2015-0112 DATASCI W231: LEGAL AND ETHICAL CONCERNS - 1

Week 2 Assignment

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01/25/2015

Typical online advertising methods, such as banner ads or Google Search ads, offer easy, cheap methods of displaying brand or product content because they take little space and offer direct links to product purchase pages. These types of online advertising have lost effectiveness as online consumers adapt to ignore them, now often receiving click-through rates under one-tenth or one percent. The introduction of native advertising has revitalized the online marketing industry, but brought with it questionable ethical behaviors. The Belmont report directly applies to that debate in the ethical principles of respect for persons and beneficence.

Respect for persons, the main ethical concern with native advertising, has two parts according to the Belmont report: 1) allowing people the right to choose for themselves and 2) protecting the people who may not have full control of their own actions. When an online publisher allows advertisements to be posted on their website, they assume that the viewer will recognize it as an ad and treat it accordingly. With native advertising, the line between ad and content blurs and readers may not tell the difference. The successful native ads convince viewers that the ad provided legitimately useful content and thus increases the likelihood that product will be purchased in the future. The danger comes from consumers not understanding that content was specifically designed to lure them into buying. With over three billion online users at current, many people may not have the education or awareness to distinguish natives ads and thus become easy prey by interpreting the advertisement as an endorsement from the website they are on. To comply with the Belmont report, native ads should clearly and directly state their intention as advertisement at the top of the post to prevent vulnerable users from confusing the ad from actual content.

The ethical principle of beneficence from the Belmont report implies that all research involving human subjects should serve humankind in a positive way. The report extends the idea that some great potential benefit may come at a cost, but overall the aim of researchers should be to avoid harm if possible and if not possible to minimize the harm done. While native advertising only loosely resembles scientific research on human subject, companies do indeed collect data about the success of native ads including specific data regarding individual online users who choose to read them and thus should be aware of this ethical principle and how it relates to their actions. While not causing physical harm, emotional harm could occur when the reader realizes the information they just finished reading was advertising and that they wasted their time and effort digesting the content only to lose faith in whether they can trust that information or any other content from the website they were on.

Poorly designed native ads on websites with important actual content may potentially dissuade online users from critical information regarding their own health. As a hypothetical example, imagine a mother perusing the Center for Disease Control (CDC) website looking for information on flu trends this year. While reading through the trends, she clicks a link about 10 ways to use bleach to prevent the flu virus from infecting your family. The 10 ways include information actually useful to the mother because she can potentially protect her family and feel better about taking a proactive stance against an otherwise difficult to stop disease, but the article was sponsored by Clorox as a way to boost sales. If the mother does not recognize the ad, she ends up buying more bleach and may indeed provide a cleaner household for her family, but may not end up affecting the spread of flu to her children. If she does recognize the article as an ad, she loses faith in the content provided on the CDC website because she no longer trusts that what she is reading is not an advertisement and ends up unsuccessful at finding the flu trends that could have helped her prevent her family from getting the flu this year.

The coy marketing techniques involved in native advertisements border on intentionally misleading web users, but sometimes provide real value through insight about the product. The debate lies with whether the advertisement provides more benefit to the consumer than harm in the form of disrespect through deceptive news. If the user can easily identify the piece as an ad, but still wants to read through it for the helpful information it provides, the native ad will be successful from both a marketing and an ethical perspective.