu	0,003	0,003	0,013	1,177	0,239

a.Dependent Variable: CTR

The involvement level of the products and the temporal distance relation by their effect on the CTRs are also analyzed. PROCESS Macro (Hayes, 2018) was conducted to see the correlation between those variables. The test revealed that there is a marginal interaction effect between involvement levels and temporal focus ($F(3, 7712) = 14,41$, $p < 0.01$, $R^2 = .006$) (Table 4.43, 4.44). For low involvement products, there is no effect of temporal focus on CTR, while for high involvement products, future focus ads

receive more CTR. Low involvement products such as lower than $M = 3.2$, the effect of temporal focus becomes insignificant ($p > .05$). Hypothesis 6 (c) is not supported. As shown in Johnson-Neyman output, for product involvement higher than $M=3.2$, the effect of temporal focus becomes significant ($p < .05$) (Table 4.45). Thus, hypothesis 6 (d) is supported.

Table 4. 43: Process Macro Showing the Interaction Between the Involvement Level and the Temporal Focus/ Model Summary

Model	R	R ²	MSE	F	df1	df2	Sig.
	.0747	.0056	.0035	14,4100	3,000	7712,000	.000

Table 4. 44: Model for the Interaction Between the Involvement Level and The Temporal Focus

Model		coeff	se	t	p	LLCI	ULCI
1	Constant	.0029	.0067	.4312	.6663	-.0102	.0159
	Zamansal Mesafe	-.0036	.0059	-.6037	.5461	-.0152	.0080
	Tüketici Katılımı	.0000	.0018	-.0076	.9940	-.0036	.0035
	Int_1	.0025	.0016	1,5908	.1117	-.0006	.0057

a. Dependent Variable: CTR

b. Predictors: (Constant), Zamansal Mesafe, Tüketici Katılımı

Table 4. 45: Johnson-Neyman Table of the Conditional Effect of Focal Predictor at Values of The Moderator.

Tüketici K.	Effect	se	t	p	LLCI	ULCI
1.0000	-.0010	.0045	-.2326	.8161	-.0099	.0078
1.2000	-.0005	.0042	-.1278	.8983	-.0088	.0078
1.4000	.0000	.0040	-.0086	.9931	-.0078	.0077
1.6000	.0005	.0037	.1272	.8988	-.0068	.0077
1.8000	.0010	.0035	.2823	.7777	-.0058	.0078
2.0000	.0015	.0032	.4592	.6461	-.0049	.0078
2.2000	.0020	.0030	.6600	.5093	-.0039	.0079
2.4000	.0025	.0028	.8857	.3758	-.0030	.0080

2.6000	.0030	.0026	1.1351	.2564	-.0022	.0082
2.8000	.0035	.0025	1.4033	.1606	-.0014	.0084
3.0000	.0040	.0024	1.6803	.0929	-.0007	.0087
3.2000	.0045	.0023	1.9511	.0511	.0000	.0091
3.2070	.0045	.0023	1.9603	.0500	.0000	.0091
3.4000	.0050	.0023	2.1980	.0280	.0005	.0095
3.6000	.0055	.0023	2.4045	.0162	.0010	.0101
3.8000	.0060	.0024	2.5607	.0105	.0014	.0107
4.0000	.0066	.0025	2.6651	.0077	.0017	.0114
4.2000	.0071	.0026	2.7235	.0065	.0020	.0121
4.4000	.0076	.0028	2.7454	.0061	.0022	.0130
4.6000	.0081	.0029	2.7410	.0061	.0023	.0138
4.8000	.0086	.0032	2.7190	.0066	.0024	.0148
5.0000	.0091	.0034	2.6863	.0072	.0025	.0157

4.3 Discussion

The study from the field data focuses on several key areas such as the native ad offer type, advertised product's involvement level, self-construal concentration of the ad, having a brand presence in the ad text or the ad visual, language effects of how the ad text has been written and the temporal focus of the ad. I tried to identify the effects of these dimensions on the user's responses towards the ads.

When I analyze the whole data set from the field data, it has been seen that all native ads can be categorized under two different major categories according to their offer type. The first major group, promotional offer, is the one that's widely used because of the advertiser's common practice of producing promotional messages towards the users. The second one, informational offer is more suited for the core purpose of the native ads by content and context. The results from the field data do not surprise me and revealed that even though it's been lesser-used, information offer type native ads are performing much better. Also, one key dimension that has been analyzed is the targeted user's self-construal. If the native ad performs differently, for independent or

interdependent users. The analysis identifies that this dimension does not take a significant role in native ads by itself.

Elaboration Likelihood Model (ELM) (Petty and Cacioppo, 1981) identifies that product involvement level has a clear role in how the user receives and processes the messages that have been delivered to them. Where content and context are very critical for native ads, I wanted to identify the product involvement influence on native ads. In line with our predictions, native ads are performing better on high involvement products. When the interaction of the offer type and the product involvement effects have been tested, interestingly data showed that information offer has a supporting effect on the product involvement effect but up to a point. If the product has a high involvement level, the informational offer starts to lose its effect on the performance. This tells us that when a product is very high on the involvement such as automotive or real estate, informational or a promotional offer becomes insignificant.

Brand presence is also another dimension that has been discussed a lot for its performance effects. With a general overview, it has been discussed that the brand presence in the ad text and ad visual decrease the intention of the user to click on the ads. This reaction can be associated with the user's activated persuasion attempt by the advertiser. But this key element needs deeper analysis to identify the whole effects around it. For example, when it's correlated with the offer type, it has been seen that the informational offer type does not get affected by the brand presence in the ad text. Most likely as long as the user is fulfilled by the information they do not care about if it's carried out to them by a brand or not. But for the ads with the informational offer when there is brand presence in the ad visual, we see a negative effect. We don't see this effect on the promotional offer type ads. The interpretation out of these results is when the user starts to scan the native ad, they start from the ad visual and continue with the ad text. Offer type differentiation mostly comes from the ad text content. Thus, when there is branding in ad visual the user's persuasion attempt knowledge gets triggered and they do not even read the ad text, and the click-through-rates decrease.

But these contradicting results that are driving me to make all these interpretations, oriented me into designing a lab experiment to see make further research on this subject.

One of the least researched areas on the native ads is language use effects on the user's responses. Assertive and suggestive language use have been researched for different types of advertisement formats but not for native ads. Suggestive language seemed to be the dominant language use for the native ads that we have analyzed (%74). Assertive language use is more direct and enacts users to specific behaviors, where the suggestive language is approaching from a non-imperative manner. Even though suggestive language is more commonly used, research reveals that direct language performs better.

One last critical aspect that we have analyzed was the temporal focus of the ads. Another finding surfaced that's contradicting the common practice in the native ads. Most of the ads in the study have been present-oriented (%89) in terms of their temporal focus. But the research results show that future-oriented native ads have significantly had a higher response rate. Product involvement level interaction with the temporal focus was analyzed as well and for low involvement products, the temporal focus seems to become insignificant but for high involvement products, future orientation performs better.

4.4 Limitations

Research on this study has been done with significant coverage from field data including almost all the categories and advertisers that are using native advertising. But still, the data is limited with local native ads from the Turkish advertising market. A global representation of the native ads from different countries and users might represent a different view and outcome for us.

Even though there are many dimensions have been taken into account in the study, the main native ad unit type is the same for all the hypothesis that we have tested. EngageYa data that's been used in the study is coming from "Content Recommendation Ads" which are one of the three main categories of native ads that

have been admitted in the industry (IAB, 2019: 6). One of the further research areas that originated from this study can be analyzing the other two native ad units (In-feed/In-content native ads, Branded/Native Content) for the same dimensions and compare the findings of each other studies.

The composition of the field data enabled me to analyze the results for the first layer of native ads in our study. The click-through-rate (CTR) has been taken as the dependent variable and analyzed the performance-related effects with this variable. This was the variable that tells us about how the behavior of the user is moving from the first layer to the second one. But the limitation was that I did not have the data for the user's behavior in the second layer, the destination webpage/website where the native ad is taking them via their clicks. Further research can be extendible by bringing that data into the research and analyze the user behavior and reactions by taken both of the layers into account.

CHAPTER 5

DATA ANALYSIS & FINDINGS FOR LAB EXPERIMENT

5.1 Data Sample and Data Collection

The second batch of data collected from the experiment that was designed on the Qualtrics platform at Sabancı University. Data collected from 274 participants (Age M = 21,48, SD =2,13, 31,8% Male, 68,2% Female). There have been eight conditions designed to test the effect of the brand presence in different instances. Two main native ads designed for the informational and promotional offer and for each offer type there were four conditions created such as no brand presence, brand presence in the ad text, brand presence in ad visual, brand presence in both. When participants started the survey in Qualtrics, they have been told that they are considering changing or upgrading their automobile before they have been shown the ads. After given this condition and told that they have come across the native ad on a newspaper online. They have not been informed about the research questions and hypothesis. All eight different images designed as webpages containing native ads randomly showed to the participants (See Appendix F). Each one of the conditions showed between 30-35 number of participants to answer and 274 number of total participants joined our experiment.

5.2 Findings

At the beginning of the analysis, it has been checked that if the manipulation for the offer types of the native ads that it has been put through the experiment is correct or not. Ads in the experiment have been designed as informational and promotional, the participants have been asked to choose how these stimuli appeal to them. When the regression analysis have been conducted, the results have shown that ($F(1, 262) = 7.115, p = 0.008, R^2 = .026, d = 7.75, CI = [11.75 : 12.09]$) (Table 5.1) the stimulus reflected the ad types that it has been designed in the manipulation.

Table 5. 1: Tests of Between-Subjects Effects for the Manipulation Check

Dependent Variable: commercial

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	14,334	1	14,334	7,115	0,008
Intercept	37503,789	1	37503,789	18615,738	0,000
offer	14,334	1	14,334	7,115	0,008
Error	527,833	262	2,015		
Total	38032,000	264			
Corrected Total	542,167	263			

a. R Squared = .026 (Adjusted R Squared = .023)

First, I analyzed the native ad offer type effect on the participants' willingness on the click-through-rates. When I compared the results of informational offer type ads ($M = 4.20$) to the promotional offer type ads ($M = 4.12$) I have seen a significant effect on the click-through-rates ($F(1, 266) = 0.146, p = .703, R^2 = .001, \text{Cohen's } d = 0.044, \%95 \text{ CI for the mean difference (CI) = [3.94 : 4.37]}$) (Table 5.2, 5.3, 5.4). These results conclude that Hypothesis 7 is not supported.

Table 5. 2: One Way ANOVA Model Showing the Effect of Offer Type on the Click-Through-Rates (CTRs) / Descriptive Statistics

Dependent Variable: click

offer	Mean	Std. Deviation	N
informational	4,20	1,774	133
promotional	4,12	1,845	135
Total	4,16	1,807	268

Table 5. 3: Tests of Between-Subjects Effects for the Effect of Offer Type on the Click-Through-Rates (CTRs)

Dependent Variable: click

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	.478	1	0,478	0,146	0,703
Intercept	4639,344	1	4639,344	1415,826	0,000
offer	0,478	1	0,478	0,146	0,703
Error	871,623	266	3,277		
Total	5511,000	266			
Corrected Total	872,101	267			

a. R Squared = .001 (Adjusted R Squared = -.003)

Table 5. 4: Estimated Marginal Means for the Effect of Offer Type on the Click-Through-Rates (CTRs)

Dependent Variable: click

Mean	Std. Error	%95 Confidence Level		Then
		Lower Bound	Upper Bound	
4,160	0,111	3,942	4,379	

the motivations behind the willingness to click (the product, promotion, look and feel) and their interaction have been tested with the eight variations of the native ads that

have been created. UNIANOVA has been conducted to test the effect of the product on the willingness to click the variations of the native ads. As the main effect ($F(7, 260) = 1,075, p = 0,38, R^2 = .028$) I have not seen a significant effect of the product on the willingness to click (Table 5.5). Further research has been done with Pairwise analysis with all the variations. The findings showed that when it has been compared promotional ads without branding ($M = 4,94$) the influence of the product on promotional ads with branding increase ($M = 5,74, F(7, 260) = 1,075, p = .028$) (Table 5.6). Thus, Hypothesis 8(a) is supported.

Table 5. 5: UNIANOVA Model Showing the Effect of the Product on The Motivation to Click-in All Variations

Dependent Variable: c_product

Source	Sum of Squares	df	Mean Square	F	Sig.
Contrast	16,546	7	2,364	1,075	0,380
Error	571,645	260	2,199		

$R^2 = .028$

Table 5. 6: Pairwise Comparison of The Product Effect Between A Promotional Ad with Branding (Ad Text & Ad Visual) and without Branding

	Mean Difference	Std. Error	Sig.	%95 Confidence Interval	
				Lower Bound	Upper Bound
native_promo_both					
native_promo	.794	0,360	0,028	0,086	1,502

a.Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

When UNIANOVA has been conducted for the main effects of the look and feel of the ads between the eight native ads it has not been determined a significant influence ($F(7, 260) = 1,106, p = 0,360, R^2 = .029$) (Table 5.7). But further analysis with Pairwise Comparisons it has been found that when there is no branding, the look and feel of the ad have a positive effect on the informational ads ($M = 5,34; F(7, 260) = 1,106, p = 0,071$) compared to promotional ads ($M = 4,65$) (Table 5.8). For promotional ads with

branding ($M = 5,59$) look and feel of the ad have a positive effect ($F(7, 260) = 1,106$, $p = 0,016$) on the willingness to click compared to promotional ads without branding ($M = 4,65$) (Table 5.9). This finding concludes that Hypothesis 8(b) is supported.

Table 5. 7: UNIANOVA Model Showing the Effect of the Look and Feel to the Motivation to Click-in All Variations

Dependent Variable: c_look

Source	Sum of Squares	df	Mean Square	F	Sig.
Contrast	19,698	7	2,814	1,106	0,360
Error	661,746	260	2,545		

$R^2 = .029$ (Adjusted R Squared = .003)

Table 5. 8: Pairwise Comparison of the Look and Feel Effect Between Promotional and Informational Ads without Branding (Ad Text & Ad Visual)

				%95 Confidence Interval	
	Mean Difference	Std. Error	Sig.	Lower Bound	Upper Bound
native_info					
native_promo	0,696	0,384	0,071	-0,061	1,452

a.Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

Table 5. 9: Pairwise Comparison of the Look and Feel Effect Between Promotional Ads with (Ad Text & Ad Visual) and without Branding

				%95 Confidence Interval	
	Mean Difference	Std. Error	Sig.	Lower Bound	Upper Bound
native_promo					
native_promo_both	-,941	0,387	0,016	-1,703	-0,179

a.Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

Main effect of the promotion between the eight native ads did not showed any significant regression on the willingness to click ($F(7, 260) = 1,286$, $p = 0,257$, $R^2 = .033$) (Table 5.10). But further analysis with Pairwise Comparisons, it has been found that when there is informational ad with branding (ad text and ad visual) ($M = 5,55$), the promotion in the ad have a positive influence on the informational ad that has no

branding ($M = 4,63$; $F(7, 260) = 1,286$, $p = 0,021$) and with branding on ad visual ($M = 4,71$; $F(7, 260) = 1,286$, $p = 0,041$) (Table 5.11, 5.12). Thus, Hypothesis 8(c) is not supported.

Table 5. 10: UNIANOVA Model Showing the Effect of the Promotion to the Motivation to Click-in All Variations

Dependent Variable: c_promotion

Source	Sum of Squares	df	Mean Square	F	Sig.
Contrast	23,897	7	3,414	1,286	0,257
Error	689,994	260	2,654		

$R^2 = .0330$ (Adjusted R Squared = .007)

Table 5. 11: Pairwise Comparison of the Promotion Effect Between Informational Ads with Branding (Ad Text & Ad Visual) and without Branding

	Mean Difference	Std. Error	Sig.	%95 Confidence Interval	
				Lower Bound	Upper Bound
native_info					
native_info_both	-.917	0,395	0,021	-1,695	-0,139

a.Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

Table 5. 12: Pairwise Comparison of the Look and Feel Effect Between Informational Ads with (Ad Text & Ad Visual) Branding and Informational Ads with Branding-in Ad Visual

	Mean Difference	Std. Error	Sig.	%95 Confidence Interval	
				Lower Bound	Upper Bound
native_info_visual					
native_info_both	-.836	0,407	0,041	-1,638	-0,033

a.Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

In the next stage, a Chi-Square analysis has been conducted to test the relationship between the ad type and brand recall. The Chi-Square test clearly shows that there is a significant effect of ad type on brand recall ($\chi^2(21) = 72.81$, $p < .01$) (Table 5.13).

Table 5. 13: Chi-Square Tests Showing the Effect of Ad Offer Type on Brand Recall

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	72.812	21	0,000
Likelihood Ratio	80,597	21	0,000
Linear-by-Linear Association	0,368	1	0,544
N of Valid Cases	268		

a. 16 cells (%50.0) have an expected count of less than 5. The minimum expected count is 1.97

To be able to see the specific effects on brand recall, a crosstabulation table has been analyzed. According to the results for informational native ads, when brand presence is in ad text (%94.1) and both (%81.8), Volvo is recalled the most. Also, for promotional ads, when brand presence is in ad text (%82.4) and both (%88.2), Volvo as the brand recalled the best. When there is no branding, for information ads Volvo recalled more than the promotional ads (%48,6 vs %32,4) (Table 5.14). These results conclude that Hypothesis 9 is supported.

The final analysis was to see how the participants' attitude toward the brand (impression) has changed with the influence of the native ads. When it has been first conducted the UNIANOVA between eight different variations it has not been seen any significant relation ($F(7, 260) = 1,081, p = 0,376, R^2 = .028$) (Table 5.15). But then it has been conducted the UNIANOVA between the ad types (informational and promotional) and then a marginal effect between these types have been detected ($F(1, 266) = 3,662, p = 0,057, R^2 = .014$) (Table 5.16). Informational native ads ($M = 3,35$) have more positive influence towards the brand compared to promotional ads ($M = 3,22$) (Table 5.17). Thus, Hypothesis 10 is supported.

brand	native_info	condition										Total
		native_info_ext	native_info_visual	native_info_both	native_promo_text	native_promo_visual	native_promo_both	native_promo_text	native_promo_visual	native_promo_both	Total	
Volvo	Count	17	32	17	27	11	28	19	30	181		
	% within brand	9,4%	17,7%	9,4%	14,9%	6,1%	15,5%	10,5%	16,6%	100,0%		
	% within condition	48,6%	94,1%	54,8%	81,8%	32,4%	82,4%	57,6%	88,2%	67,5%		
	% of Total	6,3%	11,9%	6,3%	10,1%	4,1%	10,4%	7,1%	11,2%	67,5%		
Audi	Count	3	2	3	2	4	3	1	3	21		
	% within brand	14,3%	9,5%	14,3%	9,5%	19,0%	14,3%	4,8%	14,3%	100,0%		
	% within condition	8,6%	5,9%	9,7%	6,1%	11,8%	8,8%	3,0%	8,8%	7,8%		
	% of Total	1,1%	0,7%	1,1%	0,7%	1,5%	1,1%	0,4%	1,1%	7,8%		
BMW	Count	5	0	5	2	3	1	1	0	17		
	% within brand	29,4%	0,0%	29,4%	11,8%	17,6%	5,9%	5,9%	0,0%	100,0%		
	% within condition	14,3%	0,0%	16,1%	6,1%	8,8%	2,9%	3,0%	0,0%	6,3%		
	% of Total	1,9%	0,0%	1,9%	0,7%	1,1%	0,4%	0,4%	0,0%	6,3%		
None of these	Count	10	0	6	2	16	2	12	1	49		
	% within brand	20,4%	0,0%	12,2%	4,1%	32,7%	4,1%	24,5%	2,0%	100,0%		
	% within condition	28,6%	0,0%	19,4%	6,1%	47,1%	5,9%	36,4%	2,9%	18,3%		
	% of Total	3,7%	0,0%	2,2%	0,7%	6,0%	0,7%	4,5%	0,4%	18,3%		
Total	Count	35	34	31	33	34	34	33	34	268		
	% within brand	13,1%	12,7%	11,6%	12,3%	12,7%	12,7%	12,3%	12,7%	100,0%		
	% within condition	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%		
	% of Total	13,1%	12,7%	11,6%	12,3%	12,7%	12,7%	12,3%	12,7%	100,0%		

Table 5. 14: Brand vs Condition Cross Tabulation

Table 5. 15: UNIANOVA Model Showing the Effect of All Variations on the Attitude Towards the Brand (Impression)

Source	Sum of Squares	df	Mean Square	F	Sig.
Contrast	2,400	7	0,343	1,081	0,376
Error	82,477	260	0,317		

a. Dependent Variable: impression

b. $R^2 = .028$

Table 5. 16: UNIANOVA Model Showing the Effect of Offer Type on the Attitude Towards the Brand (Impression) / Descriptive Statistics

Dependent Variable: impression

Offer	Mean	Std. Deviation	N
informational	3,35	0,605	133
promotional	3,22	0,513	135
Total	3,29	0,564	268

Table 5. 17: Tests of Between-Subject Effects for The Effect of Offer Type on The Attitude Towards the Brand (Impression)

Dependent Variable: impression

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	1.153	1	1,153	3,662	0,057
Intercept	2896,824	1	2896,824	9203,483	0,000
Offer	1,153	1	1,153	3,662	0,057
Error	83,724	266	0,315		
Total	2981,000	268			
Corrected Total	84,877	267			

a. $R^2 = .014$ (Adjusted $R^2 = .010$)

5.3 Discussion

A lab experiment has been designed to validate some of the findings of the brand presence and offer types effects and iterate more with new research questions on the motivations behind the click actions and the factors on the attitude towards the brand. Eight different native ads have been tested on the Qualtrics platform with 274 participants in total.

In the experiment, one of the first things that it has been checked was if the designed stimuli of the native ads are reflecting the intended types of native ads. The results revealed that as has been predicted the promotional and informational ads are perceived by the participants as they are intended to be. This does not only tell that the following tests will have a solid ground it also means that the reading of offer types as promotional and informational has a direct correspondence from the consumer's point of view.

After the first analysis about the effects of the offer type on the willingness to click I have not found a significant relation, but further research spotted some substantial motivations behind the click intention and their relationship with the ad types. Tested motivations as the product, the promotion, or the look and feel of the ad showed some effects on different types of ads that it has been tested. For promotional ads when there is brand presence in the ad text and visual, the advertised product plays a key role in the willingness of the consumer's click. If the ad is planned to be a promotional ad and you place the brand into your ad, you should be thinking about making your product more distinct. It has been confirmed that when there is no brand presence in the ads, the look and feel of the ad has a more influential effect on the informational ads. When you planned to use an informational ad for promotion, you better use brand presence in ad text and ad visual to have more engagement with the consumer.

One essential outcome of the lab experiment is the brand recall determinations. Regardless of the offer type of the native ad, when there is branding in the ad text or both (ad text & ad visual) the brand in the ad is recalled the most. When there is no branding in the ad text and visual, informational ads creates more brand recall even though the brand is not visible to the user.

Native advertising's effect on the attitude toward the brand is a pivotal element in our study. The general expectation from native advertising format to perform better regarding other types of digital advertising due to the content layer in it. But to identify what types of native ads, if any, have an impact on the brand attributes is substantial. The results from the experiment show that informational ads have a considerable positive influence on the attitude of the consumer's towards the brand when compared to promotional advertising. This is an important takeout from the analysis whereas a new form of advertising having such an influence on the brand is a substantial finding.

5.4 Limitations

For the lab experiment, one of the major limitations was the number of participants that were in the experiment. In total it has been reached to a number of 274 participants but because it has been randomly assigned them to eight different ad designs for each category that have been tested, there was not enough volume to get significant results in some of the findings. That's why it has been concluded to do a further field experiment to test some other findings. Further research can be extended to a bigger audience for a deeper analysis in the future. Also, the experiment is originated from the major two variations of the offer type (informational and promotional) and checked those with the brand presence, non-existent, in the ad text, ad visual, and both. All the other dimensions have been kept the same to not distort the participants' reactions. Further research can be done by taking into other dimensions such as product involvement, temporal focus, into the design of an experiment.

CONCLUSION

The main objective of this dissertation was to identify the main factors that are actively playing a critical role in the performance of the native advertising and native advertising's effect on the brand attributes such as the brand recall and attitude towards the brand. At this stage, after all the analysis, results, and tested hypotheses without ever being fully extended it can be said that there has been an extensive view of the findings which have been aimed with the research. Some of the findings that it has been revealed could be considered as the expected results but due to the lack of research in the field even confirming some of the assumptions with research data is crucially important. But more importantly, it has been unveiled some outcomes that it has not been expected and deserve giving some more thought to for further research. When the data set has been analyzed which is all of the campaigns (N = 7725) for two years that have been run on the biggest native advertising platform in Turkey, it gave a great view of how the industry is in real-time using and practicing the native advertising. There can be some theories constructed with the help of designing the right experiments on how the native ads can be used but when you access the field practice data you can start to detect the tendencies, trends, and dispositions in real-life usage. This main scanning of the data showed that there are two primary types of native ads that have been used in the campaigns. Informational ads that can be considered as better suited to the origins of native advertising and the promotional ads that are more in line with the traditional advertising on digital channels (MacInnis, Rao and Weiss, 2002: 394; Aaker and Stayman, 1992: 241; Hunt, 1976: 8). Even though this kind of categorization is not deeply analyzed in the native advertising literature we can easily see that almost all the ads were falling into one of the two types of advertising. One of the key findings out of the study is, unlike the industry practice, informational native ads engage with consumers much better than promotional ads. The reason behind using promotional ads predominantly might be the ease of practicing the native ads driving from advertisers' other commercial messages and executing inline ads on the native advertising spaces.

On the contrary informational native ads require more time and mental effort to create and additionally it requires a better created informative destination page complementing the native ad at the first layer. For all the extra mile for the advertiser, the results show that informational ads can result in a good return on this effort.

Advertised product's involvement level is also playing an important role in native advertising success. High involvement products that are more complex in terms of the features, price, or elements associated with the decision process. This requires more information before deciding on a product by the consumers (Petty and Cacioppo, 1981: 313, Krugman, 1985: 351, Micu and Pentina, 2014: 382). This theory is fulfilled by the results of the study and undoubtedly revealed that high involvement products are returning with better responses from native advertising. The involvement level of a product and the offer type of ad has a direct relation. Informational offers and product involvement are positively correlated. But it's interesting that up to a point higher product involvement is positively affected by the higher information in the native ad but when the product is very high on the involvement level, the effect of the informational offer becomes insignificant. On the other hand, for low involvement products, promotional offers are the formats that return with better results compared to informational offers.

On digital advertising performance discussions, having a brand presence or not (text or visual) has been always an issue. Some studies by our fellow scholars showed that having a brand presence can cause a negative effect on the users' reactions (Stephen, Sciandra, and Inman, 2015: 29; Cowley and Barron, 2008: 90; Nelson, Wood, and Paek, 2009: 225; Wei, Ficher, and Main, 2008: 36). When it has been tested the brand presence in the ad text and the ad visual regardless of the offer type, it has been seen that this assumption was validated. But further research reveals that having a brand presence in an informational ad does not have a negative effect on the consumers' interaction behavior with the ad. More so for an informational native ad when there has a brand presence in the ad text, a positive effect on the consumers' reactions could be

observed. This result tells that when there is a useful, relevant informational native ad in place users do not care about if there is a brand present or not.

Native ads are contextual, and content-driven formats. Thus, language use on a native ad is an area that should be explored in terms of a performance factor (Moore and McFerran, 2017: 232). One of the other unlike the common usage results that it has been found was using assertive language instead of a suggestive one has a more positive effect on the consumers' response. Having a language that is more direct and enacts a specific behavior significantly creates a better reaction to consumers. Also, temporal construal has a considerable effect on the responses of the users (Trope and Liberman 2003: 489, Martin, Gnoth, and Strong, 2013: 8). When all the data scanned, it was obvious that the present-oriented language has a predominance. But the analysis presents that future-oriented language is a better resulting form of native advertising language in terms of the performance measures. Another dimension, product involvement, was added for further analysis and displayed that for low involvement products future or present-oriented messaging does not have any effect on the performance. On the contrary for high involvement products the outcome is quite the opposite, future-oriented messaging performs much better than present-oriented messaging.

As a new and rising format of digital advertising, native ads are different from the classic digital advertising formats by design and content. They have not been always practiced by the advertisers as they have been intended or using the maximum of their potential but still, they differ by where they are located and how they mimic the editorial content. Thus, the effects of native advertising on consumer's attitudes towards the brand is an area of great interest for the study (Shimp, 1981: 12; Mitchell and Olson, 1981: 320). When the responses of the users were analyzed it has been found that informational native advertisements create a more positive attitude towards the brand by the consumers. It seems that the content layer and even a little piece of information can be useful for the consumer to bring the receiver of the communication

closer to the sender. Thus, creates a more fruitful exchange between the advertiser and the consumer.

Even though the study has covered such an extensive area, the analysis has been run on one type of native advertising, content recommendation ads. Further research can be executed following the same approach but analyzing the other types of native advertisements (In-feed/In-content, Branded Content). To be able to compare the results of this study with the results of the other types would be very interesting. Then we could identify the factors that are effective in between the native ad types. Also, one other iteration, analysis of the conversions, on the research could help to get a deeper insight into such elements. Conversions in terms of the consumers' behavior, reaction, and attitude when they click and move to the destination page. That after-click responses and effects are another area that needs to unfold and be researched. We hope that these implications from this study can lead and inspire some other fellow scholars to follow this path and continue with new studies.

REFERENCES

- Aaker, D.A., Stayman, D. M. (1992), „Implementing the Concept of Transformational Advertising”, *Psychology & Marketing*, vol. 9, no. 3, pp. 237-265.
- Agius, A. (2015, January 15). Native advertising, a boon for the media, can help you cut through the noise. *Entrepreneur*. Retrieved from: <http://www.entrepreneur.com/article/239952>
- Akpinar, E. and Berger, J., (2017). Valuable Virality. *Journal of Marketing Research*, 54 (April), 318-30.
- Alter, J. (1989, May 22). The era of the big blur. *Newsweek*, 113, 73–76.
- An, M. 2016. Why people block ads (and what it means for marketers and advertisers). July 13.
<https://research.hubspot.com/why-people-block-ads-and-what-it-means-for-marketers-and-advertisers?> Retrieved on March 10, 2019.
- Ansolabehere, S., & Iyengar, S. (1994). Riding the Wave and Claiming Ownership Over Issues: The Joint Effects of Advertising and News Coverage in Campaigns. *The Public Opinion Quarterly*, 58(3), 335-357.
- Azimi, J., Zhang, R., Zhou, Y., Navalpakkam, V., Mao, J., and Fern, X. (2012). Visual appearance of display ads and its effect on click through rate. In *CIKM*.
- Bar-Anan, Y., Liberman, N., Trope, Y., & Algom, D. (2007). Automatic processing of psychological distance: Evidence from a Stroop task. *Journal of Experimental Psychology: General*, 136(4), 610–622.
<https://doi.org/10.1037/0096-3445.136.4.610>

Barbieri, N., Silvestri, F., & Lalmas, M. (2016). Improving Post-Click User Engagement on Native Ads via Survival Analysis. Proceedings of the 25th International Conference on World Wide Web.

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.

Berry, E. (2014, May 24). In native advertising, deception is a dangerous game. *Online Publishing Insider*. Retrieved from: <http://www.mediapost.com/publications/article/226511/in-native-advertising-deceptionis-a-dangerous-ga.html>

Boerman, S. & Reijmersdal, E. (2016). Informing Consumers about "Hidden" Advertising: A Literature Review of the Effects of Disclosing Sponsored Content.

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*, Volume 38, Pages 82-92.

Boland, M. (2016, June 14). "Native Ads Will Drive 74% of All Ad Revenue by 2021." *Business Insider*. Retrieved from <http://www.businessinsider.com/the-native-ad-report-forecasts-2016-5>.

Brett, A. S., Martin, Juergen Gnoth & Carolyn Strong (2009). Temporal Construal in Advertising, *Journal of Advertising*, 38:3, 5-20, DOI: 10.2753/JOA0091-3367380301

Brown, C. & Waltzer, H. (2004) Virtual sources: organized interests and democratization by the Web, *The Social Science Journal*, 41:4, 543-558.

Cacioppo, J. T. and Richard E. Petty (1981). Social psychological procedures for cognitive response assessment: The thought-listing technique. In T. V. Merluzzi,

- C. R., Glass, & M. Genest (Eds.), *Cognitive assessment* (pp. 309-342). New York: Guilford Press.
- Cameron, G. T., & Ju-Pak, K.-H. (2000). Information Pollution? Labeling and Format of Advertorials. *Newspaper Research Journal*, 21(1), 65–76.
- Campbell, Margaret 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, M. & 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. 69-83. 10.1086/314309.
- Campbell, C., Marks, L., J. (2015). Good native advertising isn't a secret, *Business Horizons*, Volume 58, Issue 6, Pages 599-606.
- Carlson, M. (2015). When news sites go native: Redefining the advertising–editorial divide in response to native advertising. *Journalism*, 16(7), 849–865.
- Carr, C. T. and R. A. Hayes. (2014) The effect of disclosure of third-party influence on an opinion leader's credibility and electronic word of mouth in two-step flow. *Journal of Interactive Advertising* 14, no. 1: 38–50.
- Celsi, R., & Olson, J. (1988). The Role of Involvement in Attention and Comprehension Processes. *Journal of Consumer Research*, 15(2), 210-224.
- Chen, Y., Joshi, Y., Raju, J. & Zhang, Z.(2009). A Theory of Combative Advertising. *Marketing Science*. 28. 1-19. 10.1287/mksc.1080.0385.
- Chun, Kwag Yeun and Song, Ji Hee and Hollenbeck, Candice R. and Lee, Jongho. (2014) “Are Contextual advertisements effective?” *International Journal of Advertising*, 33(2), pp. 351-371.

Colhoun, D. (2015, February 10). Disguising ads as stories. Columbia Journalism Review. Retrieved from:
http://www.cjr.org/behind_the_news/sponsored_content.php

Comscore (2014). "U.S. Display Ad Viewability Rates Won't Budge."
<http://www.comscore.com/Insights/Data-Mine/US-Display-Ad-Viewability-Rates-Won-t-Budge-Still-at-46-in-2014>.

Cowley, E. & Barron, C. (2008). When Product Placement Goes Wrong: The Effects of Program Liking and Placement Prominence. *Journal of Advertising - J ADVERTISING*. 37. 89-98. 10.2753/JOA0091-3367370107.

Dedicated Media (2013). "The Power of Native Advertising."
<http://www.dedicatedmedia.com/articles/the-power-of-native-advertising>, 2013.

Dumenco, S. (2014, September 1). Here's what else is wrong with native advertising. *Advertising Age*, 85(18), 35.

eMarketer (2014). "Marketers Expect Healthy Native Ad Spend Growth But what's in a native ad after all?," <http://www.emarketer.com/Article/Marketers-Expect-Healthy-Native-Ad-Spend-Growth/1011620>.

eMarketer (2019) <https://www.emarketer.com/content/ad-blocking-growth-is-slowing-down-but-not-going-away>

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

Federal Trade Commission. (2013). Blurred lines: Advertising or content? An FTC workshop on native advertising. December 4, 2013. Retrieved from http://www.ftc.gov/system/files/documents/public_events/171321/final_transcript.pdf

- Friestad, M., and P. Wright. (1994). The persuasion knowledge model: How people cope with persuasion attempts. *Journal of Consumer Research* 21, no. 3: 1–31.
- Fulgoni, G., M., Pettit, R., Lipsman, A. (2017). Measuring the effectiveness of branded content across television and digital platforms. *Journal of Advertising Research* Dec 2017, 57 (4) 362-367.
- Grigsby, J. L., & Mellema, H. N. (2020). Negative Consequences of Storytelling in Native Advertising. *Journal of Interactive Marketing*, 52, 61-78.
- Hastak, M., Olson, J.C. (1989), „Assessing the Role of Brand-Related Cognitive Responses as Mediators of Communication Effects on Cognitive Structure”, *Journal of Consumer Research*, vol. 15, no. 4, pp. 444-456.
- Hayes, J., L., Golan, G., Britt, B., Applequist, J. (2020) How advertising relevance and consumer–Brand relationship strength limit disclosure effects of native ads on Twitter, *International Journal of Advertising*, 39:1, 131-165.
- Hayes, A. F. (2018). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach* (2nd edition). New York: The Guilford Press.
- Howe, P & Teufel, B. (2014). Native advertising and digital natives: The effects of age and advertisement format on news website credibility judgments. *ISOJ*. 4(1), 78-90.
- Hunt, S.D. (1976), „Informational vs. Persuasive Advertising: An Appraisal”, *Journal of Advertising*, vol. 5, no. 3, pp. 5-10.
- Hwang, Y. and Jeong, S. (2018). How Do Brand Placement and Content Quality Affect Native-Advertising Effectiveness? *Journal of Advertising Research*, 10.2501, 19.

Interactive Advertising Bureau. (2000) Internet Advertising Revenue Report, <https://www.iab.com/insights/2000-q4-iab-internet-advertising-revenue-report/>

Interactive Advertising Bureau. (2013, December 4). The native advertising playbook. Retrieved from <http://www.iab.net/media/file/IAB-Native-Advertising-Playbook2.pdf>

Interactive Advertising Bureau. (2019, May 9). The native advertising playbook 2.0. Retrieved from <https://www.iab.com/insights/iab-native-advertising-playbook-2-0/>

Infolinks (2013). “Banner blindness infographic.” Relevance, http://relevance.com/wp-content/uploads/2014/06/banner_blindness_infographics_final_aswecredit1.jpg.

IPG Media Lab. 2013. IPG Lab & Sharethrough: Exploring the effectiveness of native ads. June 18.

<https://www.ipglab.com/2013/06/18/ipg-lab-sharethrough-exploring-the-effectiveness-ofnative-ads/> (retrieved on May 15, 2019).

Iyer, G., Soberman, D., Villas-Boas, JM. (2005). The targeting of advertising. *Marketing Sci.* 24(3):461–476.

Jenkins, H. (2004). The Cultural Logic of Media Convergence. *International Journal of Cultural Studies*, 7(1), 33–43.

<https://doi.org/10.1177/1367877904040603>

Joshi, A., Bagherjeiran, A., Ratnaparkhi, A. (2011). User demographic and behavioral targeting for content match advertising. Proc. Fifth Internat. Workshop Data Mining Audience Intelligence Advertising (ADKDD 2011) (ACM, New York), 53–60.

Jung, A. & Heo, J. (2019) Ad Disclosure vs. Ad Recognition: How Persuasion Knowledge Influences Native Advertising Evaluation, *Journal of Interactive Advertising*, 19:1, 1-14.

Kammerer, Y., Kalbfell, E. & Gerjets, P. (2016) Is This Information Source Commercially Biased? How Contradictions Between Web Pages Stimulate the Consideration of Source Information, *Discourse Processes*, 53:5-6, 430-456, DOI: 10.1080/0163853X.2016.1169968

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. Retrieved from the University of Minnesota Digital Conservancy, <http://hdl.handle.net/11299/175210>.

Kim, Y., Hassan, A., White, R. W. and Zitouni, I. (2014) Modeling dwell time to predict click-level satisfaction. In *WSDM*.

Kim, J., Choi, D., Kim, H. (2019) Advertising nativeness as a function of content and design congruence, *International Journal of Advertising*, 38:6, 845-866.

Kronrod, A., Grinstein, A., & Wathieu, L. (2012) Enjoy! Hedonic Consumption and Compliance with Assertive Messages. *Journal of Consumer Research*, 39(1), 51-61. doi:10.1086/661933

Krouwer, S., K. Poels, and S. Paulussen. (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, no. 2: 124–37.

Krouwer, S., Poels, K., Paulussen, S. (2020). Moving Towards Transparency for Native Advertisements on News Websites: A Test of More Detailed Disclosures, February 2019, *International Journal of Advertising* 39(2):1-20.

- Krugman, H. E. (1965). The impact of television advertising: Learning without involvement. *Public Opinion Quarterly*, 29(3), 349–356. <https://doi.org/10.1086/267335>
- Laband, David N. (1986), “Advertising as Information: An Empirical Note,” *The Review of Economics and Statistics*, 68 (3), 517.
- Lalmas, M., Lehmann, J., Shaked, G., Silvestri, F. and Tolomei, G. (2015). Promoting positive post-click experience for in-stream yahoo gemini users. In *KDD'15 Industry Track*. ACM.
- Lee, J., S. Kim, and C. Ham. (2016). A double-edge sword? Predicting consumers’ attitudes toward and sharing intention of native advertising on social media. *American Behavioral Scientist* 60, no. 12, 1425–41.
- Lutz, R. J. MacKenzie, S. B., & Belch, G. E. (1983). Attitude toward the ad as a mediator of advertising effectiveness: Determinants and consequences. *Advances in consumer research*, 10(1), 532-539.
- MacInnis, Deborah J., Ambar G. Rao, and Allen M. Weiss (2002), “Assessing When Increased Media Weight of Real-World Advertisements Helps Sales,” *Journal of Marketing Research*, 39(4), 391–407.
- MacKenzie, S. B., Lutz, R. J., & Belch, G. E. (1986). The Role of Attitude toward the Ad as a Mediator of Advertising Effectiveness: A Test of Competing Explanations. *Journal of Marketing Research*, 23(2), 130-143. <http://dx.doi.org/10.2307/3151660>.
- Macnamara, J. (2016). The continuing convergence of journalism and PR. *Journalism & Mass Communication Quarterly* 93, no. 1: 118–41.
- Manic, M. (2015). The Rise of Native Advertising, May 2015, *Bulletin of the Transilvania University of Brasov*, 57(2015-01):53.

Mansfield, S. D. (2015). When advertising turns nasty. *Netw. Secur.* 2015, 11 (November 2015), 5–8. [https://doi.org/10.1016/S1353-4858\(15\)30098-2](https://doi.org/10.1016/S1353-4858(15)30098-2)

Martin, B. & Gnoth, J. & Strong, C. (2013). Temporal Construal in Advertising. *Journal of Advertising*, 38. 5-20. [10.2753/JOA0091-3367380301](https://doi.org/10.2753/JOA0091-3367380301).

Micu, A., C., & Thorson, E. (2008) Leveraging News and Advertising to Introduce New Brands on the Web, *Journal of Interactive Advertising*, 9:1, 14-26.

Micu, A. & Pentina, I. (2015). Examining search as opposed to experience goods when investigating synergies of internet news articles and banner ads. 25. 378-398. [10.1108/IntR-11-2012-024](https://doi.org/10.1108/IntR-11-2012-024).

Mitchell, A.A., Olson, J.C. (1981), „Are Product Attribute Beliefs the Only Mediator of Advertising Effects on Brand Attitude?”, *Journal of Marketing Research*, vol. 13, no. 3, pp. 318-332.

Moore, S. G., McFerran, B. (2017). “She Said, She Said: Differential Interpersonal Similarities Predict Unique Linguistic Mimicry in Online Word of Mouth,” *Journal of the Association of Consumer Research*, 2(2), 229-245.

Muehling, D.D., McCann, M. (1993), „Attitude toward the Ad: A Review”, *Journal of Current Issues & Research in Advertising*, vol. 15, no. 2, pp. 25-58.

Nelson, H.A. (1974), Social Movement Transformation and Pre - movement Factor - effect: a Preliminary Inquiry. *Sociological Quarterly*, 15: 127-142. <https://doi.org/10.1111/j.1533-8525.1974.tb02132.x>

Nelson, M.R., L.M. Wood, and H.J. Paek. 2009. Increased persuasion knowledge of video news releases: Audience beliefs about news and support for source disclosure. *Journal of Mass Media Ethics* 24, no. 4: 220–37.

Newman, N., Levy, D. A. L., & Nielsen, R. K. (2015). Reuters Institute Digital News Report 2015: Tracking the future of news. Reuters Institute for the Study of Journalism., <https://reutersinstitute.politics.ox.ac.uk/our-research/digital-news-report-2015-0>

Nixon, B. (2014). Toward a Political Economy of ‘Audience Labour’ in the Digital Era. *tripleC: Communication, Capitalism & Critique*. Open Access Journal for a Global Sustainable Information Society. 12. 10.31269/triplec.v12i2.535.

Packard. G, Berger. J (2020). How Concrete Language Shapes Customer Satisfaction, *Journal of Consumer Research*, ucaa038, <https://doi.org/10.1093/jcr/ucaa038>

PageFair. Adblocking Report. <https://blog.pagefair.com/2015/ad-blocking-report/>, 2015.

Pennington, Ginger & Roese, Neal. (2003). Regulatory Focus and Temporal Distance. *Journal of Experimental Social Psychology*. 39. 563-576. 10.1016/S0022-1031(03)00058-1.

Pogacar, R. L., Shrum, J. and Lowrey, T. (2018). “The Effects of Linguistic Devices on Consumer Information Processing and Persausion: A Language Complexity & Processing

Mode Framework,” *Journal of Consumer Psychology*, 28(4), 689-711.

PriceWaterhouseCoopers (2013). IAB Internet Advertising Revenue Report, <https://www.iab.com/wp-content/uploads/2015/05/PwC-IAB-Webinar-Presentation-FY2013.pdf>

Ritzer, G., & Jurgenson, N. (2010). Production, Consumption, Prosumption: The nature of capitalism in the age of the digital 'prosumer.' *Journal of Consumer Culture*, 10(1), 13–36. <https://doi.org/10.1177/1469540509354673>

Rosales, R., Cheng, H., and Manavoglu, E. Post-click conversion modeling and analysis for non-guaranteed delivery display advertising. In *WSDM*, 2012.

Rosin, B. (2015, March 5). Why native advertising is a no-brainer for publishers and marketers.

Online Publishing Insider. Retrieved from <http://www.mediapost.com/publications/article/245070/why-native-advertising-is-a-nobrainier-for-publish.html>

Ruth, P, Shrum, L. J., & Lowrey, T. M.(2018), "The Effects of Linguistic Devices on Consumer Information Processing and Persuasion: A Language Complexity × Processing Mode Framework," *Journal of Consumer Psychology*, Forthcoming., HEC Paris Research Paper No. MKG-2018-1261, Available at SSRN: <https://ssrn.com/abstract=3158683>

Salmon, C. T., Reid, I. N., Rokrywczynski, J., & Willett, R. W. (1985). The effectiveness of advocacy advertising relative to news coverage. *Communication Research*, 12(4), 546–567.

Schellekens, Gaby, Verlegh, Peeter, Smidts, Ale. (2010) Language Abstraction in Word of Mouth. *Journal of Consumer Research*. 37. 207-223. 10.1086/651240.

Shade, D., Kornfield, S., Oliver, M. B. (2015). The Uses and Gratifications of Media Migration: Investigating the Activities, Motivations, and Predictors of Migration Behaviors Originating in Entertainment Television. *Journal of Broadcasting & Electronic Media*. 59. 318-341. 10.1080/08838151.2015.1029121.

- Shamdasani, P. N., Stanaland, A. J. S., & Tan, J. (2001). Location, location, location: Insights for advertising placement on the web. *Journal of Advertising Research*, 41(4), 7–21. <https://doi.org/10.2501/JAR-41-4-7-21>
- Shannon, C.E., Weaver, W. (1949), *The Mathematical Theory of Communication*, University of Illinois Press, Urbana, IL.
- ShareThrough. (2013). “Native Advertising Effectiveness Study”, Ipg Media Labs, <http://www.sharethrough.com/2013/05/infographic-native-advertising-effectiveness-study-by-ipg-media-labs/>.
- Sharethrough. (2018). Native advertising insights. <https://sharethrough.com/nativeadvertising/> (retrieved on May 15, 2019).
- Shimp, T.A. (1981), „Attitude Toward the Ad as a Mediator of Consumer Brand Choice“, *Journal of Advertising*, vol. 10, no. 2, pp. 9-15.
- SmartInsights. (2020). <https://www.smartinsights.com/internet-advertising/internet-advertising-analytics/display-advertising-clickthrough-rates/> (retrieved on Dec 21, 2020).
- Smythe, D.W. (1977), Critique of The Consciousness Industry. *Journal of Communication*, 27: 197-232.
- Sodomka, E., Lahaie, S., and Hillard, D. (2013). A predictive model for advertiser value-per-click in sponsored search. In WWW.
- Sundar, S. S., & Kalyanaraman, S. (2004). Arousal, memory, and impression-formation effects of animation speed in web advertising. *Journal of Advertising*, 33(1), 7-17. <https://doi.org/10.1080/00913367.2004.10639152>
- Statista. (2019). <https://www.statista.com/statistics/1100131/share-of-publishers-using-native-ads-world/> (retrieved on Dec 21, 2020).

Stephen, A. & Sciandra, M. & Inman, J. (2015). Is it What You Say or How You Say it? How Content Characteristics Affect Consumer Engagement with Brands on Facebook. SSRN Electronic Journal. 10.2139/ssrn.2683314.

Terranova, T. (2000). Free Labor: Producing Culture for the Digital Economy. *Social Text*, 18. 10.1215/01642472-18-2_63-33.

Tewksbury, D., Jensen, J.D., & Coe, K. (2011). Video News Releases and the Public: The Impact of Source Labeling on the Perceived Credibility of Television News. *Journal of Communication*, 61, 328-348.

Trope, Y., Liberman, N. (2003). “Creeping Dispositionism: The Temporal Dynamics of Behavior Prediction,” *Journal of Personality and Social Psychology*, 84 (3), 485–497.

Toffler, Alvin. (1980). *The third wave*. New York: Morrow.

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.

Urban, G. L., Guilherme (Gui) Liberali, MacDonald, E., Bordley, R. and Hauser, J., R. (2014). “Morphing Banner Advertising.” *Marketing Science* 33, no. 1 (January 2014): 27–46.

Verlegh, P.W., M.L. Fransen, and A. Kirmani. (2015). Persuasion in advertising: When does it work, and when does it not? *International Journal of Advertising*, 34, no. 1: 3–5.

Wang, P., Xiong, G., Yang, J. (2019). Serial position effects on native advertising effectiveness: Differential results across publisher and advertiser metrics. *Journal of Marketing*, 83(2), 82-97.

Wasserman, E. (2013, April 1). Advertising goes native, and deception runs free. HuffingtonPost. Retrieved from http://www.huffingtonpost.com/edward-wasserman/nativeadvertising-atlantic-scientology_b_2575945.html

Wei, M.-L., E. Fischer and K. J. Main. (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, no. 1: 34–44.

Woltman Elpers, J. L., Wedel, M., & Pieters, R. G. (2003). Why do consumers stop viewing television commercials? Two experiments on the influence of moment-to-moment entertainment and information value. *Journal of Marketing Research*, 40(4), 437-453

Wojdyski, B.W. (2016). The deceptiveness of sponsored news articles: How readers recognize and perceive native advertising. *American Behavioral Scientist* 60, no. 12: 1475–91.

Wojdyski, B.W., and N.J. Evans. (2016). Going native: Effects of disclosure position and Language on the recognition and evaluation of online native advertising. *Journal of Advertising* 45, no. 2: 157–68.

Wojdyski, B.W., Evans, N.J. and Hoy, M.G. (2018), Measuring Sponsorship Transparency in the Age of Native Advertising. *J Consum Aff*, 52: 115-137.

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 Behavioral Scientist*, 60(12), 1492–1509.

Wu, E. C., Moore, S. G., Fitzsimons, G. J. (2018). Wine for the Table: Self-Construal, Group Size, and Choice for Self and Others, *Journal of Consumer Research*, Volume 46, Issue 3, October 2019, Pages 508–527, <https://doi.org/10.1093/jcr/ucy082>

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.

Zaichkowsky, Judith Lynne (1985), "Measuring the Involvement Construct," *Journal of Consumer Research*, 12(3), 341.

Zimand-Sheiner, D., Ryan, T., Kip, S. M., & Lahav, T. (2020). Native advertising credibility perceptions and ethical attitudes: An exploratory study among adolescents in the United States, Turkey and Israel. *Journal of Business Research*, 116, 608-619.

Zinkhan, G.M., Locander, W.B., Leigh, J.H. (1986), „ Dimensional Relationships of Aided Recall and Recognition”, *Journal of Advertising*, vol. 15, no. 1, pp. 38-46.

Appendix A. Coding Instructions

Coding Instructions

Promotional Offer

Native Ad Text may vary how much Promotional offer they carry in their context. Some Native Ad Text will directly carry out the advertiser's commercial offer. For example, text have the discount rate on the certain products or if you buy a certain product what you will get free with this purchase.

Please code the Native Ads on a 5-point scale based on how much Promotional Offer they carry.

1= No promotional offer

5 = Considerable promotional offer

Please code between 1 to 5.

Knowledge Offer

Native Ad text may vary how much knowledge offer they carry in their context. Some will have content that provides knowledge about a category, interest area or a practical information. For example, ad text can have information about how to take better pictures with you mobile phone or ways to deal with diabetes.

Please code the Native ad text on a 5-point scale, based on how much knowledge offer that they carry.

1= No knowledge offer

5 = Considerable knowledge offer

Please code between 1 to 5.

Brand Presence in Ad Visual

Some ad visuals have the brand logo or the product itself in the visual. If the brand logo or the product shown in the visual (regardless of its position and size in the visual), please code on a 5-point scale.

1= Brand logo is shown, 2= Product is shown, 3= Both logo and product are shown, 4=Logo or product are not shown but can be recognized by the visual 5= None shown

Brand Presence in Ad Text

Some ad text has the brand name, or the product name written in the text. If the brand name or the product name is in the ad text, please code on a 5-point scale.

1= Brand name is in the text, 2= Product name is in the text, 3= Both brand name and product name is in the text, 4=Brand name is not in the text but it recognized by the content

5= None existed in the text

Context of the Website

Please code the category of the website that the native ad is displayed. Select the appropriate category for the website categories from the Table 1. For example, fotomac.com.tr is in the Sports Site category and it should be coded as “2”, if you cannot find the right category for the website please code it as “other”.

Contextual Relevancy of the Ad

Native ads can have a contextual relevancy with the website they have been displayed on. For example, a sport shoes ad displayed on a website categorized as sports website has a higher contextual relevancy where a food preparation equipment ad has a lower

relevancy. Please code the native ad contextual relevancy according to the website's contextual category on a 5-point scale.

Where native ad is contextually irrelevant with the web site's context code 1, where it's very relevant code 5.

Please code between 1 to 5.

Assertive Language/ Non-Assertive (Suggestive) Language

Assertive Language directs consumers to enact specific behaviors. Using verbs to give commands in a direct or imperative manner. For example, assertive language such as "buy it now", "Follow us on Instagram"; where non-assertive/suggestive language is "Now it's a good time to buy", "Consider visiting us". Please code the native ad text on a 5-point scale, based on how much assertive or non-assertive language they use.

1= Non-Assertive (Suggestive) Language

5= Assertive Language

Please code between 1 to 5.

Explicit vs Implicit Language use

Explicit language as an endorsement type has a more persuasive effect on consumers. Explicit language is clearly and fully express the real motive nothing is implied such as in an implicit use of language. For example, an expression like "Ultimate macro photography solution" is an explicit expression where "A new method for Macro Photography" is an implicit one. Please code the native ads on a 5-point scale based on how much explicit or implicit language that they use.

1= Implicit Language use

5= Explicit Language use

Please code between 1 to 5.

Product Involvement

Products in the native ads may vary according to the consumers involvement levels. Some of the products related to their technical specs, price, risks involved with the choice or considerable differences between the alternatives, requires higher involvement from the consumers. For example, categories like television set, vacation, automotive, education, insurance, banking, desires more attention from consumers while making a buying decision. Products which have a low price, non-differentiable by the specs, almost same features as the alternatives can categorized as low involvement products. For example, snacks, canned soda, pasta, most of the FMCG, clothing can be considered as low involvement products. Please code the products in the native ads on a 5-point scale by their involvement level.

1= Low Involvement

5= High Involvement

Please code between 1 to 5.

Temporal Distance

Temporal distance explains if the offer of the product/service in the native ad has realized immediately or in the future. For example, where ad text “10 food that you should add to your diet before summer” is future oriented, ad text “7 principles for a faster PC” is present oriented.

Please code the ad text on a 2-point scale according to the temporal distance.

1= Present oriented

2= Future oriented

Prevention/promotion focus

Language in some of the ads are about avoiding loss or prevention of risk. For example, an insurance ad “Don’t get back to the point where you’ve started with a flood” statement is towards preventing the risk or a toothpaste ad “important steps to stop cavaties” statement is about preventing risk. Some of the ads are focused more on the rewards and benefits. For example, “Things to do for whiter teeth” is focused on promotion (benefit).

Please code the native ads on a 2-point scale according to their prevention(loss)/Promotion(benefit) focus.

1= Prevention focus

2= Promotion focus

Self-Construal

Self-construal refers to the grounds of self-definition, and the extent to which the self is defined independently of others or interdependently with others. Some of the statements in the native ads focuses on the independent individuals, while others are more focused on a group of individuals. For example, statement like “5 life lessons to reach your career goals” aims to individuals that are after this kind of information. While a statement like “10 activities for a healthy family life” is aiming for interdependent because the offer is only meaningful for the family.

Please code the native ads on a 2-point scale according to their self-construal level.

1= Interdependent

2= Independent

Surprise

Native ads can be categorized by the surprise effect that they have in their ad text. Surprise effect is called for the ad text which has an unexpected, baffling or striking effect on the consumer.

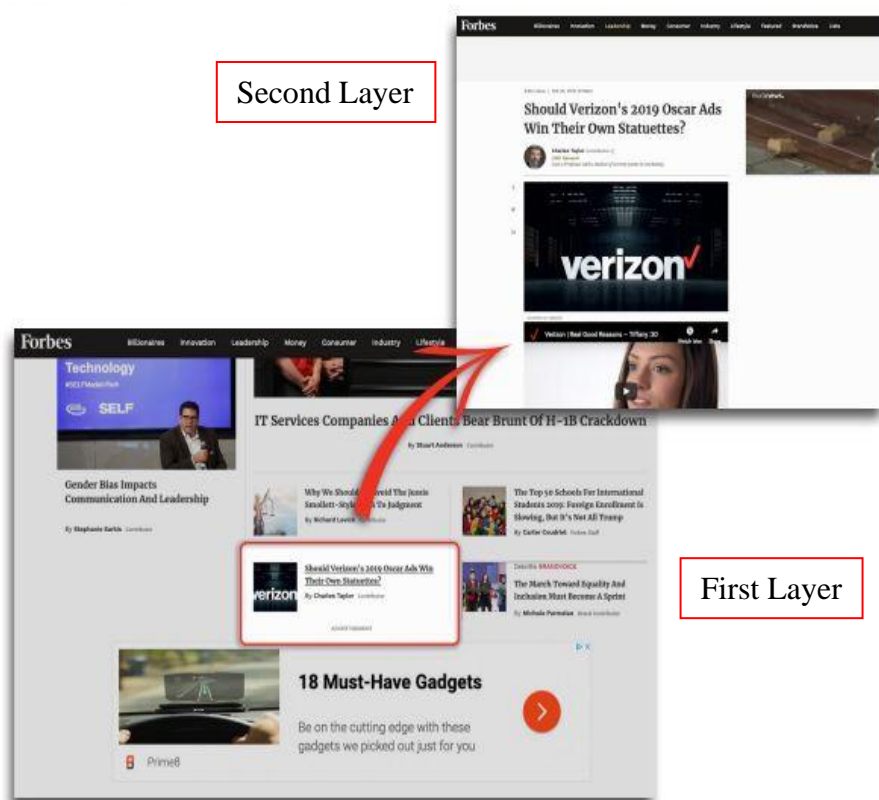
Please code the native ads on a 5-point scale, according to the surprise effect.

1= No surprise effect

5= Considerable surprise effect

Please code between 1 to 5.

Appendix B. IAB Native Advertising Playbook 2.0, First Layer – Second Layer



Appendix C. Native Hyperlink

Hürriyet com.tr 20. Gündem Dünya Ekonomi Spor Arena Video Seyahat Kelebek Son Dakika Yazarlar MENÜ

Arda Turan'dan Fatih Terim'e cevap Sabri Sarioğlu'nun Galatasaray'dan ayrılması sosyal

Osmanlı Devleti'nde uygulanan 8 ramazan geleneği

Badem Sütünün Şifa Dolu 5 Faydası

FED FAİZ KARARI NE ZAMAN AÇIKLANACAK?

FED toplantısı ne zaman, saat kaçta yapılacak? FED faiz

10 yılı Mezarlıklar Müdürlüğü'nde geçti

'Cenaze morgdan çıkarken kıpırdamaya başladı'

Bayram tatilini ucuzla yapmak mümkün!

Zeytinde karar günü: Ya değişecek ya iptal olacak

Emekli maaşları ne zaman yatacak? Maaşlar bayramdan

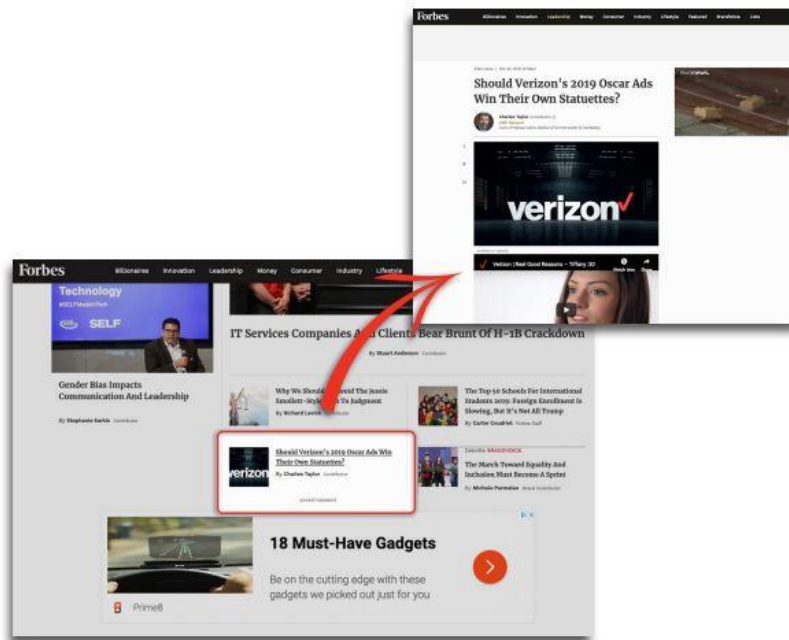
"Gerçeklerin er ya da geç açığa çıkmak gibi iyi bir huyu vardır"

Konya'da bir acayip çapkinlik öyküsü

EMEKLİ MAASLARI ÖDEME TAKVİMİ BELLİ OLDU

Native Hyperlink

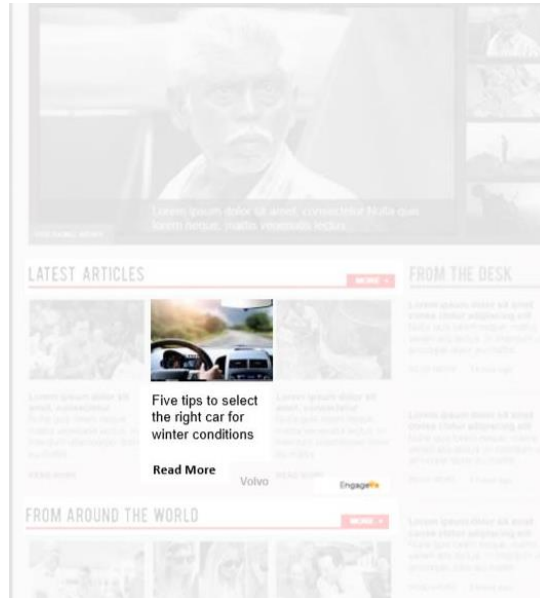
Appendix D. IAB Native Advertising Playbook 2.0, Native Ad Types, In-Feed / In-Content Ad



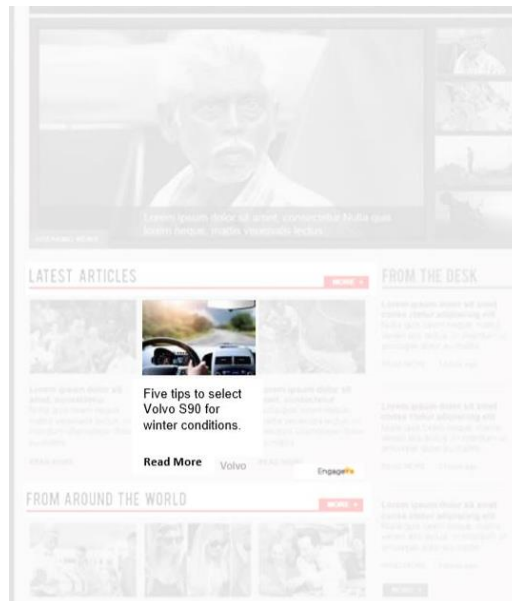
Appendix E. IAB Native Advertising Playbook 2.0, Native Ad Types, Content Recommendation Ad



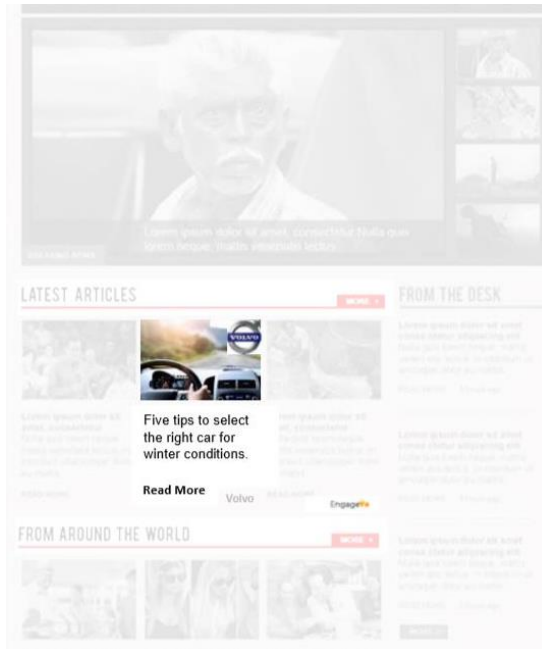
Appendix F. Qualtrics Survey, Native Ad Stimulus



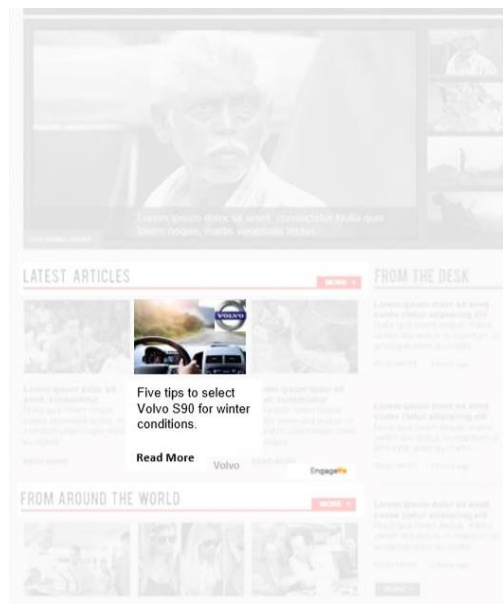
Informational Offer - No Brand Presence



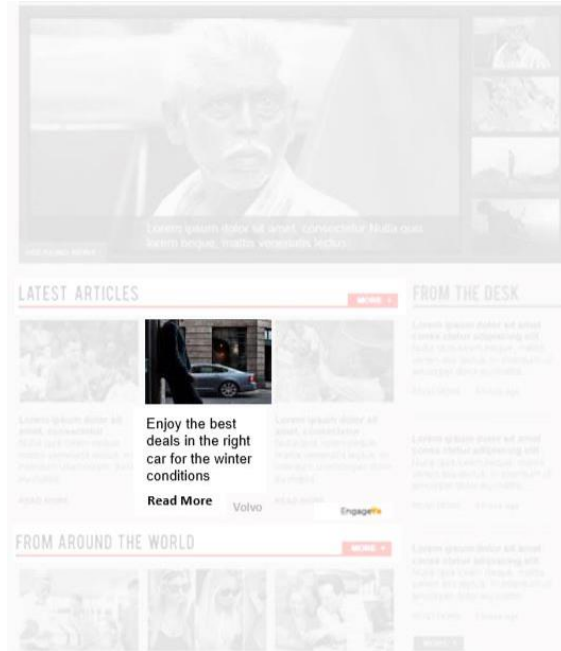
Informational Offer – Brand Presence Text



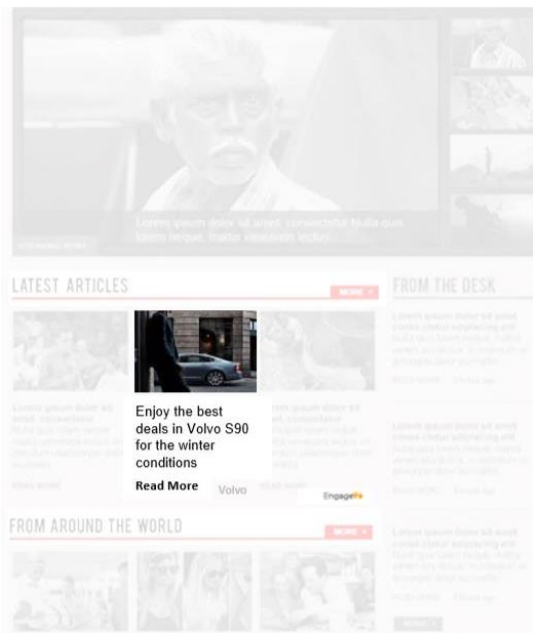
Informational Offer - Brand Presence Visual



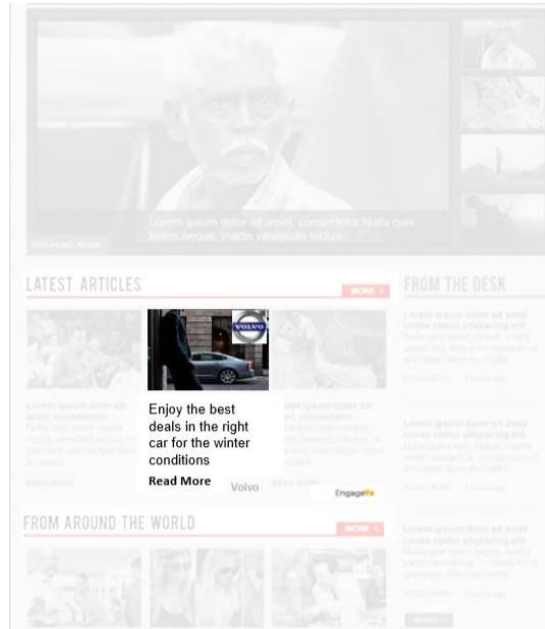
Informational Offer - Brand Presence Both



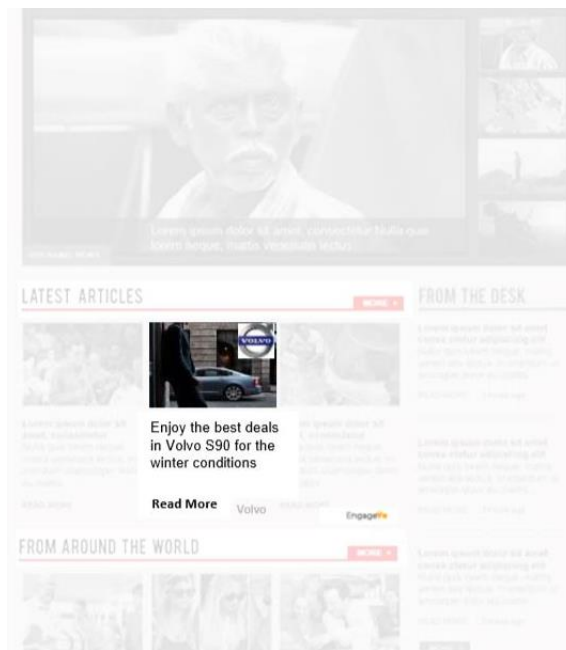
Promotional Offer - No Brand Presence



Promotional Offer - Brand Presence Text



Promotional Offer - Brand Presence Visual

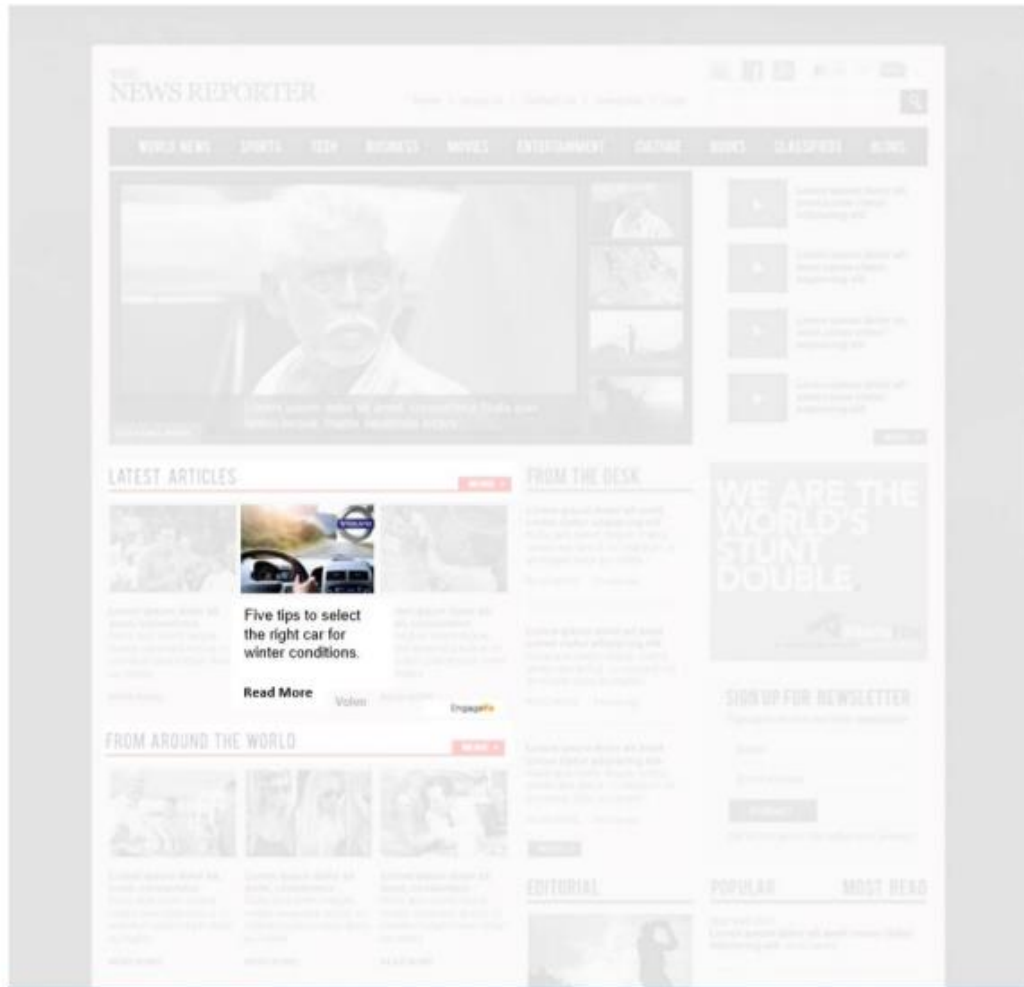


Promotional Offer - Brand Presence Both

Appendix G. Qualtrics Survey

12/2/2020

Qualtrics Survey Software



These page timer metrics will not be displayed to the recipient.

First Click: 0 seconds

Last Click: 0 seconds

Page Submit: 0 seconds

Click Count: 0 clicks

Appendix H. IAB Native Advertising Playbook, 2013, Core Six Native Ad Types



iab.

THE NATIVE ADVERTISING PLAYBOOK
**SIX NATIVE AD CATEGORIES, SIX MARKETPLACE CONSIDERATIONS,
AND IAB RECOMMENDED DISCLOSURE PRINCIPLES**

This paper provides the industry with a framework for thinking about and discussing current native advertising options with the goal of eliminating marketplace confusion and thereby helping sellers sell and buyers buy. Importantly, it also provides Recommended Industry Guidance for Advertising Disclosure and Transparency for ad units most often described as 'native.'

This will serve as the basis for future IAB initiatives in the native advertising space to provide greater clarity to the market. Anchoring this initiative will be a series of IAB industry workshops in 2014 focusing on the most pressing aspects of the native advertising ecosystem.

DECEMBER 4, 2013

3. NATIVE ADS: THE CORE SIX

At present, six types of ad units are most commonly deployed to achieve native objectives. They are listed here with examples from companies who deploy them regularly:

In-Feed Units



Paid Search Units



Recommendation Widgets



4

Promoted Listings



In-Ad (IAB Standard) with Native Element Units



Custom / "Can't Be Contained"



5