

# Negotiating the Gray Lines: an ethnographic case study of organizational conflict between advertorials and news

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**ABSTRACT** *This paper reports an ethnographic case study of how one newspaper organization undertook the redesign of its advertorial products. Examining the design and production of advertorials enables us to see and understand the moments when the values of the interpretive communities of advertorialists (advertising) and journalists are invoked. This case study examines the potential for internal conflict within a news organization as distinctly oppositional interests—advertising and news—seek to control a newspaper's symbolic goods.*

**KEY WORDS:** *Advertorial, News, Organizational Conflict, Marketing, Newspaper Design*

## Introduction

This paper reports and interprets an ethnographic case study of a newspaper's effort to integrate the design of its news and "advertorial" content. Traditionally, the functions of news and advertising have been expected to disassociate because of the perceived threat to journalists' ability to remain objective. This concept of objectivity has been referred to as "the emblem of American journalism" (Schudson, 1978, p. 9). According to Reese (1997), this emblem is an ideal that assumes a journalist can act as a "neutral transmitter who passes along events to an audience" (p. 423). Thus, barriers, both figurative and literal, have been erected between news and advertising (or marketing) departments in newspapers across the United States in order to maintain the integrity of the news product and avoid conflicts with professional journalistic norms (Bantz, 1997; Soloski, 1997).

But the newspaper business is not a black and white world anymore, if indeed it ever was. Newspapers now try to cope with declining circulation rates and shrinking profit margins by developing content and promotional

strategies in the "gray area" between news and marketing. Among the many strategies that have emerged in the last two decades is a greater emphasis on advertorial content. Advertorials—sometimes called "special advertising sections", "advertising supplements", and "niche publications"—are products that look like news and read like news, but are in fact often bought and controlled by advertisers. Cameron and colleagues (1996) describe advertorials as "[b]locks of paid-for commercial messages featuring an object or objects (such as products, services, organizations, individuals, ideas, issues, etc.) that simulate the editorial content of a publication in terms of design/structure, visual/verbal content, and/or context in which it appears" (p. 722).

With advertorials, not only do advertisers get an advertisement that mimics a credible news story, but often the advertiser has the opportunity to control the entire environment within which the message is embedded. According to Bogart (1995), the advertorial trend grew in the 1980s and it has since become commonplace for newspapers to produce "special-themed sections designed to attract specific kinds of advertising, with editorial or pseudo-editorial matter

prepared by the advertising department, by freelancers, or something just picked up from the advertisers" (p. 110).

Advertorial products are designed to blend with the newspaper's overall content to increase their effectiveness as marketing vehicles. Just as television viewers often change channels at the commercial break, newspaper readers tend to flip through pages of advertising. Advertisers want to slow down these readers and capture their interest. Advertiser-based stories that are presented as editorial content can draw reader attention and carry more credibility than the same information does when presented in recognizable advertising formats (Cameron, 1994). In a comparative study of advertorials versus traditional advertising, Kim (1995) found that readers of advertorials were generally unaware that what they had read was actually an advertisement for a product or service. Studies by Cameron and Curtin (1996) and Cameron and Ju-Pak (2000) indicate that even labeling advertorials as such is ineffective at informing readers that the editorial-like content is linked to an advertiser. The apparent inability of readers to recognize advertorials confirms to some degree the warnings of postmodern theorists (e.g. Baudrillard, 1983) that "unreal" simulations (e.g. advertising posing as news) could one day blend so convincingly into the fabric of our society that the simulations would supplant reality and thus go unnoticed. These simulations ultimately serve political-economic ends by establishing power through the control of "symbolic referent systems" (McAllister, 1996, p. 105).

### The Growth of Advertorials

Advertorials have become increasingly popular with both advertisers and newspaper companies over the past two decades. According to Cameron and colleagues (1996), advertorial revenues in US print media doubled in the second half of the 1980s to more than an estimated US\$200 million in annual profits. In some cases, newspapers, such as the *Raleigh News and Observer*, took certain sections of the newspaper (i.e. automotive and real estate) away from the control of the paper's news department to be

produced by the advertising department. Newspaper group owners have also established subsidiary companies like Knight-Ridder Productions (KRP) to market advertorial products to newspapers. These products have most of the stories in place and the newspaper that purchases the pre-made advertorial simply puts the local ads in the appropriate spaces. In 1998 KRP sold these advertorial templates in more than 70 newspaper markets nationwide (personal communication, Bekki Franklin, May 1999).

Print-advertorial use is also prevalent outside the US. For example, regional newspapers in Britain recently ran an advertorial campaign that successfully promoted Midrid, a migraine medication manufactured by Manx Pharma. According to a case study report from the UK's Newspaper Society, "These quarter page and half-page colour ads were designed and incorporated into full-page advertorials which were written by the editorial teams on each newspaper. The result was four authoritative features that helped establish trust and immediate recognition of the Midrid brand name" (<http://www.newspapersoc.org.uk/news-reports/reports-guides/manz-pharma.html>). The London-based *Financial Times* has published advertorial materials, as has *Automotive News Europe*, which will provide clients with an eight-page, full-color section to be distributed full circulation for US\$58,000 (<http://209.104.132.106/mediakit/ane/index.html>). In Australia, Anne Fussell (1996), executive editor of Brisbane's *Courier-Mail*, recently warned that "sectionalizing" newspapers may continue to "blur the line between impartial reporting and advertorial" (p. 3).

Perhaps the most complete analysis of advertorial products in the US was conducted by Shaver and Lewis (1997). Their survey of 148 daily newspapers found that 97 per cent produced special advertising sections that are part of the paper's regular press run and more than 95 per cent inserted tabloid special advertising sections each week. Traditional product categories for regular, weekly advertising special sections were found to be real estate, automotive, and entertainment. Inserted sections were typically related to a wide range of subjects,

including gardening, wedding planning, sports, health and fitness, and tourism. According to the authors, these publications “offer advertisers a means to reach targeted audiences more directly than advertising in the main newspaper and at a lower cost as well” (p. 29).

Nearly half of the newspapers in Shaver and Lewis’s study indicated that a special department or production group was internally responsible for producing these sections. Larger papers were more likely than smaller papers to employ a separate staff with the goal of overseeing the development of special advertising sections. Advertising sections related to topics such as real estate, automotive, and employment were likely to be produced by either the advertising staff or a department responsible for special advertising sections. Advertorial products pertaining to business, entertainment, or sports were more often produced by members of the newspaper’s editorial staff. Shaver and Lewis concluded that “newspapers will continue to experiment with different types of products in their individual markets and ... advertisers will have a broad range of products from which to choose” (p. 29).

### **The Debate about Advertorials: news versus marketing**

The normalization of advertorial products within the newspaper industry has not quelled questions and conflicts about their role within news organizations. Internal conflicts between the departments of a newspaper—particularly between news-editorial and business (marketing, advertising, and classifieds) divisions—are common events, and they are typically fought over issues of news judgment and journalistic autonomy (Bantz, 1997; Shoemaker and Reese, 1991, pp. 115–46; Turow, 1997, pp. 201–4). What makes advertorial production a particularly interesting case of organizational decision making is its uniquely hybrid combination of news and advertising elements. The degree to which a newspaper decides to integrate advertorials with the rest of its operations can reveal much about its overall news management policies, particularly with respect to issues of marketing orientation and advertiser influence.

The advertorial is also a critical site of analysis because of recent shifts in organizational culture and goal setting in the news industry. At newspapers across the country, barriers between news and advertising/marketing departments are either coming down or being reassessed, as executives scramble to grow readership and build advertising revenue. Albers (1998) reports that 57 per cent of the newspapers responding to a *Presstime* survey indicated that their company’s marketing committee now has representatives from all major departments in the newspaper. Editorial personnel are now taking seats at marketing tables and participating in conversations to help find solutions to business problems (Albers, 1998, p. 23).

Journalists continue to express unease about, and often resistance to, these changes in newspaper strategy. To some degree, these reactions are symptomatic of traditional journalist fears about changes in management style, structural politics in newspaper organizations, and growing corporatism in the news industry (Sylvie and Witherspoon, 2002, pp. 59–62). Yet there is evidence that newspapers’ growing emphasis on marketing their products has a particular effect on journalists’ attitudes toward their work and organization. According to Chang (1998), journalists increasingly link their level of job satisfaction to their company’s stance on whether news quality or advertising income should be the top priority. Underwood and Stamm’s (1992) survey of newsroom staffers’ views of the journalism–business balance found that the respondents perceived a greater emphasis on “reader-friendly”, market-driven management policy at their companies; however, “there were some indications [from the respondents] that greater devotion to business principles need not come at the expense of good journalism” (p. 317). Indeed, both newspaper editors and television news directors now appear to place greater importance on “organizational values” than technical skills and professional values when they make hiring decisions (Hollifield et al., 2001).

Perhaps the most visible reaction by journalists to the growing influence of marketing in news organizations occurred in 1998 when the

*Los Angeles Times* entered into a profit-sharing agreement with the Staples Center and sparked a nationwide debate about the separation of news and advertising. The agreement called for the newspaper to share the proceeds from advertising sales generated by a 168-page special issue of its Sunday magazine that focused on the new home of the National Basketball Association's Los Angeles Lakers. The paper's publisher, Kathryn Downing, did not disclose this profit-splitting agreement to the paper's news editors prior to the section's publication date. Considering the agreement to be a conflict of interest, the editors shared the information with the news staff, and 300 reporters and editors signed a statement demanding that the publisher apologize for the breach of ethics (Shaw, 1998).

While audience research helps us understand how the advertorial achieves effectiveness among readers, we know very little about the organizational process of producing advertorials. Since advertorial products are often created within the same organization that produces the news products that bear the advertorials, the study of conflicts concerning their status enables us to understand how the priorities of news and business are negotiated. This paper reports an ethnographic case study of one newspaper organization's redesign of its advertorial products and the internal debate that ensued. As the case study will show, a "redesign" is not always merely a project of constructing a compelling graphic look. Design and appearance decisions can also convey subtle yet important meta-messages about the relative priorities of a newspaper as well as the power positions of organizational actors. Controversies are valuable opportunities for process-oriented case studies, since they tend to bring out in sharp relief the viewpoints and values of multiple work cultures (Gregory, 1983), or interpretive communities (Zelizer, 1993)—in this case, the viewpoints and values of journalists, advertorialists, and newspaper management. The research question guiding the analysis is this: how does a news organization negotiate conflict between divergent interests that are competing for control of the production of its symbolic goods?

## Research Design and Case Study Setting

The case study has been defined as "an in-depth, multifaceted investigation, using qualitative research methods, of a single social phenomenon" (Orum et al., 1991, p. 2). An advantage of applying a case approach is that it permits one to study complex sets of decisions and track the effects of decisions over time. Case studies are also highly suitable for studying organizational process because of their focus on everyday settings and experiences, which allows the researcher to understand the actual contexts of decisions and other social actions.

Participant observation and interviews were used to study the classified redesign process and to contextualize advertorial production within the organizational culture of *The Paper*. (Throughout the article, we refer to this newspaper as *The Paper*.) The first author had the opportunity to serve in the role of participant-as-observer (Lindlof and Taylor, 2002) while she worked in a full-time position within *The Paper's* creative services division, which produces the advertorial products. At the onset of this project she had been employed at *The Paper* for approximately two years. She first worked as a staff writer and then became editor of a weekly advertorial section focusing on real estate and home building. She also regularly assisted the editor who managed special advertising sections and other niche publications. Her work role allowed her to act as a fully accepted member of the organizational scene and gave her access to diverse situations within the company. Her co-workers and several executives in management were aware that she was engaged in a study of advertorial products. However, the exact objectives of her research were not revealed throughout the period of fieldwork. Data for the case study reported here were collected over several months in 1999.

Field notes were recorded and later re-examined and coded according to identified themes. Interviews were conducted with members of the creative services staff responsible for producing advertorial content. To gain contextual understandings of events during the

“classified redesign” project, the researcher also conducted interviews with the newspaper’s publisher and members of the advertising, creative services, and news staffs.<sup>1</sup> The use of multiple methods—combining field observations with interviews—increases the likelihood that plausible, insightful interpretations can be achieved.

The setting for this study was a mid-sized daily newspaper that has an internal staff dedicated to producing newspaper advertorial products. *The Paper* has a daily circulation of about 130,000 and a staff of more than 400 employees. Like most corporate-owned newspapers, it is led administratively by a publisher who is supported by an upper management team of vice presidents and directors. *The Paper* is divided into the divisions of news, circulation, retail advertising, classified advertising, operations, new media, creative services, finance, and human resources. These divisions do interact, but with limited collaborations between the traditional “business side” divisions (advertising, circulation, and marketing) and the news division. There is also a physical separation between these groups, as business side divisions are primarily housed on one side of *The Paper’s* office structure, with walls and hallways separating them from the news division. Circulation, advertising, and creative services (marketing) divisions have no authority or influence on news content decision making.

At the time this case study was conducted the creative services division was the primary producer of *The Paper’s* advertorial content. Advertorials produced at *The Paper* can be divided into three categories: client-controlled special advertising sections, regular special advertising sections, and niche publications. Client-controlled special sections are produced for businesses or organizations—with either those clients providing all of the information and images for the sections, or creative services staffers working closely with the clients to produce a publication that meets their needs. Most client-controlled special sections appear as tabloids that are inserted into the newspaper. Regular special advertising sections are produced to serve as subject-specific advertising sales vehicles, such as wedding planning, golf,

home decorating, and health issues. Content for these sections is written and designed by the creative services staff and advertising space is sold to related advertisers by the retail or classified advertising staffs.<sup>2</sup> Altogether, the creative services staff produces more than 100 sections each year. Niche publications are regularly appearing advertorial sections that focus on topics such as real estate, automobiles, and employment. The creative services division produces seven weekly niche publications, one monthly niche publication, and one quarterly niche publication.

The creative services division is one of *The Paper’s* smallest administrative units, employing a 25-member staff. The division is led by a vice president and three mid-level managers. Advertorials, including niche publications and special sections, are produced by a primary team of six writers, who submit their work through two editors. Four graphic designers work to produce the sections written by staff writers, freelance writers, or from content submitted by advertorial clients. The division’s remaining employees work in promotions, which is the newspaper’s marketing team, or for an in-house production company that produces advertorials, newspaper in education supplements, and other niche publications that are marketed to newspapers nationwide.

### **The Classified Redesign: the role of managers**

In the spring of 1999, *The Paper’s* publisher made the decision to redesign and rename the newspaper’s niche advertorial products. From March 1999 through the following September, when the revamped products debuted, there was much internal debate about how the products should look in comparison with *The Paper’s* overall design elements.

What became known internally as the “classified redesign” (named because the advertorial niche products contained *The Paper’s* classified advertisements) provided an opportunity to study the organizational processes that accompany advertorial production within a news setting. Regular redesign meetings

brought together representatives from several divisions within *The Paper* to plan, prepare, and launch the revamped products. Participants in the redesign process included staff members from classified advertising, retail advertising, operations and production, news, market research and, of course, creative services. The inclusion of representatives from the news division was an atypical organizational process for *The Paper* to follow. Typically, there were few interactions between the news division and the business side (advertising, circulation, and creative services) at *The Paper*. In this case, top-level representatives from the news division were included because the publisher's goal was to create a newspaper product with a cohesive appearance. It made sense to gain input from all divisions to ensure that this could be achieved.

In conjunction with the redesign, *The Paper* was also in the process of renaming some of its sections, including advertorial products, to reflect convergence with *The Paper's* online partnerships. According to the classified advertising manager, *The Paper's* parent company had mandated that synergy be created between new online products and existing print products to create a broader audience for the online classified ventures. For example, the print real estate section called HomeSeller was to be renamed HomeHunter to reflect *The Paper's* partnership with *HomeHunter.com*, the parent company's online site for real estate information and advertising. *The Paper's* online equivalent at that time utilized direct links to these separate online sites focused on specialized topics, such as real estate and autos. The goal was a seamless integration between local online information and national content featured at sites such as *HomeHunter.com*

The classified manager explained that, since the section names were to be changed, it "made sense" to also introduce updated, contemporary formats. In an interview, the publisher indicated that even if the names of the products had not been in the process of being changed, a redesign of the niche advertorial sections would have been necessary. "Our news sections had been redesigned more than once since the last time the look of the classified sections

was updated," the publisher stated. "It was time for a change. It was time for those sections to better reflect the newspaper as a whole. To be blunt, I thought the old designs were ugly and outdated." The classified redesign was thus implemented for two reasons: to create synergy with online products and to give the advertorial sections a more contemporary, appealing design that was meant to increase the sections' attractiveness to readers and potential advertisers.

Past redesigns of *The Paper's* news sections had been completed in house. For the classified redesign, however, the publisher decided to hire an outside consultant to revamp the advertorial products. In the spring of 1999, when the consultant was hired, it was unclear why the publisher went outside *The Paper's* staff to find someone to guide the redesign. In an interview conducted after the new designs were launched, the publisher indicated that one reason *The Paper* sought an outside consultant was to create commonalities between the news designs and the advertorial designs.

Existing designs of *The Paper's* advertorial products were distinctly different from the news sections. Every element, from the graphics on the sections' nameplates, or flags, to the fonts used for content, differed between the news and advertorial sections. The publisher believed the result was an incongruous compilation of sections that didn't seem to flow together into one overall package or product. "I wanted the classified sections to fit in with our overall look. Creating a cohesive look for *The Paper* was an important undertaking. That meant redesigning those sections to better match up with our news sections," the publisher said. "I thought bringing in an internationally known and well-respected designer would make it easier to introduce the new designs, especially to our news staff." The publisher believed the news staff might resist the plan to design the advertorial products to "blend" or "meld" with the news products because of the tradition of separating advertising products from news products.

The consultant's initial design proposals were unveiled in an April meeting attended by *The Paper's* chief news editor, the vice president

of advertising, the classified manager, several classified sales representatives, technical specialists from operations and production, the creative services manager, and the editor of *The Paper's* real estate advertorial section. The newly revamped advertorial sections shared a common thread: all looked almost exactly like *The Paper's* news sections. The flags, or nameplates, on each section front sported the same font and same color combinations (blue and black) as the flags from the existing news sections. The content and headline fonts, though not precisely the same as the news department's fonts, were from the same font family. The advertorials had become virtually indistinguishable from the news. The only distinction was a small, 10-point line of type that ran reversed inside the line that divided the flag from the text. That line read, "Advertising supplement to *The Paper*." That label was the lone element that differentiated the advertorials from the news sections.

The proposed designs garnered a warm response from all those attending the April meeting. The news editor, the only representative from the news division, offered no opposition to the seamless integration of advertorials and news sections. Most of the debate at the meeting centered on technical problems that would need to be solved to merge the proposed designs into *The Paper's* computerized publishing system. No one questioned the new design scheme that utilized shared graphic elements to package *The Paper's* news and advertorial content. Later, the news editor explained that there had been internal, behind-the-scenes discussion and debate about the blended formats at the upper-management level, with representatives from the news division opposing the lack of distinction and clear labeling of the advertorials. However, once the publisher decided to proceed with the new designs, an outward show of support was provided while disagreement and arguments for more specific labeling of the advertorials continued in closed-door, upper-management-level meetings.

Once the initial designs were submitted and accepted by *The Paper*, the consultant's work was done. The designs were passed on to the creative services division for fine tuning. The

artists who normally design *The Paper's* advertorials were tasked to quickly overcome the technical hurdles to allow the new designs to debut in print by the following fall. A production timeline was laid out, with prototypes utilizing the revamped designs to be printed by late May so that they could be reviewed by reader focus groups in mid-June. That would allow time for small changes to be made based on focus group responses before a promotional campaign slated to begin in late August. Implementation of the new designs was scheduled for September.

The outside consultant was surprised by the apparent acceptance of the blended design formats. In an interview he commented, "I had tried suggesting similar design formats for advertising sections and news sections at other papers I had worked with, but not one paper had ever accepted it in the end. I would have been surprised if this paper would have had its classified sections so closely resemble its news sections. The lines between news and advertising are just so strong."

#### **The Advertorial Naming Process: advertisers versus managers**

The internal debate at *The Paper* turned to the renaming of the advertorial products. New names had to be selected and finalized prior to the production of prototypes. The new names were expected to create awareness for *The Paper's* online products. The automotive section's name was changed from "Wheels" to "CarsEtc.," reflecting the parent company's partnership with *cars.com*, an online resource for automotive shoppers. The weekly employment section was initially named "JobHunter" because of the company's links to *jobhunter.com*, an online career resource and job listing site.

The renaming of HomeSeller, *The Paper's* Sunday real estate section, became the sticking point in the move toward aligning the names of *The Paper's* print products with its online products. The HomeSeller editor voiced concern that the local real estate community, the advertorial's target market, might balk at a name that closely resembled one of the company's online products. In fact, friction between the local real

estate board and *The Paper's* online real estate product did surface because the board was unwilling to provide its listings to the online site. The real estate agents were angered that *The Paper's* online staff should suggest that the board provide, at little or no charge, what it deemed to be proprietary information. *The Paper's* online marketing staff were frustrated by what they saw as an uncooperative real estate community. The rift between the two groups was so great that there was concern about the after-effects of aligning what had become a popular print product with a new online product that many local real estate agents held in contempt.

When asked who would make the final decision on the name changes, the classified advertising manager replied, "I think it will come from [the vice president's level] on up. I'm aware that we may need to prep the real estate folks [advertisers] if we do this. The CarsEtc. and JobHunter names don't worry me as much." This comment is an example of management's concern about how advertisers would react to the changes and indicates the subtle power wielded by advertisers over the content or appearance of advertorial products. During the debate about the name change for the real estate advertorial, the publisher took the stance that the name should change to reflect the online product regardless of how the real estate advertisers might react. His position was that it was a decision to be made by *The Paper*, not by the advertisers.

Those opposed to the name change argued that the negative impact might cost *The Paper* valuable advertising revenue. In voicing these concerns, the creative services manager sent an email to all those involved in the redesign project which stated,

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I know [the publisher] has stated that HomeSeller is a [*The Paper*] product, not a product run by the Realtors, but it was created specifically to stop the erosion of real estate advertising from *The Paper*. Obviously, the Realtors control their advertising and that's why we have been so conciliatory to them. We all understood that to be part of our mission statement when HomeSeller was created.

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Despite concern over the effect the name change would have on *The Paper's* relationship

with its clients, the real estate advertorial was the last one to have its name officially changed to mirror the parent company's online ventures. The product was renamed HomeHunter.

It was the publisher who made the final decision to rename the advertorial products. The publisher later explained that while the interests of the advertorial's target markets were important, *The Paper* had a responsibility to the parent company to support its online ventures. Although the advertorial real estate section had been created to "stop the erosion of real estate advertising", the publisher was unwilling to relinquish total control of the product to the desires of the advertising market it was created to serve.

### New Designs Unveiled to Potential Readers

Prototypes of the new advertorial sections were prepared for publication by designers from the creative services division. In June those sections were printed on newsprint and *The Paper's* market research staff scheduled focus groups to determine potential reader response to the new design formats. Two focus groups with nine and ten members each were brought together in July to review the redesign. Each group was first asked a series of questions pertaining to the appearances of existing classified sections. Both advertorial copy (content) and the classified ad content were reviewed; however, most of the questions put before the focus groups concerned the classified ads' appearance. Because the redesign effort focused on the newspaper's overall look, focus groups were not directed to examine or critique the content of the advertorial products.

The focus groups were generally positive about the new appearances of the existing classified sections. Complaints centered on the print quality and the small size of the type used for classified ads. However, the respondents were quite complimentary about the overall prototype designs. Comments centered on the easier-to-read type found in the classified ads and the increased white space that improved readability. The focus groups overwhelmingly preferred the prototypes to the previous page designs they were asked to evaluate. Most of

their discussion focused on the classified ads rather than on the advertorial content.

One of the most interesting developments that came out of the two focus groups related to the planned name changes. The focus groups had little to say about the employment section's name change from JobHunter to CareerPath. However, the new names for the automotive section and the real estate section were not well received. Based on the results of the focus groups, *The Paper's* market research staff made several recommendations for potential implementation of the new formats, including the following:

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Maintain the title of the current Friday auto section, Wheels, rather than renaming it "Cars, etc." Focus group participants unanimously rejected the name as vague, and not "catchy."

Maintain the title HomeSeller, rather than renaming the Sunday real estate section "HomeHunter." Focus group participants considered "HomeHunter" to be too aggressive, and preferred the HomeSeller title.

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While concern about how advertisers would react to the name changes did not carry enough impact to divert plans to align print product names with online products, potential negative reactions from readers were taken into strong consideration.

Based on input from the focus groups, in early August the publisher went against the corporate mandate and reverted the names of the automotive and real estate advertorial sections to their original names (Wheels and HomeSeller). These were the only significant changes made to the prototypes after the encounters with focus groups. As a compromise, the online addresses of related company sites were to be printed below the section name but above the content on the section covers whose names did not match the names of online sites.

Despite the revolving name changes, the design changes remained intact and on schedule to be presented to the public in September. The section fronts of the advertorials still mirrored the fronts of the news sections, right down to the blue/black ink and the matching fonts. It appeared that the consultant's expectations were wrong: *The Paper* was prepared to be one

of the first in the consultant's experience to seamlessly meld its advertorial products with its news products.

### Journalists' Influence Redraws the Lines

The redesign project was proceeding according to plan until mid-August, when *The Paper's* quarterly managers meeting was held. This meeting brings together managers on various levels from divisions throughout *The Paper*. It is used to disseminate company policy changes and to update managers about budgetary matters and any upcoming internal or external changes. When the classified manager, at the request of the publisher, presented the classified redesigns slated for release in just weeks, a debate ensued as some management-level news editors learned of the proposed melding of news and advertorial designs for the first time.

One of the senior news editors protested, stating that the sections "look too much like the rest of the newspaper. There needs to be more separation between advertising and news." The publisher, in turn, explained the reasoning behind the integration: it was considered important to update the "look" and develop continuity among all of *The Paper's* core products. Other news editors chimed in, stating concerns about *The Paper's* "integrity" and insisting that the news sections and the classified advertising sections should retain distinct appearances. The classified manager was frustrated by the unanticipated negative response to what had been months of work. "The redesign wasn't a secret," the classified manager said. "I thought everyone in the building knew we were redesigning the sections. We thought the new designs would be well received because of how professional and crisp they looked."

The potential subscribers from the focus groups wielded enough influence to convince the publisher to retain some of the original names of advertorial products. And it was the news editors who were able to convince the publisher to set aside the work of the much-respected design consultant. Within a week of the quarterly management meeting, representa-

tives from the news division, classifieds, and creative services met with the publisher to reconsider the redesign. The seamless integration of advertising and news at *The Paper* began to unravel.

A compromise was reached that allowed the advertorial sections to retain the same font that was used on the news section titles. However, the colors on the advertorials and the news sections would no longer match. The news sections would keep *The Paper's* trademark blue, while the advertorials would become a hunter green. Further differentiations were also added. A yellow swash banner was added diagonally across the upper-left hand corner of the advertorial with the words "Advertising supplement to *The Paper*" within it in black ink. A photo of *The Paper's* promotional mascot, a golden retriever dog, was added to the right hand corner of the flag on each of the advertorial products to further distinguish them from the news sections. As a result of these changes, the kick-off of the redesign was delayed until late September to give creative services designers time to perfect the latest formats.

The September versions of *The Paper's* advertorial products debuted on schedule. While each of *The Paper's* regularly appearing niche advertorials now shared similarities in appearance to one another, the redesign effort fell far short of the publisher's original goal of "creating a cohesive look" that united all sections of *The Paper* in a singular, seamless design format.

### Enacting Priorities between Business and News

The case study provided an opportunity to examine how this particular news organization set and then reset its internal priorities between business values (potential profit) and news values. The process of renaming and redesigning *The Paper's* niche advertorial products became a forum for constructing, then reconstructing the outward appearances of this particular set of symbolic goods. Thompson (1990) views media content as symbolic goods that are produced by media organizations according to conventional

rules. This production of symbolic goods works to ensure that mass audiences will continue to accept the goods produced by media organizations and to attach value to such commodities. These principles have been applied to the production of news, which Tuchman (1976) and Gans (1979) have held to be forms of constructed reality. In this case, it is necessary to examine which interpretive communities within *The Paper* controlled the decision-making processes that guided the reconstruction of these advertorial commodities.

Like most news organizations, the power structure at *The Paper* is essentially a hierarchical model that places one powerful entity at the top of the organization. In this case, the publisher and president, who reports directly to the leadership of *The Paper's* parent company, stands at the top of the local management hierarchy, followed by the vice presidents and directors who lead various divisions, such as news, advertising, finance, etc.

According to *The Paper's* organizational chart, these divisions share the same degrees of authority. However, this project's case study reveals an informal power structure that places divisions above and below one another. It was interesting to note during the field study that these power structure positions were not static. Divisions sometimes changed positions—moving up or down within the informal hierarchy—depending on the issue at hand. The divisions that played key roles in the redesign project were news, classified advertising, and creative services.

It was the classified advertising division that initially requested the redesign and advertorial renaming projects. The fact that the process began in the first place was a demonstration of that division's power within the organization. During a period of nationwide corporate downsizing and cost cutting, *The Paper's* parent company had become reluctant to finance expensive projects that did not create new revenue streams or enhance existing profit areas. The advertorial redesign process was an expensive undertaking. The classified division's ability to suggest a redesign effort and to garner support to carry it out was sustained by its power position within *The Paper*. As noted by

the publisher, *The Paper's* classified sections as a whole represent one of the company's key revenue streams. That division's strong performance in the year previous to the redesign project had improved *The Paper's* bottom line and shored up profitability. This success was routinely noted in *The Paper's* internal employee newsletter. Financial accomplishment placed the classified division in a strong internal position within *The Paper*, but, in the end, money did not speak as loudly as journalistic tradition.

While the classified division was powerful enough to win approval to start and carry out the advertorial redesigns, its hierarchical position apparently changed just prior to the redesign launch. When the news editors began to question the proposed seamless integration of news and advertorial sections at *The Paper*, the news division quickly emerged as the more powerful voice. The news division protested the effort to redesign the advertorials because the new designs too closely resembled the news sections. As one editor put it, "We [the news division] just felt uncomfortable with the designs that were shown at that manager's meeting. The lines were just too thin. We had to ask for changes that would keep the advertising [advertorial] sections completely separate from the news."

The uproar from the news division was loud enough to capture the publisher's attention, and the editors' objections persuaded the publisher to revamp a several-month-long project in what some felt was truly "the final hour". In a later interview the publisher defended the late derailing of the redesign project: "The news staff was very uncomfortable with the complete blending and so was I. Advertorials are definitely here to stay, but the question was about *The Paper's* overall credibility. The proposed blending went too far." The news division's concerns, which were based on traditional journalistic ideas of news-advertising separation, convinced the publisher to change the redesign back to a format that emphasized distinctions between advertorials and news. By then, the classified division had lost much of its influence.

And what of *The Paper's* division responsible for producing advertorials? What positions in the hierarchy did creative services occupy? The

division did not appear to wield substantial influence in the decision-making process. Its vice president pointed to the onset of the project as an example of creative service's limited power role. "Why go outside *The Paper* to hire a design consultant?" the vice president said. "The news division had handled the last redesign of the news sections. It would have made sense to have our designers handle the redesign of the advertorial products from the beginning, but that didn't happen."

The vice president surmised that the publisher had hired an outside consultant to make the classified redesign "more palatable to the news staff". The vice president interpreted the publisher's actions to mean that the creative services division did not have the internal power needed to propose an integration of *The Paper's* news and advertorial products. The publisher apparently believed that only a highly respected, well-paid consultant from outside *The Paper* could successfully propose a further blurring of the lines between advertising and news. "I believe [the publisher] probably hired the consultant so that there would be less of an argument from the news side," the vice president said. "If we [creative services] had led the project, we might have met opposition to the publisher's plan sooner."

### **Conclusion: graying the lines between advertising and news**

Although the integrity of news at *The Paper* prevailed in the end, the key decisions that led to the classified redesign were nearly all market driven. The use of outside consultants and focus groups, and the goal of forming online-print linkages are all decisions that fit comfortably within the logic of a market orientation. *The Paper's* decision making also revealed an interest in overcoming certain organizational barriers to its marketing goals. For example, the presence of the senior news editor at the unveiling of the new advertorial designs, and the quarterly meetings that brought together executives from several divisions were both efforts to aggregate (or meld) the perspectives of all of *The Paper's* employees. However, some compartmentalization of decision making still existed

and proved to be instrumental in the undoing of the redesign. As the case study shows, it was only when the managers' meeting occurred that the advertising and news divisions were seen to exchange positions of influence and the tide began to shift against the redesign. In this instance, the conflict resulted in the maintenance of the boundaries between news and advertising. However, the fate of the redesign did nothing to halt *The Paper's* ongoing interest in exploiting the potential of advertorials.

In an idealized sphere of journalistic integrity, which is based upon what Stoker (1995) has termed existential objectivity, advertorial publications would not exist; there would be no products combining elements of advertising and news in an effort to blend with journalistic content. The advertorial concept is oppositional to the ideals that have guided news professionalism since the 1950s. However, industrywide efforts to "grow readership, build advertising revenues, and promote newspapers" (Albers, 1998, p. 23) have the effect of reducing the barriers between advertising and news. The limited academic and industry-generated discussion of advertorials may be an outgrowth of the news industry's internalized denial of this

trend. The advertorial's potential for a seamless integration of advertising and news may be partially concealed and subsequently perpetuated by the illusory reality that dictates the separation of commercial interests and objective news reporting. Indeed, when the only line that separates real news content from disguised news content consists of graphics and other presentational devices, these elements become highly important—even controversial—in the newspaper's process of making decisions.

*The Paper's* classified redesign is not a simplistic tale of good versus evil, since each interpretive community—advertising and news—plays a vital role in the success of a newspaper organization. Instead, this research suggests that the interactions between these previously distinct cultures are apparently increasing and becoming more complex. While the dualism of news and advertising may once have been easy to define in black-and-white terms, advertorial products create the potential for organizational dilemmas to blur these lines. Future studies could help scholars and practitioners alike understand the growth of advertorials and their impact on the newspaper industry and the public sphere.

## Notes

- <sup>1</sup> As well as with the newspaper's publisher, interviews were conducted with the senior vice president of news, the vice president of creative services, the vice president of advertising, the classified advertising manager, the creative services manager, three senior editors in the news division, and three members of the news writing staff. Several members of the creative services division were also interviewed, including a content editor, nine writers, and four graphic designers.
- <sup>2</sup> Like news journalists, creative services staff writers at *The Paper* receive bylines for stories written for all three categories of advertorial sections. These bylines probably enhance the perceived credibility of the advertorial content.

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