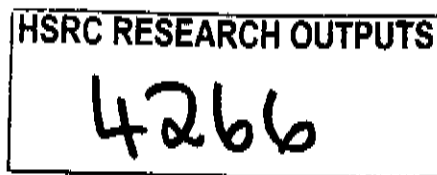


PAPER FOR 2006 SACOMM CONFERENCE: 'Creating the media future'

**'The Third Arm': New forms of 'paid-for' content in the South African print media and the implications for media credibility and journalistic practice**

**ABSTRACT:** It has been argued that commercialism poses one of the gravest challenges to the autonomy and integrity of the South African media in the post-1994 era. To maintain profitability, many publications have developed a range of strategies to attract advertising in particular, developing the kind of content that advertisers most desire. These include niched supplements, special sections and advertorial pages and surveys. But, along with growing their "paid-for" content, many publications appear to be failing to signal adequately when content has been paid for by advertisers and when it has not. This paper identifies the development of a 'third arm', a new trend in paid-for content in the South African print media. Through a case study of Independent Newspapers Special Projects Division, a review of the literature and a focus group element, this paper examines the shape and possible implications of this new trend.

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## **Introduction**

A critique of the media has been developing within government and the ruling political party, which argues that its increasingly commercial orientation in the face of globalisation and changed economic conditions has created a media that does not serve the interests of society (Duncan 2003). President Thabo Mbeki, head of government communications Joel Netshitenzhe, Arts and Culture Minister Pallo Jordan and the former chairman of the portfolio committee on communication, Nat Kekana, have all expressed concern in recent years about the potentially damaging consequences of commercial trends, and identified the media's reliance on advertising as problematic (Duncan 2003).

At a South African National Editors Forum meeting two years ago, Netshitenzhe described the need for media to make money as "a real threat to media freedom". The threat, he said, came from "the bottom line", the demand for profit above all else by media owners. This "ubiquitous" new "deity" was making advertisers and marketers "the kings of content", increasingly influencing editorial content (Harber 2004).

Changes in South African society have had a significant impact on the relationship between editorial and advertising interests. The entry of the country in the 1990s into a global economy saw the arrival of international media companies, ready to compete with local publications for readers and advertisers, and the introduction of local versions of international magazine franchises, like Elle, Cosmopolitan and GQ. There was also enormous growth in local media, particularly in broadcasting, which gave advertisers a much wider choice of vehicle for their advertisements, and has fragmented audiences. In the late 1990s and early 2000s, media managers began developing strategies to deal with reduced adspend, which included looking "beyond traditional advertising revenue" (Taylor 2002).

In this context, many publications have explored and instituted new ways of attracting advertising revenue. Foremost among these approaches is a focus on developing new forms of paid-for content, which range from sections and supplements that are

targeted to attract advertising to the packaging of editorial content and advertising material together for sale to advertisers.

Traditionally, newspapers and magazines have separated editorial and advertising content, and the production practices that produce them. This paper argues that while a 'wall' of separation remains in place, a new and additional practice has developed. This new practice continues to keep mainstream editorial and advertising apart, but has developed a "third arm" for special sections. This new division in a media business develops and blurs advertising, public relations and journalism in an effort to attract more advertising revenue, and to produce readable content that looks and feels like editorial.

This "third arm" strategy has become an important means by which to attract advertising revenue, and indications are that publications will increasingly develop such sections as part of their normal commercial operations. We argue, however, that there are inherent dangers in this practice that have not yet been fully engaged with by media researchers or by media managers. Foremost among these is the issue of media credibility with readers, and related to that the question of whether current ethical standards are adequate for their protection. We argue that there is a need for an examination by the media industry as to how these potential problems can be managed.

This paper, which draws on a broader research project on paid-for content in the print media, specifically examines the Independent Group's Special Projects division and its relationship to the Star, one of the newspapers that carries its sections, in order to map the processes involved in the production of such sections, the issues that arise from these strategies, and the relationship to the Star's mainstream editorial content and ethical codes. The research included focus groups to get a qualitative sense of readers' interaction with such sections and their attitudes towards them.

### **Theoretical framework and literature review**

It has long been journalistic practice, particularly in newspapers, to divide content into two distinctly recognizable categories: editorial, which is written for readers; and advertising, which is paid for by advertisers who seek to draw the attention of those

readers to their goods (Bagdikian 2000: xxvi). Advertising is usually packaged in display ads of various sizes, but where advertising content is presented in the style of reports or articles – known as advertorial in the trade and often written by journalists – the convention has been to signal the status of such reports to the reader. Many publications still indicate such content, displaying labels such as “special”, “survey”, “advertorial” or “commercial feature” at the beginning of the section. Such signaling is supposedly a way to let the reader know that this content is not produced according to the norms and standards of the editorial sections and has been paid for by an advertiser.

The division of content into editorial and advertising has been paralleled in the day-to-day running of publications (particularly newspapers), where there has been a separation between advertising sales and editorial departments. The balancing act of dividing editorial and advertising functions is seen as a particularly important protection for the integrity of a news publication, and journalists have often fiercely resisted any assaults on their autonomy over editorial decisions. However, some media executives have argued that the strict separation of the advertising and editorial functions is no longer appropriate in a new business climate, and advocated more integration of editorial and marketing (see Harber 2004).

Contemporary research on the role of the media suggests that the aggressive pursuit of commercial gains by publications – with the possible exception of the tabloid press, where sensation rather than credibility is the selling point – could be a short-term and dangerous state of affairs (Bogart 1989, Stone, Stone and Trotter 1981, Picard 1985, Gladney, 1990, Thorson, 2003). As Philip Meyer points out, if readers no longer trust a newspaper or magazine, they will look elsewhere for the information they need (Meyer 2004). Over the medium- to long-term, this will diminish circulation, ultimately leading to a drop in advertising revenue.

Some researchers have been able to demonstrate in quantitative terms how improving trust has been able to prompt business success and growth. In a huge study of newspapers in 26 American counties, Meyer demonstrates how a one-point improvement in trust (which he defines as credibility) is worth a 2,5% increase in a newspaper’s asking price for advertising. The importance of focusing on trust-raising

strategies, as called for by Meyer, has been acknowledged in the local marketplace. According to Sunday Times publisher, Mike Robertson: "In 1990, 30% of our readers said they trusted the Sunday Times. It was 50% by 1996 and by 2002 was up to 92% ... We did it by imposing stringent accuracy tests on our copy. We drummed it in... We decided that even if meant that stories weren't quite as sexy and were toned down, our most important mission was to get things right (2005)."<sup>1</sup>

While the hard commercial reality indicates that a loss of trust could translate directly into a print media company's bottom line, on a more philosophical level, misrepresentation, deceit and the general whittling away of trust is damaging to society as a whole. As eminent political philosopher Onora O'Neill argues, nothing damages trust like deception:

Ways of communicating can be unacceptable for many reasons; threats may intimidate and coerce; slander may injure. But the most common wrong done in communicating is deception, which undermines and damages others' capacities to judge and communicate, to act and to place trust with good judgement. Duties to reject deception are duties for everyone: for individuals and for government and for institutions and professions – including the media and journalists. (O'Neill 2002: 5)

While not always deliberate or even conscious, the blurring of advertising and editorial could be seen as an act of deceit and misrepresentation that undermines the integrity of the media.

In South Africa, some media executives and commentators have argued that media companies are no different from baked beans producers (Crotty 2006) and should be allowed to get on with their core business of generating profits. Trevor Ncube, the owner of the Mail & Guardian, argued in one forum that no journalist should be employed who has not studied business and the wall that protected the newsroom from the demands of advertisers should be torn down (Harber 2004). However, as

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<sup>1</sup> This information was taken from an interview with Mike Robertson by the writer, Adrian Hadland, conducted as part of original research in pursuit of a PhD. Quotes used here by permission.

Crotty points out, a purely commercial media, which operates in exactly the same way as any other business corporation, cannot expect the special status and freedoms it has in society.

### **The Independent Group Special Projects Division**

Independent Newspapers is one of the largest newspaper groups in South Africa, publishing eleven daily and weekly papers, mostly concentrated around the three metropolitan areas of Johannesburg, Cape Town and Durban. In the early 1990s, the Irish-based multinational Independent Newspapers, owned by Tony O'Reilly, bought a 31% stake of the Argus Company, already a major player in the South African media industry. Gradually it expanded, buying and consolidating various titles; today it reaches more than four million people in combined circulation figures, and controls more than 39% of South African print media, in terms of titles and circulation. (The Press in South Africa 2006).

The Star, published in Johannesburg, is one of the most important titles in the group, with the largest circulation and readership amongst the Independent dailies. It averages 170 000 copies in daily sales, reaching an average daily readership of around 600 000 (The Press in South Africa 2006). But the Star lost its position as South Africa's as the largest-selling daily when the tabloid newcomer the Sun grew its circulation to more than 400 000. The Star also faces stiff competition for advertising revenue.

In the print industry, advertising surveys have long been one means by which newspapers generate revenue. These could be sections based on a particular theme, like, for example, home security during the holidays, which attracts advertisers in a related industry who want their products or services to be associated with that kind of content, or sections where both the editorial reports and the advertising is paid for by advertisers. This kind of content is called advertorial and is usually signalled.

Carrying surveys and special sections is thus not an innovation of the Independent, as they had previously been carried in the Argus Company newspapers; however in 1990, a permanent division was created to develop and drive this strategy, catering for all publications in group. This division is known as the *Special Projects Division*. Its

main function is to actively seek out potential advertisers who want to place their advertising in the right kind of editorial environment for their products. These sections are run across all the publications in the group, depending on the type, theme and target of the content, so increasing audience reach for the advertiser at a limited additional cost to the division, who produce the copy and sell the ads. The research sought to understand the business and editorial practices associated with these sections by interviewing key personnel at the Special Projects Division, as well as a content analysis of The Star over the month of March 2005, in which the frequency and content of special features sections was examined.

The Special Projects Division falls under the commercial arm of the Independent Group, but is separate from the marketing department that deals with other regular adverts and classifieds, and is separate from the editorial departments. It generates a substantial amount of revenue, counted separately from that brought in through the normal adverts and classifieds carried by the various papers in the group. Terry Meyer, managing editor of the division, would not say how much revenue and what proportion of advertising revenue Special Projects brings in. However, advertisers pay the same rate for this position as they do for other adverts in the regular section of the paper. Considering that adverts take sixty percent of the pages, and these features take a double spread most of the time, it can be said that the feature does generate a substantial amount of revenue for the group.

The division is able to generate this amount of revenue by coming up with subjects or themes that advertisers might find appealing and decide to be linked to. Terry Meyer describes the division as “a sort of hybrid between editorial and advertorial”.

We get the editorial focus, and then we ask people to support it by advertising. We do this by sending a marketing letter, which is a synopsis of the content of the subject we would be covering editorially. We give this [letter] to a team of sales people who then go out to the market and research the right sort of people who would support that survey, and when they get sufficient advertising, we run with the focus.

He says the topics for the sections are either decided by trends in society or news-making headlines.

We look at the marketplace, sometimes we look at our own newspaper, and other media. We would look and see what the current trend is. For example, like tomorrow, we have car-free day throughout the country, organized by the Department of Transport - we look at something like that and say let's write about car-free day. We say let's go out and look for people who might support us as advertisers – that's essentially what we do.

Meyer says about 200 to 300 special features are done per year, which means a special feature appears at least three or four times per week, taking between two to four pages. They appear in various publications, depending on the theme and target. For example, if the section is business-related, it goes into Business Report, which is carried in all the groups' main papers. If it's a consumer theme, then it goes to the main body of the various newspapers, also depending on whether it's regional or national. Generally, freelancers are used to produce the copy.

Meyer maintains that there's some editorial independence. "Yes, the advertisers do have some influence over the content," he says, but the paper still maintains strict editorial independence.

But if, for example, someone has a particularly good news story, and we are covering a particular subject and the company phones us and says: "Well, I have a particularly interesting and newsworthy subject, would you be able to publish it," I'll say submit it and let's evaluate the merits of its newsworthiness, and then the journalist will look at it and rewrite it in a way that is readable and not biased particularly towards any company, so ... it's evaluated on its newsworthiness."

Meyer says more and more publications are resorting to this strategy as a means of survival.



I think as publications, especially smaller print publications, have battled to survive, they have gone more and more into this field, and even to advertorials, which they have never done before. You look at magazines now; they carry many advertorial pages which were taboo years ago, now they do it as a survival strategy.

Lorain Tulleken is one of the main writers for the sections produced by Special Projects. However, her job differs from a journalist in the news section as one of her responsibilities is to convince the advertisers of the necessity to be associated with a particular survey or feature. After the section is sold, she will write the editorial for it. She explains:

You need a mix of sixty percent (60%) advertisement, and forty percent (40%) editorial on a page for the venture to be viable. For special projects, if the balance is below 60% advertising, they will sometimes go to 50%, but it hits their profits very badly, and if they have below 50%, they will sometimes cancel the whole thing.

She says the topics for the features depend on trends and how they can be sold to the advertisers. Recently, it was in the news that Finance Minister Trevor Manuel thought companies were not doing enough on broad-based empowerment. Tulleken, setting out this theme in order to sell the idea to the advertisers, wrote: "There must be companies out there that are moving fast enough. Why not tell the finance minister by buying advertising ? ... I'll write the copy."

Even though Tulleken says she does most of the research for the features, she says that a lot of her material comes from the advertisers. "I deal with a lot of professional public relations people; I get them to help with the information, so our turnaround time is very quick." She adds that very often the companies that are advertising will buy extra copies of the newspaper, and use it for extra marketing.

In her role as the journalist writing the features, she says it is her challenge is to add credibility to the advertising features, because it can be tempting to just go with the copy provided by the advertisers, and sometimes, it is impossible not to.

But the reality is – and we would not say this too loudly – if I have two newsworthy stories, good news stories, and the one features an advertiser, and the other does not, which one am I going to print? The advertising one, of course, but it has to be newsworthy. It's also a fine balance, depending on the size of the business and other things that we take into consideration.

She says that her job is to try to make the readers forget that what they are reading is advertorial. “The trick of special projects is to make it look like it is part of the newspaper,” because the nature of communications has changed tremendously and people are more perceptive and media-savvy. Tulleken rejects the notion that such practices can hamper the credibility of the newspaper. “It cannot damage the credibility of the paper, because special projects do not pretend to be anything else. As it is clearly stated there, it provides a service to people.”

The bulk of advertorial on these pages come from the business and finance sectors – big and small – as well as various governmental and non-governmental agencies, especially when they are running a particular campaign. It seems government agencies are increasingly using these means because it gives credibility to its communication with the public. Tulleken says: “Every now and again, government will buy a whole page... We are only involved in editing into our style, and into readable language and format.”

Tulleken says the credibility factor is more important for government than for business. “They [Government] do this because they want control over the content. The important thing to look at here is ten, fifteen years ago, the credibility factor would have been much more important than it is right now, because readers are much more sophisticated. They recognize immediately what the papers are saying, so you are not fooling the public. People are much more educated in terms of branding, and advertorial.”

The content analysis for this case study initially focused on mapping the themes (and thus the kinds of stories being added to the newspapers) of the special sections.

However, the interface between the regular editorial pages of the *Star* and the sections arose as a potential issue during the research, so we included a focus on it in the examination of content. This part of the analysis looked at news in the main sections of the paper to see if there was any topic related to the stories covered in the Special Projects features, and how the coverage of this compared from one section to the other.

Special Projects features are usually placed in the second inside section of the *Star*, or the *Business Report* section. The inside section carries Verve (a feature section), the leader page, opinion and analysis, commentaries and sports columns of the paper. When this section carries Special Projects features, they most often appear after the opinion pages. *Business Report* carries the business, finance and company news of all the papers of the group.

In March 2005, a total of 19 different advertising features were carried in 15 editions of the *Star*. Eleven of the features were published in the second section while eight were carried by *Business Report*, taking 24 out of a total of 176 pages of the 15 issues that they were published in – about 13 percent of all pages. 64 ads of various sizes were linked to these 19 features. All advertisers on the pages were linked by theme to the subject of the feature. In most cases, the advertisers are directly mentioned or featured in the articles and some of the articles are dedicated to them, focusing entirely on them, and quoting their representatives exclusively.

More than half of the features published in the inside section of the paper came from government departments, ministry or government agency or public parastatals.

**Fig. 1**

**Breakdown of advertisement features carried in The Star – March 2005**

**THE VERVE SECTION**

| Date                 | Theme              | Number of pages |
|----------------------|--------------------|-----------------|
| Wednesday<br>March 2 | Affordable Banking | 1               |

|                              |   |          |
|------------------------------|---|----------|
| <b>Tuesday March<br/>8</b>   | <b>Women and the<br/>Environment</b>        | <b>1</b> |
| <b>Thursday March<br/>10</b> | <b>The Changing face of<br/>the JHB CBD</b> | <b>2</b> |
| <b>Thursday March<br/>17</b> | <b>Justice for all</b>                      | <b>1</b> |
| <b>Thursday March<br/>18</b> | <b>Justice for all</b>                      | <b>1</b> |
| <b>Thursday March<br/>18</b> | <b>Lock up For Easter</b>                   | <b>1</b> |
| <b>Thursday March<br/>23</b> | <b>National Water Week</b>                  | <b>2</b> |
| <b>Thursday March<br/>23</b> | <b>Johannesburg<br/>housing company</b>     | <b>1</b> |
| <b>Friday March<br/>24</b>   | <b>Modern Photography</b>                   | <b>2</b> |
| <b>Thursday March<br/>31</b> | <b>Fourways Focus</b>                       | <b>1</b> |
| <b>Thursday March<br/>31</b> | <b>Take a Girl Child to<br/>School Day</b>  | <b>1</b> |

## **BUSINESS REPORT**

| <b>Date</b>                  | <b>Theme</b>                                      | <b>Number<br/>of pages</b> |
|------------------------------|---|----------------------------|
| <b>Friday March 4</b>        | <b>Paper, Print, Packaging</b>                    | <b>2</b>                   |
| <b>Wednesday March<br/>9</b> | <b>Corporate Social Investment</b>                | <b>1</b>                   |
| <b>Thursday March 10</b>     | <b>Property Leasing - Business<br/>Properties</b> | <b>1</b>                   |
| <b>Monday March 14</b>       | <b>Medical Health – Alternative<br/>therapy</b>   | <b>1</b>                   |
| <b>Wednesday March</b>       | <b>Colour Copiers and Printers</b>                | <b>1</b>                   |

|                               |                              |          |
|-------------------------------|------------------------------|----------|
| <b>23</b>                     |                              |          |
| <b>Wednesday March<br/>30</b> | <b>Collective Investment</b> | <b>2</b> |
| <b>Thursday March<br/>31</b>  | <b>Venture Capital</b>       | <b>1</b> |
| <b>Thursday March<br/>31</b>  | <b>JSE Sponsors</b>          | <b>1</b> |

The research found two examples of coverage of the same themes by the Special Projects pages and the news pages of the *Star*. On March 10, the second section of the *Star* carried a focus on the changing face of the Johannesburg CBD, and March 23, a focus on the Johannesburg Housing Company. This carried various reports on initiatives made by the city to improve habitat, and offering low-cost housing, while improving sanitation and clearing slums and slumlords in the city centre, making it a safe place. The March 10 feature said:

...Johannesburg Inner City is a major economic generator in South Africa providing approximately 12% of national employment, with over one million people living, working and playing in the inner city...

The article went ahead to paint a positive picture of the regeneration of the Johannesburg Inner City and the creation of an inner city Tourism Association to drive this process. Advertising prominently on the page was the City of Johannesburg and other businesses located in the inner city.

This contrasted starkly with a page one story in the *Star* a few weeks before, on February 5, entitled "Slumlords invade Johannesburg". The article read:

Slumlords have conquered large chunks of Johannesburg, "hijacking" houses and blocks of flats from their legitimate owners...

As these areas are turned into vast slums occupied by tens of thousands of people living in appalling conditions, the City of

Johannesburg is unable to evict illegal tenants and recoup unpaid water, electricity and rates bills.

The slum belt includes the high-rise zones of the city itself, but has spread to the residential areas on the periphery, including Bertrams, Malvern, Jeppestown and Troyeville. There are also cases where slumlords are operating in Houghton.

In another example, when finance minister Trevor Manuel came out strongly against empowerment companies for not being broad-based enough, the news was reported and analysed in the news pages and opinions and views were carried by a wide range of parties (including those slated by the minister). This was in keeping with the journalistic practice of offering fair and balanced information to the public. But in preparing a Special Projects focus on the issue, Tulleken wrote to advertisers telling them that there must be some of them who are doing something on the black empowerment front. She encouraged them to take ads in the paper, and said she'd write the editorial copy, telling the minister that he is not entirely right, but without giving either the minister or other independent bodies the right to respond. This indicates that the editorial stance on such issues, usually set by the editor or a senior editorial team, does not extend to the Special Projects content.

### **Codes**

Unlike most other companies, the Star has an ethical code that explicitly addresses the relationship between advertisers and the newspaper in what it calls "surveys", "advertising features" and "service features" (Code of conduct for The Star surveys and advertising features 2006). A core principle for all material related to advertising is that "readers should be left in no doubt about the source of copy. If material has been provided by advertisers or other sources outside The Star, this should be clearly stated" (Ibid). Surveys and service features operate according to many of the codes of the newsroom, with journalists specifically advised that they may not liaise with sales representatives and advertisers on editorial content, although they may contact advertisers for information that they feel is necessary to the stories they are writing. The guidelines for what the code calls "advertising features" allow the use of advertorial and the involvement of advertisers in the production of the section, but states specifically that "these products must be clearly labelled ADVERTISING

FEATURES. In addition, readers should be told that information was obtained from the client/clients”(Ibid).

The Special Projects section is not addressed in the codes. Although they are not exactly advertising features, they do not operate like surveys either, which is probably what Meyer means by a “hybrid between advertorial and editorial”. It is clear, though, that they do carry information supplied by the advertisers, especially in the case of government, and that this is not signalled in accordance with what the Star’s own codes require.

### **Focus groups**

To gain some insights into the ways readers may respond to advertorial, we ran four focus group discussions about the Star’s Special Projects sections. These focus group discussions were carried out with four groups of students from two universities to determine their understanding and perception of strategies, put in place by newspapers and magazines to generate more income. As credibility is one of the concerns of this research, the focus group first set out to determine whether the students were aware of these strategies, whether they could distinguish between advertorial and editorial, what they thought about such practices, and how they imagined these strategies might affect newspapers and magazines and their readers.

The focus group study was carried out in a form of structured informal discussion, in which the reading habits of the group were first established. This was done to get an appraisal of what they are reading, how they read and if they were acquainted with the subject of our discussion. Then the procedure of the discussions was explained to the groups, without letting them know what the objectives were.

They were each given a section of the Star newspaper to point out what they thought were paid content or advertisements. Next, they were asked what they thought of such features in relation to the paper’s credibility and the quest to meet the bottom line and, finally, how they think these might affect the readers and the newspaper.

It was established that the students do read newspapers and magazines, albeit irregularly and not in great detail because of lack of interest and time. Most of them

acknowledged that they mostly skim through the newspapers they read, looking at the headlines of stories inside and on the front pages. They also read a variety of daily and weekly papers and magazines, the Star included. They read generally the mainstream newspapers, with no particular preference of paper or sections of a paper.

They were each asked to identify what they thought was “paid content” in the paper. Some of them did not understand the meaning of paid content and it had to be explained to them that paid content in this case was any editorial content in the paper that somebody paid for so that it would appear. Still, some of them, the first years especially, had problems determining what editorial was paid for and what was not. Though they could easily point out display advertisements, they had difficulty pointing out editorial that they thought was paid for. As one said, she was “not really sure what was paid for and what was not,” especially in the Business Report’s company news section. One student pointed out that most stories seemed to focus on particular companies, which may mean that the companies may be paying for it.

As to the object of our interest – the special projects pages – only one student in all the focus groups combined was able to point out the Special Projects pages as paid for. He was the only student in the combined group of 24 students who had, prior to the discussions, taken note of the Special Projects Division features appearing frequently in The Star and other papers of the Independent Group, and had recognised them as advertorial.

Some of the other students said they had seen or noticed the sections, but had never realised that was paid-for content, while others said they had never seen them or taken note of them, thus they were not able to identify them during the discussions, even though they had been reading the Star for a while. One of the students was able to identify the section as paid-for content during the process of discussing what the section was.

Asked what he thought about the advertisement features, the student who had prior knowledge about the special projects pages said he thought it was an attempt by the people who paid for it – government and businesses – to “try to speak to the masses



out there, and try to make the general public aware of certain things,” and also to inform the public “how to use their services” – referring to business.

When it was explained to the other students what the Special Projects Division features were all about, some of them found the strategy strange. They acknowledged that it might be a good and effective way of reaching out and informing the public, giving them information from the perspective of the advertisers, and they found nothing wrong with that as long as the information was reliable and important to those who needed it.

One of them said: “I think it is like a self-help page.” But another raised the question of whether the section served the purpose. Is it effective? Do people actually read it or get it as it is intended adding that “because as a journalism student, I have never noticed it so my question is: do people actually read it?” Another felt that the fact that the advertisers had been putting their ads in regularly meant that they were reaching their target, that people were reading, but he would question the objectivity of the features as they were “inclined to put the advertisers in a positive light”.

One student commented that the fact that the substance of these articles might contradict what appears in the regular news sections might put the paper in a bad light as it can lose the “focus of its audience”. Another said that what the features said to him was “if you have enough money, you have the power to manipulate information, which is exactly what the advertisers are doing.” The question for him was: “Why do the newspapers allow this ambiguity?”

Some thought it was thinly disguised advertising and should be clearly marked so. One student remarked: “Sometimes you pick up a newspaper or magazine and start reading, then all of a sudden, it looks uncannily like advertising because they are talking about just one person or product and then you look at the top of the page and it’s written in fine print ‘advertorial’ and “you feel like you being duped because the newspapers/advertisers have tricked you into reading what normally you would not read”. Another said that the fact that they went through the pages and did not see that it was marked as advertorial meant that it was difficult for the public to know and as such they felt like they had been fooled.

The students expressed concerns over the credibility and objectivity of these articles as they view such advertorial as biased towards the advertiser. One said: “You are forced to read what they want. As such, they are dictating to the audience.” Another concurred, adding that the articles are not open to debate as other articles in the newspaper would be, getting both sides of a story, thus the newspapers might be seen as being biased and might lose their credibility.

To most of the students though, as a business model, special sections makes sense as newspapers need to make money to keep afloat. But what is important to them and what they consistently pointed out is that the features taken as a whole would not be perceived as bad if the newspapers made sure that it is clearly marked as such. “People might not know that it is an ad and might just read the story without thinking too deeply about it ... if we didn’t notice it, what are the chances of ordinary people noticing it is an ad?” one of them remarked

### **Conclusion**

This paper sought to examine recent commercial developments with an eye to the possible implications for media credibility with readers, by looking particularly at the packaging of linked content at Independent Newspapers’ Special Projects Division. We are aware that the results can not be generalized to all publications, but would argue that the research reveals the kinds of issues and situations faced by many publications, the kinds of choices they make to deal with them, and the effects of those choices on content.

The Independent Group newspapers separated the general editorial section from the advertising department; however, they had separate advertising salespeople and writers for the sections carrying paid-for or linked content. It is clear that the so-called wall between editorial and advertising stills stands, but that a third arm of content generation has been developed, where advertising and editorial are conceived of together and there is no separation between people selling advertising and those producing editorial.

Problems with the entry of a third arm of content production, however, became clear from a content analysis of the Star. Two examples were found in the time period of the research of evident contradictions between stories produced by the newsroom and stories produced by the Special Projects Division. This is a potential problem for credibility; and an indication of how paid-for content can have a negative impact on journalistic content even though it is produced separately.

Staff at the Independent Group's Special Projects Division also believed that readers could tell the difference between editorial in the sections they produced, and editorial produced by the newsroom. This, they felt, protected them from accusations of misleading the reader. However, in the focus groups of media students, readers displayed a clear lack of understanding of what these advertorial sections were and a discomfort with the idea that copy they had been reading in good faith as journalistic was, in fact, paid for. Some indicated that they did not mind the practice of running such sections, as long as they were informative, but felt that paid-for content should be signaled to the reader. Although these readers do not represent the broader population, their inability to recognize paid-for content does raise the question of exactly how media-savvy general readers actually are, and whether producers of advertorial sections can generally assume that their readers know where the content comes from.

The most significant issue raised by the research generally is the impact of paid-for content on the overall editorial focus or identity of a publication. Content driven by advertising imperatives can deviate from or dilute the primary orientation of the newspaper, which has traditionally been directed at serving readers and building a relationship with them. This can decrease the value of a publication in the eyes of readers, who can lose interest in it if they have to wade through content that does not interest them, or lose faith in it if they begin to doubt its credibility. The loss of readers is a serious potential consequence that is important not just to journalists, but to the advertisers in the publication.

It follows then, that a great deal more attention needs to be given to the role of the reader in advertising-editorial relationships. The focus groups did indicate that the media students understood little about the internal operations of publications and the

ways in which they influence content, were unable to recognise paid-for content, and felt uneasy about its appearance in the publication. However, some indicate a preparedness to tolerate paid-for content that did not particularly interest them if it contributed to the overall commercial wellbeing of the publication, in much the same way they would accept display advertisements. Because the focus groups are not representative of the broader reading population, more research needs to be done to investigate what readers actually know about the workings of publications, what they expect from them and how they read paid-for content. Secondly, it would be useful to investigate what kinds of paid-for content readers will accept and at what point paid-for content begins to alienate them.

The findings of this pilot project indicate the need for a discussion in the industry around the handling of paid-for content in print media, in order to better understand the implications of the variety of practices associated with this strategy. Certain media groups are already recognising the need for such self-examination, including the Independent Group, which is in the process of drawing up a charter to regulate their Special Projects section. We would like to see a wider discussion, in which the industry considers whether an industry-wide code or set of guidelines is necessary, or considers drawing up codes for their own companies.

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