

Native Advertising: Evolving Marketing or Public Relations Promotional Tool

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Abstract

The term “Native Advertising” in the marketing sense has been characterised as an “advertising evolution”, and it is usually considered to belong to the group of new marketing tools. However, due to the subtle way in which it presents “editorial” content in the media, PR practitioners are increasingly describing native advertising as one of the most desirable PR tools. Guided by this situation, in this paper, the authors compare theoretical knowledge on advertising with Native Advertising as a new and innovative form of advertising, and connect it with application in the field of public relations. The obtained results of the comparison are contrasted with the opinions of six experts who have been working in the media, marketing agencies and PR agencies. By means of in-depth interviews, they present diverse takes on Native Advertising as a new advertising form, that is, a new PR tool. By comparing their opinions, the authors prove that Native Advertising is primarily a marketing tool that, due to its secondary (promotional) function, serves as support to PR activities, and not vice versa.

Keywords: advertising, Native Advertising, promotion, marketing, public relations, content, media, advertorial

1. Introduction and theoretical framework

Jesper Laursen and Martha Stone (2016, p. 5) from the Native Advertising Institute (NAI) define Native Advertising as “paid advertising where the ad matches the form, feel, function, and quality of the content of the media on which it appears. Frequently, this advertising content topic is not directly about the advertiser’s brand, but rather is about a tangential or supporting topic or topics that may create a ‘halo effect’ on the brand.”

Contemporary media, through various forms of advertising, daily serve millions of promotional messages to media users, becoming an unavoidable part of a person’s everyday life. Thereby, the term “promotional message”, that is, “promotion” belongs to the group of terms related to marketing terminology. Fedor Rocco (2000, p. 209) defines promotion as the sum of various activities by which a company attempts to make its products and services known to consumers and, thereby, used are communications media, as well as personal and impersonal persuasion, with the objective of ensuring a demand that the company can satisfy. Promotion, in addition to product, place and price (4Ps), is considered one of the integral functions of the promotional mix, which also include advertising, personal selling, sales promotion and public relations. Given that this paper is concerned with Native Advertising, a form of advertising used by marketing and public relations practitioners, the paper is focused on the functions of advertising and public relations, and considers the relationships between those two functions with regard to the use of Native Advertisements as a tool.

Advertisements are, as one of the functions of the promotional mix, defined by Kotler, Wong, Saunders & Armstrong (2006, p. 762) as any kind of paid form of non-personal presentation and promotion of idea, product or service through mass media (...) by an identified sponsor. The goal of placing advertising for users is to inform the public and to persuade them that the sponsor’s idea is valid, to cause a reaction in the target public that can be manifested by the consumer forming new opinions and ideas, and to consciously or unconsciously change their opinion about a certain sponsor. Therefore, the sponsor or the advertiser is a known advertisement right holder, whose goal is, through a certain message, to affect the positions of target audiences, which is also confirmed by Tanja Kesić (2003, p. 236), who notes that advertising is defined as the paid depiction of some company or organisation by means of the press or radio, whereby the objective is to affect human thought or behaviour.

When defining the term “public relations”, one must be cautious and critical. Public relations are still not asserted as a scientific, that is, professional area, but rather they are most often considered a craft, most often learned through practice. Also connected with this is the problem of properly understanding public relations in comparison to marketing, which to a certain extent have not emancipated from marketing, and are often equated with marketing. Namely, the term “public relations” is often subordinated by marketing theoreticians to the scientific field of marketing, and consider it as one of the four functions within the promotional mix. However, public relations theoreticians Ralph Tench and Liz Yeomans (2006, p. 2) state that public relations are used in a large number of professions and, in each of them, the people involved in this field have developed somewhat different skills and abilities, which is why there is still no universally accepted definition of public relations. In more recent times, in theory, the functions of marketing and public relations are often joined in an area called “Integrated Marketing Communication”. For instance, Lawrence Ang (2014, p. 4) highlights that “disciplines chosen for an Integrated Marketing Communications Campaign - for example advertising, direct response, sales promotion, marketing-oriented public relations (PR), sponsorship or social media must complement each other, so that the strength of one medium makes up for the weakness of another”.

The problem that exists at the level itself of understanding marketing and public relations is also reflected in the area of understanding their functions, which is why, in recent times, especially in innovative contrasting forms such as Native Advertising, there is also a clash in understanding to which area this type of tool for communication with target publics belongs. When discussing Native Advertising, marketing practitioners agree that it is a new trend in advertising that belongs partly to the known type called contextual advertising or advertorial, which is why Native Advertising belongs to the field of marketing. This is also confirmed by some other opinions, which state that, when Native Advertising is mentioned, then in question is very effective advertising adapted to a particular medium (Petrić, 2013). On the other hand, PR practitioners emphasise that Native Advertising is an innovative method of “non-intrusive” communication with target publics through credible journalistic content and editorial material that is located in the body of a journalistic text and is well accepted by the reader, who are dissatisfied with being interrupted while consuming desired content. As such, PR practitioners often depict it as an integral part of modern PR strategies, which consider Native Advertising a creative method of communication with target audiences.

2. Research methodology

In order to collect mutually comparable theories from experts in relevant branches, the authors decided on a qualitative research approach through a series of in-depth interviews with six respondents – media, marketing and PR experts who, in their home organisations, have been dealing with media, marketing, media buying or public relations for over five years. Three women and three men participated in the in-depth interviews. Respondents 1 and 2 are employed in the media; respondents 3 and 4 in marketing agencies; and respondents 5 and 6 in PR agencies. The objective of the research was to collect the opinions and stances of respondents. The individual approach was used with respondents. The authors interviewed each respondent separately so that the respondents would not influence each other with their opinions. Each respondent was asked open questions (with numerous sub-questions). The authors spoke with the respondents about four primary areas covered by this paper: a) Native Advertising as a tool for additional profit or good communication, b) Native Advertising as a tool for selling advertising space or image building, c) predominance of marketing, journalism or public relations and d) mimicking and recycling traditional content or creating newsworthy content. The average duration of each interview was 60 minutes. On the basis of several years of practical experience gained by working with representatives of media and agencies for market communication, and keeping in mind the different perceptions of Native Advertising by experts from various lines of business, the authors put forth, in this academic paper, the hypothesis that Native Advertising is primarily a marketing tool that serves a secondary function as a support tool in public relations.

2.1. Native Advertising as a tool for additional profit or good communication

In the past few years, the efficiency of traditional advertising methods is continuously falling due to the existing fragmentation trend of the media and the accelerated development of media (Oroz Štancl, 2014, p. 77). This is also confirmed by Kamilo Antolović, a court expert who, at the third national advertising festival, “Communication Days”, held from 16 to 19 April 2015 in Rovinj, released the fact that only 14 percent of people actually believe commercial messages (Duvnjak, 2015). It is estimated that two-thirds of viewers lower the

volume during commercials, change channels or completely avoid them (Kiley, 2006, as cited in Patil, Bisoyi, 2012).

The question may be asked whether the Native Advertising concept was conceived as an intelligent marketing and business plan for putting a stop to the further drop in sales of media space or is in the background an innovative communications concept which, as an objective, really has the goal of unconsciously affecting the forming of opinions of key publics. The fact is the field of modern Marketing Communications is evolving and ever changing, so marketing and public relations practitioners are confronted with the rising costs and challenges of placing ads in traditional advertising media (Shimp, Trencce, 2010, p. 15). Similarly, Laursen & Stone (2016) state another fact that Native Advertising represents big advertising revenue today. In their opinion, “Native Advertising is building a perfect storm in the news media industry, earning millions of dollars, euros, and pounds per year and it is the no. 2 most lucrative advertising source” (Laursen, Stone, 2016, p. 6). Furthermore, according to new research from the Native Advertising Institute (NAI), in association with FIPP, “Native Advertising will make up one third of all advertising revenue in the global magazine industry by 2018” (FIPP, 2016).

Among the surveyed respondents, there is agreement that Native Advertising is a successful marketing tool that really contributes to additional media profits. They argue their opinions with the hypothesis that media, as a result of the financial crisis, a reduction in the volume of marketing budgets and the technological evolution of various tools for blocking advertisements, were forced to find new sources of profit. However, in the analysis of this marketing tool, respondents went a step further and stated that profit is not necessarily the only motive for the appearance of this tool, and they support this with the proposition that Native Advertising is a tool that brings specific quality content that informs, educates and entertains users in a specific medium.

“Global figures confirm that the global media industry, in terms of achieving additional profit, has concrete benefits from Native Advertising, which only proves that it is a well-conceived marketing product that is accepted by both the media and readers. A Native Ad is an advertisement that is not so in its essence because it fulfils all of the presumptions of the traditional journalistic text that bring readers information, treated as any other journalistic text. If such a journalistic text achieves the basic function of informing readers, who after

consuming the text are additionally interested in reading the topic, then in question is a successful communications tool.” (Respondent 1, media representative)

“It’s a fact that Native Advertising, as yet another in a series of marketing tools, is successfully building a strategy of additional profit for media and brings media money. Perhaps it’s not fair to say that the media’s motive is exclusively money, because benefit from the advertising form is not only gained by the media itself, but the advertiser appearing with quality content in that media also benefits.” (Respondent 2, media representative)

“It is legitimate that the marketing departments and the sales departments in media companies, due to the difficult market situation, are seeking new sources of financing, and they’ve found it in the Native Advertising concept, which they can sell as additional value in the client promotion process. Such a media business model appeared due to the reduction in marketing budgets, to the drop in consumption of traditional advertising and Internet banners, which are, nowadays, more than ever, threatened due to new technological presumptions, such as, for instance, ad blockers. On the other hand, new media that have their own advertising platforms, such as Google, Facebook, YouTube and other social media, are taking from conventional media, as well as Internet news portals, an ever larger part of advertising budgets, thereby, slowly but surely taking the initiative, which is why a good part of the media had to find a new form of revenue stream in order to make up for the drop from print and other media. In this sense, Native Advertising originated as an innovative, but also the useful ‘product’ of marketing departments in media companies, through which media began to successfully sell and charge their content, and in this manner, compensate revenues.” (Respondent 3, marketing agency representative).

“If it already hasn’t, Native Advertising will certainly become a source of significant revenues for media. Already now media are increasingly offering clients Native Ads as additional free content to clients that are packaged together with conventional advertising campaigns. Nevertheless, I believe that the Native Ad, as a free form, will have a short lifespan, and with the development of this tool, there will be fewer things for ‘free’ because the media have recognised their potential.” (Respondent 4, marketing agency representative).

“Native Advertising is, in its essence, primarily a marketing tool, which can be seen in the fact that it is a paid format, therefore, a type of ad that someone has to order and pay for

in order to be published. Marketing departments, through Native Advertising, definitely manage to achieve profits that they lost due to the drop in conventional advertising because, by means of this advertising form, they manage to attract a wider public that, at least in promotional products, nevertheless, finds additional value and interesting information that is not intrusive. Some ten years ago, it was very difficult to get free space for some topic, which is logical because the advertising crisis was still far away, and actually the rule in place was “you get what you pay for”. As time went by and as advertising budgets began to decrease, so an ever greater number of free advertising space began to be available, as added value, and this is the area that Native Advertising actually entered.” (Respondent 5, PR representative)

“It’s logical for media products to make money, that’s why they were created as an integral part of business policies, and there is nothing controversial in this as long as they manage to reconcile the requests of editorial boards and marketing departments. From the PR perspective, Native Advertising can be taken as a tool that does not necessarily have to be sold by media alone, but through PR agencies on behalf of media, for additional commission. It can be sold by PR agencies themselves, which, in this manner, offer their clients an additional tool in media strategies.” (Respondent 6, PR agency representative).

2.2. Tool for selling advertising space or image building

It is a fact that people are tired of banner advertising, and this marketing tool successfully creates conversion of desired content instead of aggressively potentiating sales (Petrić, 2013). Some consider it an integral part of Inbound Marketing, popularly called “non-intrusive marketing”, i.e. “socially responsible marketing”, which does not contain a direct sales component, but rather ‘prepares’ the customer to buy a certain product. Inbound Marketing is all about earning attention and love. This is often a superior way of marketing (Fishkin, Høgenhaven, 2013). If the basic characteristics of Native Marketing are analysed, then we can come to the conclusion that the basic premise of Native Ads is not sales, but rather to create an atmosphere that will, at a later time, result in sales. This is confirmed by Nicolae Sfetcu (2015), who states that Native Advertising aims to attract customers’ attention by providing content in the context of the user experience. According to Sfetcu (2015), for

Native Advertising to be considered quality advertising, it must meet five principles: tell an interesting story, be entertaining, be in line with the interests and expectations of users, integrate seamlessly into the page that hosts it and not interfere with the user, and it must be clearly labelled as “Sponsored”.

In the autumn of 2013, Hexagram and B2B PR consultancy Spada conducted a comprehensive survey (published in 2014) with over 1,000 respondents from the US, UK, and around the world which showed that “brands use Native Advertising not to simply generate click-through to the marketer site or even to generate sales. Instead, it represents an opportunity to provide a more relevant message and ratchet up engagement with consumers.” (BizMedia, 2013)

Researchers mostly agree that Native Advertising is part of the more complex and innovative “Inbound Marketing”, and on the marketing communication level, represents a tool for achieving the so-called “pull strategy”, which attracts customers in an indirect and non-intrusive manner. According to experts, the value of Native Advertising exceeds the very concept of advertising space purchase because, with its content, it transfers the very idea of the brand. Native Advertising is an attractive media story that, in an indirect manner and without intruding, attracts customers and establishes a relationship with them. In the focus of Native Advertising is content that has the ability to build a positive image and brand awareness.

“Native Advertising should be examined as an innovative type of advertising that, in a creative, that is, journalistic manner, integrated in the media content, tells the story about the brand. Readers are ignoring conventional, intrusive advertisements, which is why media are turning to this new type of advertisement that raise brand positioning to a new level, and this in a much less intrusive manner, that is, in a non-intrusive manner compared to traditional advertising. Readers expect brands to show the public a certain dose of care. They demand a story that is convincing and different from the usual stories. Native Advertising, as a new form of advertisement, provides the opportunity for brands, through a convincing story, to set themselves apart from the crowd, and what is most important – to gain the trust of users. In this manner, users are led to believe in brands.”
(Respondent 1, media representative)

“The value of Native Advertising lies in the fact that the content of this form does not

necessarily have to be intrusively directed towards selling, promoting and positive. The journalist has the freedom to write content that will lead the user, after reading, to start exploring some product further, and that is the point. It is important that the text transfers the idea of some brand to the reader, its mission and vision, that it intrigues them, and this is image building.” (Respondent 2, media representative)

“Native Ads provide a broader picture than familiar advertising forms such as the advertorial. They inform and educate end users, not selling them a product, but rather leading them to reach a conclusion as to why they should buy some product. They should tell a story that must be interesting to readers and must give them added value through the content they provide. Advertorials, for instance, in comparison to Native Ads are less favourably positioned. They are labelled as promo text, and both textually and graphically stand out from the remaining text. A Native Ad is actually content that is well-packaged into a coherent and attractive media story that will, little by little, attract customers, and through which it will build trust with them.” (Respondent 3, marketing agency representative)

“Traditional marketing, examined through advertising, represents the ‘promotional push strategy’, while Native actually belongs to inbound marketing and uses the ‘pull strategy’, attracting users with content. The Native story spreads the story, provides a series of benefits for users and does not have a direct sales component. Users do not have much benefit from conventional ads besides having the content pushed to them, while with Native, users can receive information about numerous interesting topics without being attacked by ads.” (Respondent 4, marketing agency representative)

“Native Advertising is a form that, in the technical sense, is located between marketing and PR, and it is hard to delineate at which point the Native Ad sells the product and at which it doesn’t. Sales are always some kind of consequence. Its PR value can be seen in terms of promotions, informing, educating, entertaining readers, and creating a positive atmosphere surrounding some brand, which is why this form goes beyond the marketing term. The relevancy and attractiveness of Native Ads lies in the fact that they, as opposed to other advertising forms, tolerate journalistic ‘objectivity’ and do not completely and exclusively have to be a (promotional) text – therefore, due to its journalistic form, it strives for objectivity, and in this sense, it has to be looked at as a communications channel that, first of all, builds a positive image.” (Respondent 5, PR agency representative)

“PR agencies, with the help of Native Ads, ensure the better positioning of content in media. Topics can be presented in a more attractive manner, although they are not current – which would realistically be an aggravating circumstance for placing in the media. Non-current, but at the same time, attractive topics are successfully placed in the media through Native Ads. Native Ads allow the subtle placing of the broader picture and provide the reader with interesting content. The end user will consume it if it is interesting, whether it is paid for or not. It certainly guarantees the better positioning of articles in media and, in this manner, it affects the forming of opinions that may, in the end, result in the sale of some product.” (Respondent 6, PR agency representative)

2.3. Prevalence of marketing, journalism or public relations

Certain authors such as William Comcowich (2016), CMO of CyberAlert LLC and editor of the CyberAlert Blog, which covers PR, marketing and social media, consider that Native Ads could be seen as a major opportunity for PR. He considers that “Native Advertising has evolved from an experimental technique to a core marketing strategy for many brands. Despite being paid media, Native Advertising may become a significant source of revenue for public relations agencies.” He defends this assertion by the fact that Native Ads use PR’s “storytelling” technique, which is the reason why PR agencies will have additional work given that a growth is anticipated in Native Advertising in the coming years.

Jim Dougherty (2014), on the hand, publicly released a theory that is totally opposite, in which he states that, for public relations professionals, “content placement through Native Ads leads to a bit of an existential crisis because we could be witness to a lack of purpose of traditional PR if businesses can simply pay to place content on demand. For consumers, this leads to an entirely different conundrum: as Native Advertising becomes increasingly innocuous, will mistrust of Native Advertising erode their trust of traditional content?”

There is no complete agreement in opinion among respondents on this topic. While media representatives unilaterally emphasise that, in the preparation of a Native Ad, it is only the journalist forming the content of the text that is important, representatives of marketing and PR agencies believe that, in this process, there is room for them, and that a Native Ad is actually a combination of activities of media, marketing and PR. Consensus among

respondents has been achieved insofar as they all agree that, in order to prepare quality Native Ads, the journalistic writing style is required.

“Although we’re talking about the marketing form, the process of preparing a Native Ad should not be any different than the process of creating a traditional journalistic article. A Native Ad is a form of communication with the public by means of the media, and in order for communication with the public by means of the media to be successful, it must be consistent, that is, convincing and written in the journalistic style, something which readers are used to and in which they obviously believe if they keep purchasing newspapers or clicking on a portal. The style of writing daily news should not be any different than writing a Native Ad. This is precisely the value of Native Ads.” (Respondent 1, media representative)

“Native Advertisement is an advertising form that, in terms of content and visually, must be incorporated in the media. Besides visual design, the main component that attracts readers is content, and it is for this reason that only journalists should be the ones to create content for Native Advertisements, and I consider this to be the task of the journalist. When a PR practitioner prepared the text, it often occurs that such a text does not contain the necessary critical thinking, which is the reason why such content very quickly stops being a Native Ad and becomes an Advertorial. The marketing part consists of selling the Native Ad, while PR practitioners actually do not play an important role.” (Respondent 2, media representative)

“Native Advertisements are not a threat to PR agencies because marketing and PR specialists should both participate equally in the preparation of this format. The media mostly perceive Native Ads as content that is written according to the rules of the journalistic profession. However, Native Ads are much more than a journalistic text. Marketing experts know what needs to stand in the background of Native Ads in the sense of development of attractive content, consumer requirements, while PR practitioners need to ponder on the meaning of developing attractive content and, for this reason, both professions must participate in the preparation of this advertising form. In practice, it has been shown that marketing and PR agencies are not competitors in this area, but rather work in synergy.” (Respondent 3, marketing agency representative)

“Native Advertising must be considered as content that is published on someone else’s

media, and it is not important who prepares it as long as the need to organically attract readers is met, that is, that it is informative, educational and interesting. Media often forget that a blog is a form of Native Advertising, and anyone can write a blog, it doesn't have to be a journalist. A sufficient number of people are familiar with this writing style and with the 'pull strategy' promotion principle, and it is here that marketing and PR experts are invited to say something." (Respondent 4, marketing agency representative)

"Native Advertising should, by definition, be written by a journalist or PR practitioner because it represents a more subtle manner of promotion that is realised through the journalistic form, and targets more the image building of a company and creating the general impression through journalistically formed content rather than on sales themselves, which is actually characteristic for publicity and, consequently, public relations. Among PR practitioners, there are many graduate journalists who are familiar with writing in the journalistic style, and there should be no question as to who is going to write this text while this style is being respected." (Respondent 5, PR agency representative)

"As with advertorials, some of the media still seek from PR practitioners to independently prepare content for Native Ads. In this case, the PR practitioner is the one who must be familiar with the journalistic style of writing and the style of the media in which they would like to place the Native Ad. On the other hand, practice has shown that content sponsors continue to trust their PR practitioners more than journalists (located on the other side), and that they will gladly leave the writing of the content to the PR practitioner." (Respondent 6, PR agency representative)

2.4. Mimicking and recycling traditional content or creating newsworthy content

Given that it only gained momentum in 2013, the Native Advertising concept still does not have clearly defined standards and reference values, which is why it can seem confusing both to the reader and to the publisher. The fact is that Native Advertising should mimic traditional content in as much detail as possible, however, within the framework of the Media Act (Official Gazette 59/04, 84/11, 81/13, Article 20), which highlights that disguised and fraudulent advertising is not permitted. According to the stated Act, disguised advertising

will be considered all journalistic forms (written text, photograph, picture, drawing etc.) that are in any manner paid, and are not clearly defined as advertising. While advertising in Croatia is regulated as part of the Media Act, some practitioners still consider Native Advertising an advertising form that goes beyond the framework of traditional advertising, and it can very easily deceive readers into thinking that in question is a non-paid content form. For instance, one of the most disturbing findings of the “Native Advertising Trends 2016: The News Media Industry” (2013) report is that “7% of news media publishers do not label Native Advertising at all. In the magazine industry, 11% of respondents in a survey published earlier this year said they do not label Native Advertising at all.” The question is whether this type of content is a threat to journalism as a profession. The concept of Native Advertising does not have clearly defined standards and reference values so it can cause confusion both for readers and publishers. In the drive for increased revenues, some media publish advertisements as real content, hiding the advertiser’s name (Petrić, 2013). Kamilo Antolović (2016) considers that, despite Native Advertising being a new and adapted tool for creating demand, a tool of greater efficiency and a new opportunity for media, it also creates new legal and ethical dilemmas. On the one hand, it can create new implications for the consumer in the manner that it disguises the true nature of such communication, primarily by mimicking advertising and hinting at (forbidden) disguised advertising.

Respondents agree that there is still no consensus among all Croatian media about standards for Native Advertising. Some media in Croatia have established their own Native Ad studios through which they clearly label Native Advertising content. However, some media continue to keep Native Advertising in the ‘grey zone’ by signing as the editorial board rather than as a journalist. There is consensus that, in the future, the content of Native Ads should be labelled in the same manner by all media in order to avoid deceiving readers.

“Native Ads are not signed advertorials or some other sales-oriented text. As long as there is a journalist standing behind the content of a Native Ad, who prior to writing conducted the research, investigated the story from different sides, set aside the positive and negative aspects, then this is a valid journalistic text. Although in certain media, it occurs that some Native content is signed as ‘Editorial Board’, in principle, each Native Ad should be labelled as ‘Sponsored Content’, and there is no room for deceiving readers. If the topic is informative, useful, educational and written in a journalistic style, then we can talk about

newsworthy content.” (Respondent 1, media representative)

“Despite often being labelled as sponsored content, Native Advertising is currently, in terms of ethics, a relatively questionable marketing tool because media content is presented with the objective of the reader having a difficult time perceiving it as being different compared to ‘conventional’ unpaid journalistic content. Finally, this is a tool that, in large part, borders on the ‘grey zone’ given that, in Croatia, in the media, there is still no clear consensus about what standards should be followed when preparing Native Ads. Media do not have their own Native studios or departments, and they are still inclined to sign the editorial board under Native texts.” (Respondent 2, media representative)

“In this case, there are several problems. Namely, media editorial boards often create resistance to this type of advertising because it demands from them creating and signing, and in their regular content, media include ‘sponsored’ journalistic texts, whereby, in the opinion of editors, this reduces the credibility of newspapers. The other problem is how to present and sell Native Ads because editorial boards are, in fact, putting themselves in the situation that they are seeking from their clients a fee in order to write affirmatively about them.” (Respondent 3, marketing agency representative)

“The Native Ad is an advertising format that matches the environment of a specific medium. For instance, it is not difficult to recognise display advertising because it consists of one sentence and a call-to-action button. Things are similar with Facebook advertising, although content itself on Facebook can be considered Native content because we’re talking about news that is thematically integrated into the environment. The difference between banner, Facebook text and Native article is actually in the quantity of content offered to readers. Native should simply be examined as a new form of expression that has been incorporated into platforms that exist at this moment. Each type of content has its public, it’s just a question of whether it can pass the ‘editorial filter’.” (Respondent 4, marketing agency representative)

“Media would like to be objective and independent. However, in this manner, they are opening the door to paid journalistic content. Today, Native Ads are integral parts of marketing plans and campaigns, and in the same manner included in PR plans because PR practitioners prefer to show formats like Native as content that the ‘unwary’ reader has a difficult time or does not differentiate at all from the journalistic text. Conventional PR will

have to change and adapt because of Native Ads. In spite of this, PR is a much wider concept and consists of a much wider scope of activities.” (Respondent 5, PR agency representative)

“In the end, there is always the fact that ‘content is king’. Native Ads can be formed into a well-thought out campaign that serves as support to PR activities, but exclusively on condition that they are incorporated into the media content, and that they appear authentic and that there is no ‘PROMO’ or ‘Sponsored’ label next to the text, thereby directly encroaching in a ‘grey zone’. Native Ads are not branded in order to remain as authentic as possible, signed by journalists, but also they have to carry the label of the sponsor who ordered the advertisement, and thereby, are subject to the Media Act. Native Ads have a real influence on forming the opinion of target audiences and serve as excellent support to PR campaigns. Besides, they save space and resources. For instance, for a banner campaign, it is necessary to provide a landing page, PR support in order to explain more complex information, and realistically, this can all be done in one Native Ad that enables the placement of texts, photos, videos and accompanying multimedia content.” (Respondent 6, PR agency representative)

3. Conclusion

Despite the non-existence of a clear media consensus in Croatia concerning the form and labelling of Native Ads, the opinion of experts confirm the theoretical assertions that Native Advertising is primarily a form of paid advertising where the ad matches the form, feel, function, and quality of the content of the media on which it appears. Accordingly, this categorises it primarily as a marketing tool. Native Advertising is a modern innovative advertising tool, which today represents significant advertising revenue for the media. However, the opinions of experts have confirmed that it should not be considered unilaterally, only as a tool that brings additional profit to sales departments in media companies.

It is undeniable that Native Advertising represents a successful marketing tool that opens up room for the media for additional profit, which in recent years has begun to decline as a result of the financial crisis, reduced volume of marketing budgets, the technological evolution of ad blockers, as well as changes in the manner of consuming media and advertisements. Some portals assert that Native Ad articles receive manifold more clicks in comparison with conventional journalistic texts, which confirms that users do not

completely avoid promotional texts. However, it is a fact that media users are paying less attention to intrusive forms of marketing that “attack” them with content, pop out in the form of banners or take up entire pages in newspapers. Therefore, Native Advertising in the sense of disseminating marketing content in a specific medium brings the user quality newsworthy content that informs, educates and entertains.

Native Advertising is, it would appear, one of the most significant new trends in marketing and part of the more complex “inbound marketing”, i.e. a tool for achieving the so-called “pull strategy” to achieve a stronger psychological effect in the end user, and to induce them to become additionally interested in a certain product or topic through content. Due to the aforementioned, Native Advertising goes beyond the term “advertisement”. Through content, it achieves that users do not have the feeling that they are exposed to promotional messages, which means that it should, in terms of communication and achieving relevancy, be more efficient than conventional advertisements.

In understanding the role of Native Advertising, there is still a relative lack of consensus among media professionals, marketing professionals and PR professionals. While representatives of the media emphasise that, for the preparation of a Native Ad, relevant is exclusively the journalist preparing the textual content, representatives of marketing and PR agencies consider that, for the preparation of quality Native Ads, necessary is knowledge of the journalistic style of writing, and that the role of copywriter can be taken on by anyone familiar with the basics of the journalistic style.

Although advertising in Croatia is regulated by the Media Act, respondents agree that, among Croatian media, there is still a lack of consensus on the Native Advertising standard. The problem appears in the area of labelling Native content because some media still continue to keep “Native Advertising” in the “grey zone” by signing the editorial board instead of a journalist under the text.

To conclude, Native Advertising originated as a result of the quest to obtain a more efficient impact from investing in communications, as well as a part of the evolution of media and communication itself. In defining the concept and key attributions, Native Advertising has been completely equated with the other forms of market communications as paid, systematic and designed to spread messages with the objective of influencing recipients.

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