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'PESO' media strategy shifts to 'SOEP': Opportunities and ethical dilemmas

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ABSTRACT

It is well established that the internet, and particularly the unprecedented growth of social media, are changing the mediascape and media practices in advertising, public relations, and journalism. Some of these changes are leading to convergence of genre and practices as well as the technologies of media. This analysis focuses on the first two of these types of convergence, drawing on data from the first *Asia Pacific Communication Monitor*, a survey of 1200 PR and communication practitioners in 23 Asia Pacific countries. This reveals a major shift from the traditional PESO model of media use by organizations (paid, earned, shared, owned) to an emerging SOEP model (shared, owned, earned, paid). This affords new opportunities for practitioners, but also poses practical and ethical dilemmas.

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1. The 'PESO' model of media strategy

In contemporary public relations literature, media content has been categorized into what some call four 'quadrants'—paid, earned, shared, and owned, referred to as the PESO model in academic research (Luttrell, 2014) and industry publications (e.g., Bayles, 2015; Dietrich, 2015). The PESO model evolved from the earlier categorization of media content as 'paid, owned, earned' that Burcher (2012, p. 4) refers to as the "media trinity".

Paid media refers to traditional advertising and other forms of content commercially contracted between organizations and mass media. This has been the dominant form of promotional media content for the past century, accounting for more than US\$600 billion in expenditure globally in 2015 (Statista, 2016a). *Owned media* are publications and digital sites established and controlled by organizations, such as corporate magazines, newsletters, reports and, more recently, organization Web sites, blogs, and official Facebook pages. *Earned media* refers to editorial publicity that is generated by organizations through media releases, interviews, and other media relations activities (Stephen & Galak, 2012).

Of these formats, earned media has been a dominant focus of public relations and corporate communication (Macnamara, 2012; p. 183); Watson, 2012; p. 390). However, the era of social media has introduced a fourth 'quadrant' to the traditional paid, owned, earned model – shared media – and also radically changed the scope and scale of owned media.

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Shared media are those that are open for followers, friends, and subscribers to contribute and comment. These include internationally popular social media such as Facebook, Twitter, YouTube, Tumblr, Instagram, and Pinterest, national networks such as Sina Weibo in China, as well as blogs that allow comments to be posted. While some such digital media apply moderation (a form of editorship), a convention of social media is light (minimal) moderation, usually limited to deleting offensive content such as sexist and racist comments, abusive language, and vilification (Macnamara, Sakinofsky, & Beattie, 2012, p. 9). This convention, combined with free open access to social media, results in sharing of content ranging from comments on posts and ‘retweets’ to collaboration (Löwgren & Reimer, 2013) and co-production of content (Motion, Heath, & Leitch, 2016).

The unprecedented popularity of leading social media suggests that significant change is afoot in the mediascape of the early twenty-first century. For instance, Facebook reported that it had 1.55 billion active monthly users as at September 30, 2015 with more than one billion of them online daily (Facebook, 2016). YouTube has more than one billion users watching an average of 40 minutes of video a day in 70 countries (YouTube, 2016). Relative newcomer in social media, Instagram, has attracted 400 million active users in just a few years (Statista, 2016b).

In the United States the 2015 Pew Research Center *State of the Media* study reported that, “in tandem with rapid growth of mobile” devices for accessing news and information “has been the further rise of the social Web, where the flow of information embodies a whole new dynamic”. Pew noted that “nearly half of Web-using adults report getting news about politics and government in the past week on Facebook” (Mitchell, 2015, p. 4). At the same time, Pew reported that newspaper readership continues to decline (down 19% since 2004) and cable TV “had another rough year, with prime-time median viewership down 8% across the three channels—Fox News, MSNBC and CNN” (Mitchell, 2015, p. 5). *Forbes* magazine reported that the advertising revenues of News Corporation, one of the world’s largest media groups, declined from over \$4.1 billion in 2010 to under \$3.4 billion in 2014 and commented that “this decline can largely be attributed to free online sources that have put pressure on the company’s paid products” (Trefis Team, 2015, paras 4–5).

As well as struggling for revenue, traditional forms of paid advertising including TV commercials, print advertisements, and promotional e-mails have all suffered a decline in trust among media consumers over the last two years, according to the 2015 Nielsen *Global Survey of Trust in Advertising*, a poll of 30,000 media consumers in 60 countries. Also, interestingly, Nielsen reported that trust in traditional media editorial content has declined – down by 8% since 2013 in the United Kingdom (UK)—possibly influenced by credibility-sapping incidents such as the *News of the World* phone hacking scandal (Nielsen, 2015a, para 1–2). Nielsen noted that owned and earned media content are trusted more than paid media, but that “recommendations from people I know” and “consumer opinions posted online” (shared media) are the most trusted information sources of all (Nielsen, 2015b, p. 4). It is inevitable that such shifts in media channels and audience use will influence practices in PR and corporate communication.

2. The growth of sponsored content and ‘native advertising’

A number of media, marketing, and public relations researchers have noted the shift in media formats and practices away from traditional advertising and publicity. In marketing communications literature, these include Burcher (2012), Campbell et al. (2014), Campbell and Marks (2015), and de Pelsmacker and Neijens (2012). In industry, the growth in new formats is reflected in the establishment of new professional bodies such as the Branded Content Marketing Association (BCMA) with chapters in Europe, North and South America, the Middle East, and Africa. Along with ‘branded content’, a number of new descriptions of media content have entered the lexicon of marketers and media content producers including sponsored content, ‘native advertising’ (paid content that is presented in a way that does not look like advertising), as well as a number of other euphemistic terms such as ‘brand integration’, ‘brand journalism’, ‘embedded marketing’, and ‘media partnerships’ (Canter, Kirby, McFarlane, & Welland, 2013; Glick & Neckes, 2013; Kokemuller, 2013; Macnamara, 2014a, 2015; Verčič & Tkalac Verčič, 2015). A study by Macnamara and Dessaix (2014, p. 1) identified 25 terms used largely synonymously in advertising, digital marketing, PR, entertainment, and infotainment to describe new hybrid formats.

Sponsored content is broadly described by Tutaj and van Reijmersdal (2012) as media content that is produced by a brand or organization in a similar form as original content on a publisher’s platform, often in collaboration with the media outlet. So-called native advertising is defined as “advertiser-produced content that is designed to appear to the user as similar to editorial content” (Howe & Teufel, 2014; p. 79). However, Campbell and Marks note that the term ‘native advertising’ is being used to describe various types of online marketing communications and that “there is little agreement on the term’s definition or meaning” (2015, p. 600).

As a number of researchers note, paid media content in forms other than traditional advertising is not new (Balasubramanian, 1994). For instance, product placement has a long history (Gupta & Lord, 1998) and the previous definitions could just as easily describe ‘advertorial’ that has been used in the PR industry for many years (Erjavec & Kovačič, 2010; Kim, Pasadeos, & Barban, 2001). However, Macnamara and Dessaix (2014, p. 1) have described emerging sponsored, ‘native’, and embedded formats as “advertorial on steroids”. While noting that “the term ‘native advertising’ remains murky”, the industry journal *E-marketer* (2014) reported research predicting that spending on this media format will reach almost US\$6 billion in 2016 and grow to almost US\$9 billion by 2018. These emerging media formats and practices therefore warrant further close attention. On one hand, they are seen as offering new opportunities to marketers and media organizations and have been hailed as the possible “salvation” of the troubled advertising industry (Wasserman, 2013). On the other hand, there are serious implications for media independence, ethics, and the public interest in media strategies that blur the boundaries that have traditionally existed between paid, earned, shared, and owned media.

A number of public relations scholars have examined these formats and their implications including Bowen (2013), Hallahan (2014), Taiminen et al. (2015) Taiminen, Luoma-Aho, and Tolvanen (2015), and Verčič and Tkalc Verčič (2015). Bowen (2013) has called for avoidance of deception, increased transparency, and full disclosure of the nature and source of media content in the interests of ethics. However, little information is available on the extent of these formats and practices in public relations and corporate communication, or perspectives on the future of the traditional paid, owned, shared, earned (PESO) model of media use by organizations.

Preferred media channels and formats as well as media practices were among a number of issues explored in the first *Asia-Pacific Communication Monitor*, a survey of PR and communication practitioners across 23 Asia-Pacific (APAC) countries that was conducted in 2015 by a collaboration of 16 universities. This article reports a number of significant changes in media relations and in content production and distribution identified in this research that flip the PESO model on its head and identify new priorities and practices. It goes beyond celebratory discussion of new opportunities to critically examine ethical concerns raised by some new practices that, as yet, have been insufficiently identified and examined.

3. Research questions

The *Asia-Pacific Communication Monitor* asked PR and communication practitioners in the APAC region a range of questions in relation to media strategies,¹ measurement and evaluation, issues of concern, skills, and job satisfaction. Based on the evidence of change in media practices as outlined, this analysis explored three research questions as follows:

RQ1. What are the most important media channels and content formats that APAC practitioners use today?

RQ2. What are the most important media channels and content formats that practitioners expect to use in the next three years (i.e., by 2018)?

RQ3. Specifically, what is the relative importance of paid (including strategic partnerships), earned, owned, and shared social media now and over the next three years (i.e., by 2018)?

4. Methodology

The *Asia-Pacific Communication Monitor* (APCM) is a transnational survey of PR and corporate communication practitioners modelled on the *European Communication Monitor* (ECM) that has been conducted annually since 2007 (e.g., Zerfass, Verčič, Verhoeven, Moreno, & Tench, 2015). An APCM study was conducted for the first time in 2015 through a collaboration of European and APAC universities with support from a number of industry organizations. It involved a structured online survey questionnaire that was completed by 1200 practitioners in 23 APAC countries.

4.1. Sample

More than 21,000 communication practitioners in APAC whose contact details are held in a database of the Asia-Pacific Association of Communication Directors (APACD) were invited to participate via e-mail invitation. Additional invitations were distributed by supporting universities and professional PR and communication associations in the region to their members. This participant recruitment approach provided sampling validity, as the questionnaire was made available to pre-qualified participants across a wide range of PR and communication roles and functions. The online survey was pre-tested in July 2015 with 68 communication professionals in 14 APAC countries. Amendments were made where appropriate and the final questionnaire was activated for four weeks in August 2015.

A total of 2154 participants started the survey, with 1200 submitting fully completed questionnaires—an initial participation rate of almost 10% and a completion rate of 5%. Only completed survey questionnaires were used in the analysis. The countries with the largest number of participants were India, Australia, Singapore, Hong Kong and China, followed by Vietnam, Thailand, and Malaysia.

Three-quarters of the respondents hold senior communication leadership or management roles. Of these, 43.8% hold the most senior communication position in their organization as head of communication or CEO of a communication consultancy, and 33.2% are unit leaders or in charge of a communication discipline in an organization (e.g., media relations). Almost two-thirds (62.7%) of the respondents have more than 10 years of experience in PR or corporate communication. Most are highly educated, with 96.9% holding a diploma or degree and 55.9% holding at least one university degree. More than half (56.9%) of the respondents are female and the average age across the sample is 41 years. Therefore, the study reported the views of experienced, well-educated, senior practitioners in the region.

Slightly more than one quarter of the participants (25.7%) work in multinational organizations founded or based in APAC. Another 31.8% represent multinational organizations headquartered in another continent, while 38.8% of respondents work for national or local organizations in the country in which they are located. Almost three out of four respondents work internally in organizations – 38.3% in public companies, 17.1% in private companies; 11.9% in government, and 7.8% in non-profit organizations – while 24.9% are communication consultants working freelance or for agencies.

¹ 'Media' strategies is used here to denote a broad range of mediated communication channels including press, radio, TV, social media, Web sites, events, house publications, Web sites, and mobile applications.

4.2. Survey questionnaire

The survey contained 26 questions arranged in 14 themed sections. The instrument was based largely on the *European Communication Monitor*, which provided criterion validity and also afforded comparative data. However, some customization was undertaken to adapt language to local cultures and allow for insertion of some questions of local significance. The questionnaire was administered in English only based on the education levels and seniority of the sample. The analysis presented here is based on socio-demographic questions and questions measuring the current and future importance of various media channels, formats, and practices using 5-point Likert scales (“not important” to “very important”; “lose a lot in importance” to “gain a lot in importance”). Percentages reported in the findings indicate the agreement of respondents based on scale points 4 and 5.

4.3. Data analysis

The Statistical Package for the Social Sciences (SPSS) was used for data analysis. Results were tested statistically with, depending on the variable, Pearson’s chi-square tests (χ^2), ANOVA/Scheffe post-hoc tests, Kendall rank correlation, and *t*-tests. Results were classified as significant ($p \leq 0.05$) or highly significant ($p \leq 0.01$).

5. Findings

5.1. Traditional media remain important

The most important media channels continue to be traditional media (newspapers, radio, TV, and magazines), rated highest by 76.5% of APAC PR and corporate communication practitioners – albeit only by a slim margin. Communication professionals say they use mass media to monitor news and public opinion (76.3%) as much as they do for distributing information about their organization, its products, or services (76.1%). This implies listening and two-way communication, but monitoring is mostly done for self-serving purposes such as gaining intelligence on competitors and for targeting audiences, according to other studies (e.g., Macnamara, 2016).

5.2. Digital and social media (shared and owned) are the ‘big movers’

Notwithstanding continuing use of traditional media managed through traditional media relations, the “big movers” in APAC PR and communication practice are social media. Earned and owned media is expected to gain more importance within the next three years by a majority of practitioners (72.8%/56.3%), with very few believing that these will decline in importance. On the contrary, respondents have mixed opinions about paid media (advertising). Only one third of practitioners believe paid media will become more important, with around the same number (29.9%) saying it will lose importance. This finding has to be taken ‘with a grain of salt’ given that participants in the study were PR, not advertising practitioners, and most advertising and marketing research predicts continuing modest growth in paid advertising (e.g., Statista, 2016a). However, the rapid rise of new channels and content formats is unquestionable.

Social media are now almost level-pegging with traditional media in terms of perceived importance in APAC, with 75.0% of PR and communication practitioners rating social media important, compared with the 76.5% who rate traditional media relations as important. Social media are rated highest in terms of importance in the Philippines, Taiwan, Thailand, Malaysia, Vietnam, and China, while traditional media are seen to be of continuing importance mainly in Japan, India, Hong Kong, and Malaysia.

Increasing use of social media potentially expands opportunities for two-way communication and dialogue, which are advocated as essential for excellence and best practice in PR (Grunig, Grunig, & Dozier, 2002; Kent & Taylor, 2002; Taylor & Kent, 2014). However, other research shows that the interactive affordances of social media are not being utilized by most PR and corporate communication practitioners (Kent, 2013; Taylor & Kent, 2014; Wright & Hinson, 2012). Kent (2013, p. 342) concluded: “If we look at the use of social media by most large corporations, we see that the communication tools that were invented for ‘sociality’ are typically used in a one-way fashion to push messages out to publics”. Even more recently, Taylor and Kent reported that social media use is a “one-way communication process” (2014, p. 386). Whether this one-way use of social media is a factor of the relative ‘newness’ of these channels and a need for greater familiarization and maturation, or whether so-called ‘social’ media are being colonized rather than shared is a question for ongoing research. This study did find a self-professed low level of skills in relation to new forms of digital and social media among PR and communication professionals, which suggests one explanation for why the opportunities presented by social media growth are not being realized.

Online communication via Web sites, intranets, and e-mail are also seen as slightly more important (73.6%) than media relations with online newspapers or magazines (73.2%), indicating growing interest in owned media that can be fully controlled. Influencing media ‘gatekeepers’ and media agendas are now seen as less important than direct distribution of information.

The forecast trend for the future is the most interesting and significant finding in relation to media channels. When communication professionals look three years into the future to 2018, only 46.9% see traditional media relations with print

Table 1

Percentage of practitioners rating various forms of media and communication as important looking three years ahead to 2018.

Region	Print media (newspapers & magazines)	Social media	Web sites, e-mail, intranets (<i>owned media</i>)	Online newspapers & magazines	Face-to-face	TV and radio
Australia	38.6%	91.5%	88.2%	76.6%	80.3%	44.7%
China	40.8%	88.1%	71.7%	83.8%	75.0%	42.4%
Hong Kong	52.0%	93.6%	82.3%	89.7%	76.4%	42.4%
India	54.3%	96.3%	90.8%	90.0%	65.8%	64.2%
Indonesia	54.5%	93.3%	88.9%	86.7%	66.7%	62.2%
Japan	51.0%	85.7%	85.4%	87.8%	81.6%	49.0%
Korea	42.4%	84.8%	63.6%	84.4%	57.6%	62.5%
Malaysia	52.5%	96.7%	85.2%	86.7%	72.1%	71.7%
New Zealand	50.0%	94.2%	92.3%	76.5%	84.3%	53.8%
Philippines	55.3%	97.4%	92.1%	86.1%	73.7%	76.3%
Singapore	47.1%	92.5%	89.0%	81.6%	70.1%	46.3%
Taiwan	34.6%	90.6%	83.3%	77.8%	48.1%	46.2%
Thailand	54.8%	92.1%	90.5%	87.3%	66.1%	54.0%
Vietnam	30.7%	87.4%	84.1%	76.1%	64.4%	63.2%
Asia-Pacific	46.9%	92.2%	85.6%	83.8%	71.3%	53.7%

n = 1131 PR and corporate communication practitioners from 14 countries. Q 4: How important will the following methods in addressing stakeholders, gatekeepers and audiences today be in three years? Scale 1 ('Not important') – 5 ('Very important'). Percentages: Frequency based on scale points 4–5.

media as important and 53.7% see media relations with radio and TV as important (see Table 1). In comparison, 92.2% rate social media such as blogs, Facebook, Twitter, YouTube, Sina Weibo, and so on, as important for strategic communication and 85.6% favor websites, intranets, and e-mail. This shift in media use reflects the findings of previous academic studies of media and PR (e.g., McChesney, 2013; Macnamara, 2014b; Siapera, 2012; Wright & Hinson, 2012).

Almost all (93.7%) of APAC communication professionals also see mobile communication as important by 2018, compared with two-thirds (66.5%) of practitioners who see it as important today. Mobile applications are seen as most important in Malaysia, the Philippines, Thailand, and Taiwan. This reflects the trend of 'leapfrogging' in technologies in which developing countries without large investments in 'legacy' systems bypass incumbent technologies to quickly adopt new technologies (Davison, Vogel, & Harris, 2000).

5.3. PESO becomes SOEP

If forecast trends eventuate in practice, the PESO model (paid, earned, shared, owned) will no longer reflect the priority in media strategies of organizations. Shared social media seem certain to go to the top of the list, followed closely by owned media, most of which will be digital and online. Some 56.3% of PR and corporate communication practitioners in APAC foresee an increase in use of corporate publishing and owned media, with their perceived importance increasing from 39.1% who rate them as important in 2015 to 49.6% saying they will be important by 2018. This indicates a new approach, which can be labelled SOEP (shared, owned, earned, paid).

Using 'strategic partnerships with media organizations' for co-producing content and producing joint publications and information services (owned or co-owned media) is expected to grow in importance by 66.8% of APAC practitioners. Strategic partnerships with media organizations are particularly seen as important by PR and corporate communication practitioners in Malaysia, Indonesia, the Philippines, Taiwan, and India, while those in Hong Kong, Australia and New Zealand see commercial arrangements with media as less significant – perhaps due to greater media independence in these countries, although they still see strategic partnerships as more important than traditional media relations (see Table 2). Fairfax Media in Australia has launched and aggressively markets Brand Discover, which it hails as "Fairfax Media's native advertising portfolio that allows advertisers to reach Fairfax audiences with highly engaging content which is produced by Fairfax content specialists and brought to life with a variety of formats" including as "articles (interactive long-form article[s])" and "Short-icles" that are listed as 2 of "5 Brand Discover creative templates" (Fairfax Media, 2016). Such 'partnerships' and so-called 'native advertising' indicate a blurring of formats and genre that raises important ethical questions that will be explored in the following section.

Earned media content also seems highly likely to gain increasing importance given the finding by Nielsen that "recommendations from people I know" and "consumer opinions posted online" are the most trusted forms of media information (Nielsen, 2015b, p. 4)—in other words, earned online endorsements and positive comments have the most impact. As mentioned before, seven out of ten PR and corporate communication professionals in APAC (72.8%) believe that earned media publicity will continue to be important. This suggests that paid media – at least in traditional forms – will slip from being the dominant model of media communication to last place.

However, before PR and corporate communication practitioners celebrate a possible reversal of the long-standing dominance of advertising over PR, it is important to examine the specific formats of owned media that are emerging and the implications of changes that are occurring in the 'media mix' deployed in public communication.

Table 2

Percentage of practitioners rating strategic media partnerships versus traditional media relations for influencing editorial content and public opinion as important.

Region	Media relations for influencing editorial and public opinion	Strategic media partnerships
Australia	27.6%	60.9%
China	39.4%	66.3%
Hong Kong	43.0%	56.3%
India	58.5%	72.6%
Indonesia	69.6%	73.9%
Japan	49.0%	51.0%
Korea	48.5%	48.5%
Malaysia	62.9%	82.3%
New Zealand	28.3%	64.2%
Philippines	71.8%	82.1%
Singapore	46.7%	70.1%
Taiwan	60.0%	74.5%
Thailand	53.7%	68.7%
Vietnam	57.8%	65.6%
Asia-Pacific	48.7%	66.8%

n = 1185 PR and corporate communication practitioners from 14 countries. Q.1: Please rate the relative importance of the following strategic communication activities within the next three years. Scale 1 ('Lose a lot of importance')–5 ('Gain a lot of importance'). Percentages: Frequency based on scale points 4–5. Highly significant differences (ANOVA/Scheffe post-hoc test, p ≤ 0.01).

5.4. The implications

Owned media content is expanding well beyond traditional corporate publishing, 'advertorial', and early relatively innocuous forms of product placement in which products are clearly visible (i.e., transparent), to include an array of new forms of sponsored content and media channels negotiated and largely controlled through 'strategic media partnerships'.

If these developments follow trends internationally, there are serious implications for ethics in media and communication practices and potentially risks to the credibility of media and client organizations. In the relatively few studies of these practices, they have been described as "covert" (Kuhn, Hume, & Love, 2010), as designed to at least partially "hide the truth" (de Pelsmacker & Neijens 2012, 1), and even as "stealth marketing" designed to fully conceal marketing and promotional messages in media content (Roy & Chattopadhyay, 2010). In a recent analysis, Campbell and Marks (2015, p. 601) reported that "some native advertisements provide minimal or no source disclosure to consumers, possibly tricking consumers into viewing content that they believe is from a different source (e.g., from the publishers of the website)".

In the past few years, a number of prominent media have ventured down this path including leading US mastheads such as *The New York Times*, *The Washington Post*, and *The Atlantic*, and major APAC media groups such as Fairfax Media in Australia. Several of these have found themselves in the headlines because of reactions ranging from audience irritation to outrage. For instance, *The Atlantic* published a feature article in January 2013 paid for by the Church of Scientology titled 'David Miscavige leads Scientology to milestone year' that was identified as paid media content only by a small yellow banner labelling it as 'Sponsor Content' (Wemple, 2013). Extensive complaints led to the article being taken down within 12 hours and an apology from the vice-president and general manager of The Atlantic Digital, Kimberly Lau. Although controversy surrounding scientology no doubt contributed to the outrage that greeted the feature, Lau admitted "we screwed up", saying the article "read like warmed-over PR" (Wasserman, 2013, para. 5). Significantly, *The Atlantic* was not saying the overall approach was inappropriate; it was simply saying that it did not embed the paid content deeply enough or subtly enough so as to be undetectable by readers.

The New York Times has published a number of articles criticizing various embedded marketing communication techniques. Its marketing writer noted in 2013 that "almost all of the publishers running branded content say they abide by the traditional church-and-state separation" by clearly identifying editorial from advertising. But she went on to report that "the sponsored content runs beside the editorial on many sites and is almost indistinguishable" (Vega, 2013). In a recent review in *Journal of Advertising Research*, Campbell, Cohen, and Ma (2014) acknowledged that "advertisements just aren't advertisements any more" and declared that a new "typology" is emerging in media content.

Practitioner perceptions of the future of media relations are dependent to some extent on the area of communication in which they work. Strategic media partnerships to create sponsored content and native advertising are of most interest to practitioners working in marketing PR, brand promotion, and consumer communication. Nevertheless, the *Asia-Pacific Communication Monitor* revealed that the shift from traditional paid advertising and earned publicity to social media as well as various forms of owned media is a generalized trend across 23 countries and that these practices are being implemented by or being considered by PR and corporate communication as well as advertising practitioners.

While providing new opportunities for marketers and media proprietors, a number of these new formats blur the boundaries between paid promotion and independent news and information – a 'church and state' separation that has been a hallmark of independent media. They also lack transparency and in some cases can involve intentional deception of media audiences. This collides with McQuail's (1994) argument that unintended hidden bias in media content is not unethical, but that intentionally hidden bias is unethical. Furthermore, critical PR scholars such as Fawkes (2012) argue that explicitly

persuasive PR is ethical because it is open in its intent and presentation. Conversely, she says that disguised and hidden persuasion represents an effort to deceive and is therefore unethical.

6. Discussion

The search for new media formats for marketing and promotion – including disguised and hidden ones – is likely to continue because it is being driven by converging forces that have created a ‘perfect storm’ in the media and marketing industries. These include: (1) the “meltdown” of traditional media business models through declining circulations, audiences and advertising revenue, which is prompting a search for new revenue streams (Pew Research Center, 2013); (2) declining impact of traditional advertising (de Pelsmacker & Neijens, 2012, p. 1; Nielsen, 2015a,b); (3) increasing consumer resistance to ‘ads’ aided by technologies such as TiVo, video on demand, and ‘ad blockers’ (Macnamara, 2014b); and (4) a search by marketers to avoid *persuasion knowledge* – recognition by consumers of content as intentional persuasion, which reduces the effect of persuasion (Friestad & Wright, 1994; Tutaj & van Reijmersdal, 2012). Media content that “looks natural” and “innocent” and which does not trigger persuasion knowledge has been shown to be more effective in influencing audiences in many cases (de Pelsmacker & Neijens, 2012, p. 1).

In mid-2013 the world’s largest PR consultancy firm Edelman issued a report titled *Sponsored Content: A Broader Relationship with the US News Media* that acknowledged the sensitive ethical issues with what it called sponsored content, and outlined the agency’s approach to address “major ethical hurdles”. Edelman reported that, like other PR and marketing communication firms, it was “teaming up with the advertising arm of publishers on sponsored content partnerships” which it noted were also referred to as “paid content” or “native advertising” (Edelman, 2013, p. 2). Edelman committed itself to disclosure of paid media content, warning that “it is likely that the US government will get involved if it feels consumers are being deceived and that self-regulation is not working well” (2013, p. 8). But the title and content of the report make it clear that major PR firms are seeking to take advantage of a “broader relationship” with media—both in the US as noted by Edelman and across fast-growing markets such as APAC countries, as shown in the APCM study.

Public relations practitioners are also pushing the boundaries in social media with formats such as ‘ghost blogging’ and ‘ghost commenting’—i.e., blogs and comments posted anonymously by organizations or individuals about their own products, services, or interests (Derville Gallicano, Bivins, & Cho, 2014). While not in breach of any internet or media regulation, such practices lack transparency and involve promotion presented in a deceptive way. Messner (2014) also has reported on ethical concerns in relation to use of Twitter.

Given this trend and the economic and strategic pressures for its continuation, PR and corporate communication practitioners – in fact all media and communication practitioners including advertising executives and journalists – need to review codes of practice and codes of ethics. The Branded Content Marketing Association (BCMA, 2012) has developed a code covering “advertiser funded programming” as well as product placement, and the American Press Institute (2013) has recognized potential problems in the blending of editorial and promotional content. But all industry guidelines issued to date are light on detail in terms of emerging formats and practices. An international study of media and communication industry codes of ethics has concluded that only 8 of 40 codes examined address sponsored content (Ikonen, 2015).

As noted previously, PR scholars such as Bowen (2013), Hallahan (2014) and Macnamara (2014a, 2015) have drawn attention to the ethical problems created by some new media formats and practices. In an analysis of PR and journalism, Macnamara has warned that “convergence” between journalism and PR is growing in the hybridized media environment that is evolving and needs to be addressed with clear “rules of engagement” (Macnamara, 2015; p. 17–18). Further research is desirable to inform codes of practice and codes of ethics that can be applied to balance media, organization, and citizens’ interests.

Based on the lack of clear and consistent definitions of emerging forms of media content including ‘native advertising’ identified by Campbell and Marks (2015) and the plethora of terms identified by Macnamara and Dessaix (2014), it is evident that some agreed definitions and consistent terminology need to be developed to facilitate understanding and enable transdisciplinary discussion and debate.

Campbell and Marks (2015, p. 605) also argue that it is important for organizations to develop a clear communication strategy that nurtures rather than alienates audiences, saying:

The advent of native advertising provides brands with a means to serve relevant and desired information to a broad, receptive audience. Formulating a coherent native advertising strategy and nurturing native audiences is critical to the success of any brand competing for online attention.

7. Conclusions

The ‘rise and rise’ of social media (shared media) and widespread access to the internet for direct publishing by organizations (owned media) have radically changed content production and distribution strategies in PR and corporate communication as well as advertising, with the priorities of the PESO (paid, earned, shared, owned) model now replaced by a SOEP strategy (shared, owned, earned, paid). The bypassing of traditional media ‘gatekeepers’ and availability of direct publishing channels, as well as the urgent search by traditional media to find new sources of revenue and new business models, are creating new communication opportunities for marketers as well as corporate and government communicators. But

emerging trends in social (shared) media and owned media also pose ethical dilemmas and risks of alienating stakeholders and publics.

Findings of the *Asia-Pacific Communication Monitor* and analysis of its key findings in the context of the small but emerging body of extant research literature in relation to new media formats suggest four important next steps:

1. Development of *codes of ethics and/or codes of practice* that cover new media formats and practices in shared and owned media;
2. Development of *definitions and consistent terminology* to facilitate understanding and discussion and debate across disciplines and fields of practice;
3. Further *research* to inform the above and guide practices;
4. Development of *communication strategies in organizations that are ethical and which transparently engage rather than deceive audiences*, recognizing that deception and actions considered misleading can result in public criticism and an undermining of trust – a fundamental asset that many organizations have lost, as shown in research by Nielsen (2015a) and Edelman (2015), and which they need to regain and maintain.

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