Developing and distributing branded content has become more complicated than ever with a wide array of package options and pricing that can vary significantly depending on the content creator, buy types, content types, publisher sites, and more.

This guide is designed to help brand marketers and their agencies identify the various branded content creation and distribution options available today and, importantly, understand the key factors that should be considered upfront to make sure that all branded content/native advertising buy meets strategic objectives/KPIs.

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Mission and Contributors

While content marketing and native advertising are not new phenomena, their use in today’s marketing landscape is on the rise and is projected for further growth.

With a myriad of content creation options and content distribution methods, it can be daunting to know where to start on an effective native advertising program.

Members of IAB’s Social Media/Native/Content Committee, which consists of leading publishers, technology providers, research companies and more, formed a working group to help make sense of today’s content marketing ecosystem, from content creation to content distribution, focusing on a marketer’s needs.

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**Introduction**

The lack of standard guidelines for both the creation and distribution of branded content has caused confusion and some reluctance on the part of marketers, media agencies and creative agencies, in building out branded content campaigns to engage with consumers. Considerable efforts are being made by the buy-side in evaluating disparate offerings, which adds to the confusion, and distracts from higher level discussions such as effectiveness and optimization.

That’s why the IAB is building on its original *Native Advertising Playbook* (12/2013) to factor in both the creation and distribution of branded content in order to provide a more comprehensive view of today’s branded content and native advertising landscape.

This guide identifies the various branded content creation and distribution options and the key considerations available today that buyers should be considering upfront to ensure that any branded content or native advertising buy meets their objectives.

We also recognize that when it comes to what “native advertising” is, there are many different terms being used to define the same things, which adds to the confusion. To illustrate, a commonly asked question is “What is the difference between branded content and sponsored content?” The reality is that the answer to this question will vary depending on who you ask. *Thus, for the purposes of this guide, “branded content” refers to content that is sponsored by/promoted by a brand that is non-promotional in nature. Therefore, “branded content” is synonymous with “sponsored content.”*

IAB seeks to provide a more solid and easily identifiable definitional framework for consistency. This said, IAB stands by its original definition of native advertising from the IAB Native Advertising Playbook as follows:

*Native advertising is a concept encompassing both an aspiration as well as a suite of ad products. It is clear that most advertisers and publishers aspire to deliver paid ads that are so cohesive with the page content, assimilated into the design, and consistent with the platform behavior that the viewer simply feels that they belong.*

*With this definition, native advertising is, quite simply, the paid distribution of branded content.*

While the types of native ad units have evolved over the years and will continue to do so with new opportunities afforded by new technologies, the aspiration of native remains the same: to engage with consumers in more “native”, organic, and, importantly, in non-promotional ways to be as relevant as possible and strengthen consumer ties to a brand in a more emotional way.
Setting the Stage – The IAB Branded Content Creation & Distribution Definitions Framework

There are a lot of moving parts in the native ad ecosystem. The below chart, which takes a page from our friends at IAB UK, provides a broad-stroke framework for Branded Content Creation (owned and paid) and Branded Content Distribution (aka Native Advertising) all in one place.

Setting the framework is important as there are many options for a marketer to consider when it comes to branded content creation and distribution. Choosing an approach is usually not an either/or consideration so it’s helpful so see all options in one place. With this framework in mind, we can delve deeper into what to run, where and how to buy, how to pay and how to evaluate effectiveness.

<table>
<thead>
<tr>
<th>IAB BRANDED CONTENT CREATIVE AND DISTRIBUTION – DEFINITIONS FRAMEWORK</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE</td>
</tr>
<tr>
<td>-------</td>
</tr>
</tbody>
</table>
| WHAT IT IS/ HOW IT WORKS/ TYPICAL CHARACTERISTICS | ✔ Advertiser owned, operated and managed content:  
- Articles  
- Listicles  
- Infographics  
- Slideshares  
- Video  
- Apps  
- Photos  
- Social content/links  
- More...  

Content can come from/be made directly from the brand itself (e.g. an in-house studio), creative agency or via contract with third party creator. | ✔ Publisher* controlled content  
- Publisher-made content enabled by brand  
- Publisher editorial control and sign-off  

✔ Advertiser-controlled commercial content  
- Can be made by publisher and/or brand  

✔ Joint publisher/advertiser-commercial content  
- Can be made by publisher and/or brand  

- Joint publisher and brand editorial content  
- Client consultation / publisher sign-off in all instances, the branded/sponsored content must be disclosed as paid advertising. *** | ✔ The paid promotion and distribution of branded Sponsored Content regardless of who made the content.  
- This is the ad that one sees before they click to the destination page with the branded content and must be disclosed as paid advertising.***  
- This can be publisher direct, specialty native network, and/or programmatic native ad and native content delivery.  

The most commonly used formats are:  
- Native Content Ad (click in)  
- Native Video Ad (click to play)  
- Native Video Ad (scroll to play)  
- Native Display Ad (click-out)  
- Content Recommendation / Discovery Widget  

These ad formats are defined with wireframe examples later in this Guide. |
| CHARGE METRICS/ PAY BASIS | Content marketing or PR budgets. | Publisher custom packages, rate card, sponsorship, etc. Charge metrics offered vary by publisher. | CPM, Viewable vCPM, CPV, CPE, CPC, SOV, CPL, CPA, etc. - This will vary by native ad format as defined in the below chart |

Notes:
*Publisher includes influencers e.g. bloggers and vloggers as well as traditional/digital media owners
**Versus the IAB Native Advertising Playbook: Dec 2013, while Search and Promoted Listings do qualify as "native ads", industry focus on the formats listed here for paid distribution of branded/sponsored content.
***Disclosure will be covered as a dedicated section in this report.
Where to Start – Key Steps

At first glance, the IAB Branded Content Definitions Framework may be daunting, so let’s take a step back and start at the beginning. The steps toward native advertising success are fairly straightforward. What can get tricky is the myriad of options at each step which IAB has outlined to make your options as easy to understand as possible.

First step: What’s your strategy and KPIs?

It should go without saying that the single most important consideration to branded content effectiveness is your strategy and objectives. Well defined goals will help set the right path in evaluating/comparing the available options, and, importantly, to help inform the most appropriate and effective types of content and distribution channels to meet those goals. Some things to keep in mind:

- A creative strategy for native advertising is as important as the creative strategy for other forms of advertising but will differ in that the true aspiration of “native” is storytelling - not product selling.
- The more strategic information you can provide to your content provider early in the process, the better outcome you will achieve in terms of both content creation and distribution. Additionally, starting with the RFP*, the more opportunities you can give your content provider to provide information about their full creative offering, in addition to media/distribution considerations, the better.
- Your strategy will dictate the type of content that should be produced, e.g., awareness campaigns may call for shorter form, messages with higher frequency vs. a campaign designed to educate or shift attitudes which may require longer form, more detailed types of native communications.
- A brand’s going-in KPIs need to be agreed on by all parties prior to creative development for the reasons stated above. Creative and media plans developed to meet certain KPIs may not be as effective if the KPIs are switched mid-stream. KPIs will also influence the measurement plan for the content.

*A note about the RFP for Branded Content Campaigns: The RFP is obviously critical to capture the most important information when comparing options. IAB encourages the buy-side to ensure that their current RFP form used for branded content allows for as much detail on the creative strategy as possible. This will help inform creative thinking by the content provider for both content creation and distribution. Including metrics by which you will evaluate campaigns is important, but the strategy should come first for the best possible outcomes.
Next Step: Content: Do you have content? Do you need content?

Generally speaking, there are three ways to generate content: Owned, Paid and Licensed (which is a distinct type of paid content.) Typically, marketers use a combination of the three which could also include the use of influencers and user-generated content (UGC.) There are advantages and disadvantages to each in terms of cost, speed of execution, and potentially content quality. Buyers should note that each content resource should entail deeper consideration on cost, ownership / usage rights, speed of execution, and quality.

Below is a breakdown of the three major content types along with considerations a marketer should take into account as options are evaluated.

What do you already own that you can use? Marketers should look through all of their owned media channels to assess what brand content assets already exist, and which might be candidates for paid distribution and/or paid amplification campaigns. Many brands have content portals for easy reference of existing content that could be repurposed for content marketing needs.
When evaluating existing brand-owned assets for use in new native advertising efforts, here are four key questions you should ask yourself:

<table>
<thead>
<tr>
<th>Alignment: Are content assets consistent with key marketing priorities and campaign messaging? Are they evergreen, or seasonally relevant?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance: Is the content editorial or advertorial in nature, i.e. does the content inform, educate or entertain, or is it sales-y?</td>
</tr>
<tr>
<td>Format: Is the content format well suited for the intended audience, i.e. short-form or long-form editorial, video, images, infographics, etc.?</td>
</tr>
<tr>
<td>Quantity: Are there enough content assets to sustain the full campaign duration? Are additional content creatives required?</td>
</tr>
</tbody>
</table>

**Do you need new content?**

Most marketers find they need to augment their existing content assets with new paid-for options. The primary ways are to partner with a publisher content studio or independent/specialty content marketing agencies, and to enlist influencers and/or user-generated content opportunities.

- Publishers and media companies know their audience better than anyone and many offer content creation services for clients that buy advertising programs across their owned properties. These services may come with additional requirements, so be sure to ask.
- Note: The type of content that works well in one publisher environment may not work as well in another, and campaign objectives may require different content formats to achieve success.

- Native and content advertising have given rise to independent content marketing agencies that special in content marketing and including content creation and distribution.
- Content marketing agencies can provide creative ideation, connecting and commissioning content creators and can in some cases, recommend and/or facilitate content distribution measurement, analytics and insights.

- Advertisers may use influencers to create branded content and distribute it to their followers. Marketers can source influencers directly, or work through influencer marketing companies.
- User-generated content can also be leveraged within native advertising campaigns. Like influencers, UGC creators can be sourced directly or connected through independent marketing agencies, aggregators, and online marketplaces.
As with brand-owned content, there are important considerations to take into account before engaging with a third-party content provider.

An often-overlooked option is that of Licensed Content, which we have parsed separately as another Paid content option.

Content licensing refers to the curation of existing or upcoming content from a publisher’s trusted brands that best fit an advertisers’ content strategy.

<table>
<thead>
<tr>
<th>Pros:</th>
<th>Cons:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>Ownership of Content remains with publisher</td>
</tr>
<tr>
<td>Speed to Market (it’s already produced)</td>
<td>Speed</td>
</tr>
<tr>
<td>Inherent Trusted voice</td>
<td>Customization</td>
</tr>
</tbody>
</table>

When entering into a licensed content agreement, you will sign a contract with the content owner which will typically cover trademark use policy, copyright notice which will specify which mediums the content can be used, any specifications on the ability – or lack thereof – of modifying the licensed content in any way, as well as fees and usage term. It is important to understand all aspects of the usage contract before entering into any licensed content agreement.

Next step: Great. You’ve got content. Now what are you going to do with it?

As detailed in the IAB Native Definitions Framework, there are many ways to distribute your native advertising content in terms of native distribution ad formats. We’ve outlined the most commonly used ad formats with definitions and wireframes to depict the user experience on both desktop and mobile. Also outlined are the common charge/pay basis metrics you should consider for each ad format. It’s important to understand your options depending on the type of creative you have.
<table>
<thead>
<tr>
<th>PRIMARY NATIVE AD DISTRIBUTION FORMATS</th>
<th>DESCRIPTION AND COMMON CHARGE/PAY BASIS METRICS</th>
<th>USER EXPERIENCE (DESKTOP AND MOBILE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native Content (Click-In)</td>
<td>In-feed ad clicks-in to fully integrated, non-interruptive custom article page hosted on the publisher site. Standard CPM Viewable CPM (vCPM) Cost per View/Read (CPV) Cost per Page View (CPPV) Cost per Engagement (CPE) Share of Voice/Takeover (SOV)</td>
<td><img src="#" alt="Publisher Site" /> <img src="#" alt="Publisher Site" /></td>
</tr>
<tr>
<td>Native Display (Click-Out)</td>
<td>In-feed ad clicks-out, redirecting away from source publisher site to external URL; advertiser site, external landing page, app download page, product page, etc. Standard CPM Viewable CPM (vCPM) Cost per Click (CPC) Cost per Lead (CPL) Cost per Acquisition (CPA)</td>
<td><img src="#" alt="Publisher Site" /> <img src="#" alt="External Site" /></td>
</tr>
<tr>
<td>Native Video (Scroll to Play)</td>
<td>In-feed ad supports video player, video playback initiates when user scrolls video player into view of active browser window. Standard CPM Viewable CPM (vCPM) Cost per View (CPV) Cost per Completed View (CPCV)</td>
<td><img src="#" alt="Publisher Site" /> <img src="#" alt="Publisher Site" /></td>
</tr>
<tr>
<td>Native Video (Click to Play)</td>
<td>In-feed ad supports video player, video playback initiates when user clicks.</td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>In-feed ad supports video player, video playback initiates when user clicks.</td>
<td>Standard CPM Viewable CPM (vCPM) Cost per View (CPV) Cost per Completed View (CPCV)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Content Recommendation/Discovery Widgets (Click-Out)</th>
<th>Sponsored headline clicks-out, redirecting away from source publisher site to external URL; advertiser site, external landing page, app download page, product page, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsored headline clicks-out, redirecting away from source publisher site to external URL; advertiser site, external landing page, app download page, product page, etc.</td>
<td>Cost per Click (CPC)</td>
</tr>
</tbody>
</table>

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**How to Activate Your Native Advertising Campaigns**

Once you understand the formats and key metrics, you then need to think about how and where you want to activate your native campaign/s. The next chart shows the formats and various options of activation via a managed service from a publisher, a programmatic platform or a native network, or a self-serve offering.

There are always exceptions to the rule as one publisher or platform may not offer one method, but another may. However, the following chart shows a general framework and guide which can be especially helpful as you evaluate managed services that can provide access to programmatic resources, proprietary tools, and specialist campaign managers vs. self-serve options on both social media and publisher sites.

<table>
<thead>
<tr>
<th>CONTENT DISTRIBUTION AD FORMATS (See above chart for ad format definitions and wireframes for reference)</th>
<th>Managed Offering</th>
<th>Self-Service Offering</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Managed service that provides access, often with specialized campaign managers</td>
<td>Self-serve...do it yourself</td>
</tr>
<tr>
<td></td>
<td>Publisher</td>
<td>Programmatic Platforms</td>
</tr>
<tr>
<td>Native Content (Click-In)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Native Video (Click to Play)</td>
<td>✓</td>
<td>Limited*</td>
</tr>
<tr>
<td>Native Video (Scroll to Play)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Native Display (Click-Out)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Content Recommendation/Discovery Widgets</td>
<td>Limited*</td>
<td>✓</td>
</tr>
</tbody>
</table>

*Advertisers should check with their DSP, Native Network and/or Publisher supply partners for ad format types offered and inventory buying options supported.*

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Measuring Success

Measuring success of branded content marketing campaigns can be complicated given the nuances of various tactics, and also because the strategic objective of branded content initiatives is largely upper funnel related. The need for metrics as a denominator, not only for the various tactics of branded content marketing, but also for an advertiser’s broader campaign approach, is needed to present a clear picture of effectiveness of the native campaign.

In addition to measuring specific metrics, advertisers could consider building a taxonomy of qualitative metadata around the content they want to measure. As they produce more content, this taxonomy could help them slice and dice performance across KPIs, which will help identify the types of content that have been most successful at reaching goals. This can help make setting and adjusting content strategy easier and more successful.

Brands typically evaluate branded content/native advertising success with the three key industry metrics:

<table>
<thead>
<tr>
<th>AWARENESS</th>
<th>ENGAGEMENT*</th>
<th>CONSIDERATION</th>
</tr>
</thead>
</table>
| ✔ Connects ad execution to driving brand and/or ad unit recollection
  - Un/Aided Awareness
  - Online Ad Recall | ✔ Demonstrates improvement of brand acquaintance and positive association towards desired traits of its product/service offerings. There are three main types of engagement:
  - Cognitive: Maps to changes in Awareness, Interest and Intent
  - Emotional: How did the advertising make the user feel about the brand
  - Physical/Behavioral: User-initiated interaction | ✔ Measures effectiveness of native message guiding the customer journey from evaluation to consideration
  - Favorability |

*There is not one definition of “engagement” and there is single no one size fits all approach for engagement measurement. There may be metrics that are important in different circumstances depending on the type of content - the device, the campaign goals, whether the metric is being used as trading currency or for comparative evaluation and also whether the Brand is an existing or new one. Because engagement is driven as much or more by the creative execution as it is by the media platform, engagement must be evaluated holistically.

The IAB’s “Defining and Measuring Digital Ad Engagement in a Cross-Platform World”, which was prepared in association with the Association of National Advertisers (ANA) and the American Association of Advertising Agencies (the 4A’s), provides valuable insights into the metrics and analytics that are commonly referred to as “engagement.” While this paper is focused on engagement metrics for all digital advertising, the majority of metrics are applicable to branded content, with a few possible exceptions, notably Attribute Recall and Change in Message/Attribute Recall and Association, given that branded content are not promotional in nature. The below provides engagement metrics from this paper, with definitions and ways that these metrics can be measured.
## Cognitive

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Measurable Today?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campaign Awareness</td>
<td>The extent a campaign is recognized by a potential customer.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Brand Message Recall</td>
<td>The extent which a consumer can remember the key messages of the branded content.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Attribute Recall</td>
<td>The extent to which a consumer can remember the Brand attributes communicated in the branded content.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Change in Message/Attribute Recall and Association</td>
<td>The pre-post delta in measuring to what extent the consumer can remember and associate those branded content messages or attributes with the correct Brand.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Change in Brand Awareness/Familiarity</td>
<td>The pre-post delta in measuring to what extent a Brand is recognized by a potential customer.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Change in Purchase Intent</td>
<td>The pre-post delta in planning or willingness to purchase a Brand in the future.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Change in Brand Consideration</td>
<td>The pre-post delta in a Brand's inclusion in a set which a consumer would select from.</td>
<td>Yes, Surveys</td>
</tr>
</tbody>
</table>

## Emotional

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Measurable Today?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Baseline Brand Perception</td>
<td>The pre-post delta in measuring what the potential customer thinks and feels about the Brand.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Change in Baseline Brand Favorability</td>
<td>The pre-post delta in measuring what the potential customer likes and values about the Brand.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Change in Baseline Brand Loyalty</td>
<td>The pre-post delta in measuring customer loyalty in terms of weight and frequency of usage, and likelihood to switch.</td>
<td>Yes, Surveys</td>
</tr>
<tr>
<td>Physiological Response</td>
<td>Extent to which the ad results in changes in respiration, circulation, or other non-conscious physical reactions that correlate with emotion.</td>
<td>Yes, Biometrics</td>
</tr>
</tbody>
</table>
In summary, different native ad formats, and the type and quality of the content itself, will inherently have different strengths and/or weaknesses relative to key brand metrics. The point here is that when considering what formats to run, or when evaluating formats presented to you, you must, first and foremost, keep your KPIs in mind because not all formats will be the best at achieving your goals. You may very well want to run a variety of different formats that will reach consumers in different ways for maximum impact. This could include sequential messaging and native ad format sequencing as a tactical strategy that could potentially accelerate the consumer journey and purchase path.
The Importance of Disclosure

The branded content advertising landscape is rapidly evolving, with content creation and distribution partners working with advertisers to create increasingly effective ad experiences. Consumer perceptions of these ad products are changing as well, as viewers become accustomed to and more experienced in interacting with brands in new ways.

For this reason, it is impossible to recommend a single, one-size-fits-all disclosure mechanism for different types of branded content/native advertising offerings, as acknowledged by the Federal Trade Commission (FTC). It is possible, however, to demand adherence to the core principle that regardless of context, a reasonable consumer should be able to distinguish between what is a paid branded content advertisement vs. what is editorial content.

IAB continues to recommend the following Disclosure Principles:

Regardless of branded content advertising formats, IAB advocates that, for paid branded content ad units, clarity and prominence of the disclosure is paramount.

The disclosure must:

- Use language that conveys the advertising has been paid for, thus making it an advertising unit, even if that unit does not contain traditional promotional advertising messages.
- Be large and visible enough for a consumer to notice it in the context of a given page and/or relative to the device that the ad is being viewed on.

Simply put: Regardless of context, a reasonable consumer should be able to distinguish between what is paid advertising vs what is publisher editorial content.

The FTC issued two documents related to Native Advertising Disclosure on December 22, 2015. It is imperative that brands and their agencies be aware of the helpful guidance provided. These documents cover both the paid distribution/native ad (described by FTC as the “door opener”) and the destination paid content page.

- Enforcement Policy Statement on Deceptively Formatted Advertisements
- Native Advertising: A Guide for Businesses

Key FTC takeaways for native advertising include*:

- The FTC will consider the following factors when determining whether an ad formatted like an editorial is deceptive: 1) the net impression the entire ad conveys to the reasonable consumer in the context of the platform, and 2) any qualifying information in the ad.
- Qualifying information, such as the advertiser’s material connection to the content, must be clear, conspicuous, prominent, and unambiguous.

*Summary from Baker & Hostetler LLP
While disclosure language is at the discretion of the publisher, advertisers should know where their branded content will run and how it will be disclosed. This refers to both the native ad one sees before they click and the paid content at the destination site. Additionally, if influencer marketing is part of a branded content offering, advertisers must make sure that the influencer’s disclosure is in accordance with Federal Trade Commission guidelines. The FTC guidance is very clear:

The FTC’s Endorsement Guides provide that if there is a “material connection” between an endorser and an advertiser – in other words, a connection that might affect the weight or credibility that consumers give the endorsement – that connection should be clearly and conspicuously disclosed, unless it is already clear from the context of the communication. A material connection could be a business or family relationship, monetary payment, or the gift of a free product. Importantly, the Endorsement Guides apply to both marketers and endorsers.

Source: Federal Trade Commission (FTC)

For more information about influencer disclosure, please refer to: FTC’s Endorsement Guides: What People Are Asking (2017) which provides very helpful answers to many of the questions people have about disclosing material connections between advertisers and endorsers (which would include influencers.) It is imperative that both marketers and influencers are familiar with these documents.

**Conclusion**

In summary, although branded and native content and distribution may be relatively new to most brands and media agency teams, the category should not be perceived as complicated or confusing. This guide provides great direction for getting informed and setting out a good road map of how (rate/transaction types) and where (in-feed and other channels) to create and distribute content, while weighing in success factors from the onset to ensure better than expected success.