

# Native Advertising on Facebook and Twitter: A Content Analysis of Sponsored Messages in User News Feeds

OUTSTANDING ABSTRACT – Social Media Marketing

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## Abstract

Social network ad spending in the US is projected to reach 19.8 billion in 2018, almost double the level only three years prior (Ignite Social Media, 2016). Although Facebook is the leader by far, advertisers have also been attracted to Twitter, which is projected to generate 1.47 billion in US advertising in 2018 (eMarketer, 2016). All of the advertising on Twitter and the vast majority on Facebook takes the form of sponsored messages in users' news feeds. Paid messages in a user's news feed fall into the category of "native advertising," because they resemble the unpaid content, e.g., posts from friends or unpaid posts from liked or followed brands, that surrounds them. Native advertising has drawn concern because of the potential deception inherent in the format: consumers sometimes do not recognize it as advertising (Boerman, Willemsen, & Van Der Aa, 2016; Howe & Teufel, 2014; Tutaj & Reijmersdal, 2012). Content analyses of social media as a promotion tool have focused on brands' posts on their own pages, rather than consumer news feeds. Therefore, this study aims to augment and expand existing research by 1) examining the prevalence and nature of paid messages as they occur in user news feeds, and 2) comparing paid messaging on two sites that offer a similar format for native advertising, but have different uses and functions.

## Literature Review

Native advertising can be defined as "textual, pictorial, and/or audiovisual material that supports the aims of an advertiser (and is paid for by the advertiser) while it mimics the format and editorial style of the publisher that carries it" (Couldry & Turow 2014, p. 1716). Based on this definition, native advertising could include older forms of ad-editorial blends, like advertorials and infomercials, but the term usually refers to digital forms of ad-editorial blends (Bakshi, 2015). Even within the digital category, there are many different types of native advertising. The Interactive Advertising Board (IAB) identifies six different types of native advertising: in-feed units, paid search units, recommendation widgets, promoted listings, in-ad with native element units, and a catch-all category for other, platform-specific, units, "custom/can't be contained" (IAB Native Advertising Playbook, 2013). Using the IAB framework, both Facebook and Twitter sponsored messages within the news feed fall into the third type of in-feed unit, defined

as “an in-feed ad that is in a publisher’s normal content well; is in story form to match the surrounding stories and allows for an individual to play, read, view, or watch without leaving to a separate page” (IAB, p. 9).

Researchers have long been interested in ad-editorial blends and have found evidence of both their effectiveness (Hanson, 2016; Hausknecht, Wilkinson, & Prough, 1991; Kim, Pasadeos & Barban, 2001; Robinson, Ozanne, & Cohen, 2002; Van Reijmersdal, Neijens, & Smit, 2005), and deceptiveness (Hoofnagle & Meleshinsky, 2015; Howe & Teufel, 2014; Kim, Pasadeos & Barban, 2001; Tutaj & van Reijmersdal, 2012). Studies examining native advertising in the form of sponsored content on websites have provided evidence that it can garner more positive attitudes than traditional banner advertising (Becker-Olsen, 2003; Tutaj & van Reijmersdal, 2012), but have also provided evidence that consumers do not always recognize native advertising as advertising (Howe & Teufel, 2014; Tutaj & Reijmersdal, 2012). Fewer studies have been done on in-feed native advertising, but there is emerging evidence to suggest that earlier findings with respect to effectiveness and deceptiveness apply to in-feed native. Lee, Kim, and Ham (2016) found that the “nonintrusiveness” of in-feed native advertising was positively related to attitudes towards it, which suggests the potential for greater effectiveness through more positive ad attitudes, while Boerman et al. (2016) found that subjects had difficulty recognizing sponsored celebrity posts as native advertising and frequently did not remember seeing disclosures that identify the messages as advertising.

Content analysis has often been used in academic research to identify the prevalence and nature of different types of marketing communications, including ad-editorial blends (Hanson, 2014; Ju-Pak, Kim, & Cameron, 1995; Stout, Wilcox, & Greer, 1989). A recent content analysis by Smith, Fischer and Yongjian (2012) is of particular relevance to the present study because, although it examines user-generated content and not native advertising, it presents a direct comparison of Facebook and Twitter that suggests differences that have implications for advertisers. Specifically, Twitter, with its focus on sharing news and information, was found to feature more brand-oriented user-generated content than Facebook, but also contained less positive and more neutral and negative content, while user-generated content on Facebook, with its focus on “personal information, interests, photos,...and keeping up with other people’s lives,” (p. 103) contained more self-promotion.

## Research Questions

Given the scarcity of research on native advertising as it occurs in the news feeds of Facebook and Twitter users, and the potential issues that native advertising entails, the following research questions were formulated:

R1: What is the prevalence of native advertising in Facebook and Twitter feeds, and does it differ by platform or gender?

R2: What is the profile of native advertisers on Twitter and Facebook in terms of product category and does it differ by platform or gender?

R3: What is the profile of native advertisers on Twitter and Facebook in terms of brand age and advertising prominence, and does it differ by platform or gender?

## Methodology

Sixty-three undergraduate student subjects from three upper-level business courses participated in the study. Google Chrome Full Page Screen Capture was used to capture images of the participants' desktop Facebook and Twitter feeds. In total, 44 subjects (23 male, 21 female) provided a useable screenshot from at least one of the two platforms—21 provided both, 18 provided Facebook only, and five provided Twitter only-- resulting in 65 screenshots and 180 sponsored messages for analysis.

## Results

In the Facebook sample, 11.44% of total messages in the news feed were sponsored messages, while in the Twitter sample, 8.57% of total tweets were promoted tweets ( $\chi^2 = 4.02$ ,  $p = .045$ ). There were no significant differences in the prevalence of paid messages relative to total messages in the male and female samples for either platform.

The largest categories of paid messages in the Facebook sample were apparel/accessories (36.99%) and leisure (24.66%); both of these categories were significantly larger in the Facebook sample than the Twitter sample (36.99% vs. 13.08%,  $\chi^2 = 14.10$ ,  $p = .00$  and 24.66% vs. 11.21%,  $\chi^2 = 4.72$ ,  $p = .03$ ). The largest categories in the Twitter sample were financial (24.30%), technology (17.76%), and health and beauty (14.95%) products; the financial and health and beauty categories were significantly larger in the Twitter sample than the Facebook sample (24.30% vs. 5.48%,  $\chi^2 = 11.07$ ,  $p = .00$  and 14.95% vs. 1.37%,  $\chi^2 = 9.36$ ,  $p = .00$ ).

Health and beauty messages represented a significantly higher percentage of the messages for females than males (13.98% vs. 4.60%,  $\chi^2 = 4.63$ ,  $p = .03$ ), while the male sample had a significantly higher percentage of messages in the leisure-entertainment category (22.99% vs. 10.75%,  $\chi^2 = 4.85$ ,  $p = .03$ ). There were no significant gender differences in the percentage of paid messages for food, auto, technology, or financial products.

There were a total of 123 different advertisers across the 180 sponsored posts, for an average of 1.46 posts per sponsor. Fifty-eight percent of the advertisers were founded in 2000 or later, and 7% were in the top 100 of US advertisers, as measured by Adbrands (Adbrands.net, 2015). Only three advertisers, all established brands and leading US ad spenders, appeared in both samples: Amazon, Microsoft, and Toyota.

## Conclusions and Future Research

Facebook and Twitter have both been circumspect with respect to information on their advertisers (Doland, 2018; Edwards, 2014), and, unlike traditional print and broadcast advertising, the advertisers and advertising messages on social media are highly individualized and not publicly visible. Expert “best guesses” suggest that the leading advertisers overall are large companies, such as Samsung, P&G, Microsoft, AT&T, and Amazon (Edwards, 2014). While three of these advertisers did appear in the study, over 80% of the advertisements were from newer, smaller companies that are not leading US advertisers. The study also suggests that advertisers are responding to the differing purposes and uses of the two social media platforms: Facebook, which is a more personal platform, had more ads for apparel and entertainment, while Twitter, which is more news-oriented, had more ads for financial products and services.

The current study provides a snapshot of the prevalence and nature of advertising on Facebook and Twitter for a narrow demographic sample, undergraduate college students. Replication of the study with different demographic samples is needed to better understand the advertising dynamics on Facebook and Twitter, while replication over time is needed to monitor growth in social media advertising and Track changes in advertiser profile as they evolve as advertising media.

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**Keywords:** advertising, content analysis, Facebook, Twitter, native advertising, social media, sponsored messages

**Relevance to Marketing Educators, Researchers and Practitioners:**

This paper is of relevance to educators teaching current practices in social media marketing, to researchers studying the prevalence and growth of ad-editorial blends, and to practitioners interested in utilizing Facebook or Twitter to promote products to college-aged students.

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