Duplicity in Alternative Marketing Communications

Cristina Nistor
Chapman University

Taylan Yalcin
California State University, Channel Islands

Ekin Pehlivan
California State University Channel Islands

Follow this and additional works at: https://digitalcommons.uri.edu/mgdr

Part of the Marketing Commons

Recommended Citation
DOI: 10.23860/MGDR-2018-03-02-04
Available at: https://digitalcommons.uri.edu/mgdr/vol3/iss2/4
https://digitalcommons.uri.edu/mgdr/vol3/iss2/4

This Article is brought to you for free and open access by DigitalCommons@URI. It has been accepted for inclusion in Markets, Globalization & Development Review by an authorized editor of DigitalCommons@URI. For more information, please contact digitalcommons@etal.uri.edu.
Duplicity in Alternative Marketing Communications
Cristina Nistor
Taylan Yalcin
Ekin Pehlivan

Abstract
In the past couple of decades, following the advancements in communication technologies, alternative marketing communications such as consumer generated content, influencer marketing and native advertising, have emerged as a viable and gainful tactic. These alternative marketing communications blur the boundaries between the roles of consumer and marketer. The possibility of duplicity and deception in marketing relationships is fueled by the ambiguity of these roles and the lack of clarity in persuasion knowledge when alternative marketing communications are utilized. In this paper, we illustrate the various types of duplicity in marketing relationships that use alternative marketing communications. We adopt a conceptual framework previously developed in this budding literature stream by Pehlivan et al. (2015), and use it to suggest that the notion of 'unidirectional deception' (i.e. marketer deceives consumer) needs to be updated to 'omni-directional deception', in order to better explain duplicity in current marketing relationships. We use examples encountered in contemporary marketing practices to derive managerial implications and best practices as well as ethical implications or questionable practices for these types of communications. More importantly, this paper suggests that future research should examine duplicity in marketing by minding the new omni-directional dynamic of marketing relationships.

Keywords
Duplicity, alternative marketing communications, consumer generated content, influencer marketing, native advertising

Cristina Nistor is a Clinical Assistant Professor of Marketing at Chapman University. She received her PhD from MIT Sloan. Her current research focuses on social media, relationships in a channel and healthcare markets.

Taylan Yalcin is an Assistant Professor of Marketing at CSU Channel Islands. He received his DBA from Harvard Business School. His current research focuses on digital advertising, relationships in a channel and marketing pedagogy.

Ekin Pehlivan is an Assistant Professor of Marketing in the Martin V. Smith School of Business and Economics at California State University Channel. She started researching advertising strategies geared towards skeptical consumers at Bentley University while working towards her PhD in Business with a specialization in Marketing. Currently her research is focused on relationship dynamics of trust, duplicity and skepticism in marketing contexts.

Creative Commons License

This work is licensed under a Creative Commons Attribution 4.0 License.
Duplicity in Alternative Marketing Communications

Introduction

Facebook, the social networking platform with the largest user base surpassing two billion users (Statista 2018a), started 2018 with drastic changes to its algorithm for the News Feed. Mark Zuckerberg announced that the new algorithm would prioritize written content that engages users not through likes or short comments, but by creating a ‘dialogue’ between the viewers of the post, as opposed to images, videos or any type of content that fails to get people engaged with each other (Zuckerberg 2018). For many companies using influencers on Facebook and thereby bypassing Facebook Advertising, the new algorithm implies it is time to consider a change in content strategy. Advertisers continually innovate to adapt to the changes in each medium they use, or to bypass clutter, advertising fatigue, and skepticism (Cohen 2018). The spread of Alternative Marketing Communications (AMC), such as Consumer Generated Content (CGC), Native Advertising (NA), and Influencer Marketing (IM), have been facilitated by the advent of Web 2.0 and Social Media platforms (Castronovo and Huang 2012). The debate on the ethical utilization of such strategies, within current regulation and oversight, has been a lively one among marketing academic researchers as well as journalism studies and amongst scholars and practitioners in law and policy making (e.g., Levi 2015).

One reason to change the newsfeed algorithm in Facebook, is to facilitate news from trusted sources (wallaroomedia.com 2018) and reduce the probability of duplicity, while also increasing engagement. Engagement over social media platforms inadvertently enables duplicity by creating ambiguity in the consumer's 'persuasion knowledge' (Friestad and Wright 1994) when companies utilize AMC instead of the designated advertising platforms such as Facebook Advertising.

In this paper, we set out to analyze the dynamics of the marketing relationships used in the AMC strategies through a conceptual framework of duplicity introduced first by Pehlivan and colleagues in 2015. Duplicity in this framework refers to a two-sided, omni-directional relationship with a potential for deceit. Considering the ambiguous nature of many AMC, it would be beneficial both for the marketer and the consumer to understand how AMC can be ethically and productively utilized.

We propose that there are multiple types of duplicity that can manifest while using AMC. In the next section, we provide the context for
this paper: Alternative Marketing Communications. Later we explain the conceptual framework, we outline the types of duplicity intra- and inter-marketers and consumers, as well as how they deceive each other and themselves using alternative methods. From this we draw several best practices and discuss some ethical and managerial concerns around these strategies. In this paper, we build our theory on literature from multiple disciplines preoccupied with the rise of AMC. We conclude with directions for future research into types of AMC and into the duplicitous interactions within various marketing relationships.

Alternative Marketing Communications

Web 2.0 and the increasing popularity of Social Media empowered the typical Internet user by giving them a voice (e.g., Labrecque et al. 2014; Wright et al. 2006). Internet users transformed from passive content consumers to active participants, who can interact with online information through likes, shares, comments, and reviews as well as actual content creation through posts, blogs, vlogs, and podcasts. The new abilities to interact and create content resulted in the evolution of many AMC including NA, CGC and IM. The recent rise of AMC is clear, in terms of the dollars spent on these budgets: in the US alone, 9.4 billion dollars were spent on social media as in 2015 (Statista 2018b). This is not surprising, given that AMC are more cost-effective and more efficient at actively engaging with consumers, than traditional advertising channels (Castronovo and Huang 2012).

While there is an ever-changing list of AMC, we focus on three types that have become more prevalent in the recent few years: consumer generated content, influencer marketing and native advertising. Ambiguity in persuasion knowledge, the intent to persuade the receiver of the message might not be clear in these situations, especially if sponsored content can be disguised as authentic (i.e., non-sponsored, personal communications). Moreover, the lines between these new marketing activities are blurred, just as the barrier between the role of a marketer and a consumer is now porous. The evaluation of any alternative marketing communication by the receiver depends on the anticipated identity of the sender and intent of the message, which critically depend on whether the sender was compensated by the brand as well as the level of control that the brand exerts on the message. Figure 1 depicts types of AMC according to compensation and control. Native advertising is paid for and fully controlled by the brand, while consumer generated content is neither. However, influencer marketing is paid by the brand and there is at least some indirect control. Influencers, such as celebrities, claim to create
authentic content; but some documented accidents, usually in the form of copying and pasting the instructions from the social media manager of the brand, expose that this is not always the case. This indicates that the brands may control not only the content, but also the time of posting or the specific emojis used (curalate.com 2016)

**Figure 1: Alternative Marketing Communications**

Source: Author’s conceptualization

**Consumer Generated Content (or Advertising)**

Consumer generated content, as it relates to AMC, is content created outside of the professional routines and practices of marketing, for creative or personal expression (Berthon et al. 2008). Campbell et al. (2014) restricts these types of advertisements to not being paid (to the platform nor producer) or monitored by the brands. Based on the text and subtext of the content, CGC can be categorized into four distinct categories: *Concordant* CGC may have the same message as the original brand message; *subversive* CGC might take the official message in its text but have an overall negative attitude towards it in subtext; while *incongruous* CGC may have a positive attitude towards the brand but do not utilize the official brand message; finally *contrarian* CGC is incongruous with the official message and has a negative tone in the subtext as well (Pehlivan et al. 2013). Several categories in this typology might point to a possible duplicity originating from the consumer. Unlike
the much discussed ‘marketer’s duplicity’, consumer deception has not been a common phenomenon before the empowerment of customers to voice their post-purchase evaluations and opinions to the Internet literate world.

Product reviews via ecommerce platforms, blogs and vlogs, podcasts, and Instagram brand shout-outs are all considered a way for consumers to interact with brands and show their support. This type of communication is created by the consumer and can reach the followers of that particular content creator. The readers consent or welcome the communication in some form, either by clicking on the content or by being in the social network of the content creator.

Creators of CGCs are not compensated by brands for the content they create, however one common way to monetize the content is through affiliate links. The content creator can earn a small percentage per sale through the affiliate links featured in the CGC, without being in direct contract with the advertised brand. Bloggers with limited number of followers, use sponsored posts and links to retailers (such as the Amazon button) to fund their creative content. For example, The Frugal Girl blog (The Frugal Girl 2017a, b) will blend advice about cooking products she uses herself, i.e. “About Vegetable Peelers […] (This post isn’t sponsored, just so ya know!)”, with posts that are directly sponsored by a company:

This post is brought to you by TurboTax. While this post was sponsored by TurboTax, I’ve been a happy paying customer of TurboTax for almost 20 years. So, all content, opinions, and enthusiasm expressed here are legitimately my own. I heart TurboTax so much!,
or a mixture of the two (a product she pays for herself, reviews but then gets a small kickback if a new customer joins, although the review itself is not directly sponsored by the brand, it does come with some monetary reward if it is convincing):

This post contains affiliate links. I pay for my own FamZoo membership just like any other customer. This post is not sponsored and all opinions are my own. If you sign up with FamZoo through a link in this post, I earn a small commission at no extra cost to you.

CGC is expected to feature authentic content, where the creator has full control and the advertised brand is not sponsoring the creator. The receiver of the message might not assume the intent to persuade, as there is no clear incentive. In our example above, the blogger writing about
peelers is a clear example of CGC, while the TurboTax post may be considered Influencer Advertising, which we discuss below.

**Influencer Marketing**

Influencer marketing uses social media platforms to create an audience for online personalities to promote various brands or products. Many of these online personalities have blogs or reality shows. They use their following as an audience for their promotional content. For instance, well-known bloggers like the Pioneer Woman have redefined the blogging space by merging sponsored content for brands with genuine, unpaid content for other products. Rhee talks about kitchen products and the giveaway will have a disclaimer mentioning that her own blog, “the Pioneer Woman” is sponsoring the content (which implies she is paying for the products that will be given away herself) such as: “Giveaway sponsored by Pioneer Woman. Not a paid advertisement!”

As her fame and following grew, Rhee was able to launch partnerships with companies like Wal-Mart and HGTV. She regularly posts about her products available at Wal-Mart, and these posts can be considered paid advertising (The Pioneer Woman Blog 2018a, b). In this example, the sponsoring is from the blog author to her own blog, so it is an example of authentic content with no outside brand sponsorship. It is an example of how bloggers can grow their following organically but then are able to monetize the followers by creating products to sell and later partnering with brands (like Walmart and HGTV).

The most notorious example of influencer marketing is perhaps the promotional campaign for the doomed Fyre festival. Meant as an exotic version of the Coachella music festival, the Fyre festival was promoted entirely using influencers on Instagram. These influencers were models who posted Instagram pictures of themselves enjoying the beach and having fun. While the festival was not even being produced, the influencers were paid to create an image of glamour, fun and exclusivity. Their social media posts were extremely successful at convincing customers to buy expensive tickets for a festival that was never actually produced. The entire scheme, which may or may not have been known to the models who made it successful by lending credibility and glamour with their posts, became public and has led to lawsuits on behalf of consumers who had to fly to a non-existent festival and be stranded on an island. The influencers were reviled for using their platforms to promote the festival: Bella Hadid was one of the models who later regretted being part of the campaign (Stefansky 2017).

At the other end of the spectrum, influencer marketing has been extremely powerful for customers who want to connect with each other.
Micro-influencers are influencers with a small but very loyal following, who are interested in a niche subject. For example, skin care in the humid south is the focus for “Hey Aprill” blog. Aprill is a micro-blogger who thrives in being relatable and honest: she selects the companies to fit her followings’ needs and despite being paid as an influencer, she believes she is doing a service for the followers by connecting them with brands that will help achieve the look they are seeking (Esseveld 2017).

Influencers can have big personalities, like Kim Kardashian, or have small niche followings. The campaigns depend on customers believing the recommendation of the influencers. TapInfluence claims that the ROI for influencer campaign can be several magnitudes higher than traditional advertising or other social media advertising, “if done right” (TapInfluence 2016).

The platforms that bring brands and “influencers” together have made it easy for companies not only to reach out to influencers, select and pay them for posts, but also to manage the information being disseminated. Platforms like TapInfluence connect brands with influencers who are active on several social media mediums: Instagram and Blogs are two of the most popular ways to stay engaged with followers but there are other social media venues that are also gaining popularity (podcasts, vlogs, youtube). Some influencers might choose to forego a part of their control over their authentic content in return for a sponsorship from the brand. The content may be tightly controlled by the brand (including the numbers of posts and what should be featured, e.g., a campaign for Kraft asked bloggers to create recipes using its cheese products) or loosely defined in terms of posts (for example, “mom” moments sponsored by Clorox have been popular on mommy blogs). The FTC recommendation to disclose when communications are sponsored is relevant to this type of advertising. Regardless of how much control a brand has over the content and the terms of the payment, only if there is clear disclosure will the intent to persuade be obvious to the receiver of the message.

At the same time, the influencers who join platforms such as TapInfluence have to demonstrate an established online presence, are willing to create content for payment and have fairly diverse background to fall on in terms of an online persona. The return on influencer marketing investment is contingent upon the size and potential of the influencer’s following, in other words the value of their ‘circle of influence’ (TapInfluence 2016).

**Native Advertising**

Campbell and Marks (2015) defined native advertising as both welcomed (the user gives permission for the ad communication) and with minimal
disruption (it is placed in-stream). An example would be a Facebook mobile app ad featuring content that is based on friend’s recommendations of that content (for example, featuring a restaurant where a friend checked in and the ad is thus part of the friend’s timeline). Another example would be Chelsea’s show on Netflix. It is made solely to provide a publicity platform to sponsors like authors publicizing their upcoming book, and does not disguise this monetization. But it is a TV show not an ad segment nonetheless, and there is no disruption of the viewers’ pleasure or process. The strict definition would exclude ads disguised completely as content because those might not be welcomed if they were properly identified; as well as nuisance pop-ups or in-stream ads where the user’s flow is disrupted (e.g. YouTube ads). Native advertising is classified as unpaid (no payment to the advertising platform such as Facebook, but the creator of the content is a paid contractor or an employee) but welcomed marketing communications (Campbell et al. 2014). However, other researchers (Amazeen and Muddiman 2018; Conill 2016; Schauster et al. 2016; Taylor 2017) have argued that native advertising is usually not labeled as a marketing communication and thus has a deceptive side for consumers who are not aware of the source of the message.

There is a growing body of literature that spans marketing, advertising, journalism and law research that has begun addressing native advertising, with various degrees of overlap in what researchers believe native ads to be and how harmful or useful they tend to be for consumers. In journalism the distinction between editorials and sponsored content, its efficacy and implications have been a topic of interest (Amazeen and Muddiman 2018; Conill 2016), while law and policy makers have been debating how to regulate these relationships without infringing upon the free flow of information (FTC Blog 2017; Levi 2015; Petty and Andrews 2008). The confusion caused by the non-disclosure of the native content as sponsored content could lead to uncertainty about persuasion knowledge and would keep the receiver from triggering the defense mechanisms that activate when one has such knowledge (Freistadt and Wright 1994).

We consider all content created with the intent to promote a product or service to be part of marketing communications. According to the new FTC guidelines, all ads should be disclosed to avoid any ethical concerns. Moreover, consumers are becoming increasingly sophisticated in detecting ads that are not identified as such, and the loss of trust and viewers should be concerning for advertisers in the long term.
The blurring of lines between sponsored vs. authentic content in AMC creates an environment conducive to duplicitous marketing relationships by creating ambiguity about persuasion knowledge. In other words, the receiver of the message cannot be sure of the sender’s intent (or lack thereof) to convince. While the marketer’s role in this duplicity may seem apparent, we also consider the possibility that the consumer could be the sender of the duplicitous message. Next, we summarize these and other combinations of duplicitous marketing communications as manifest in AMC.

Duplicity in Marketing Relationships
Pehlivan et al. (2015) define duplicity as the purposeful transmission of false or partial information and withholding of certain information with the potential to mislead and deceive. Thus, duplicity does not necessarily require fabrication of falsehood; partial truths and strategic withholding of information may also mislead an audience or one’s self (i.e. self-deception). For example, failing to disclose that a marketing communication is sponsored, creates the impression of authenticity and is duplicitous.

Figure 2: Types of Duplicity in Marketing Relationships

Source: Adapted from Pehlivan et al. 2015

Figure 2 illustrates six potential types of duplicity, whether social or in the form of self-deception, that can exist within the interactions of marketers and consumers. In the figure, ‘C’ denotes a consumer, ‘M’ denotes a marketer, ‘d’ denotes duplicity and the superscript ‘2’ denotes self. Social duplicity may exist in two forms: between marketer and
consumer or amongst marketers and amongst consumers. The former involves the most documented type, MdC, where a marketer deceives a consumer and also CdM, where a consumer deceives the marketer. Next we have MdM, where there is deception among marketers and CdC, where there is deception among consumers. Self-deception can happen with marketers (dM²) and consumers (dC²). In the next section we will provide examples from alternative digital marketing strategies for each of these six possible types of duplicity.

**Manifestations of Duplicity in AMC**

The comprehensive combinations of the marketer-consumer relationships presented above provide the basis for a possible categorization of misuse in AMC. However, to establish that this conceptual model proposes relevant relationships that manifest in AMC, we must determine if there are any such cases in marketing practice. At this point it is imperative to emphasize the distinction (or lack thereof) between marketers and consumers. A person who posts her positive experience with a specific product can be a marketer or a consumer. It is tempting to assume whether the content creator is compensated by the brand or not. However, this information is not always disclosed and might result in duplicity. Furthermore, even full-disclosure does not take into account an aspiring influencer posting about products in order to build a following with the hopes of future deals and compensation. In tandem, the sender originates duplicity, and that sender can be a marketer or a consumer. In the following examples we denoted a communicator as a marketer or consumer according to their dominant role and anticipated intention.

**Consumers Deceiving Themselves (dC²)**

Consumers routinely imagine and try to present themselves as their ‘ideal selves’ through their consumption and their online persona (Graeff 1996; Landon 1974; Snyder 1987). For some this sort of duplicity could help increase interest or attract attention. OkCupid analyzed the data from a current cross-section of users in 2010 and reported that users routinely made claims about their height, interests and income that were not true. For example, most people on the platform claimed to be taller and to make more money than they actually do (OkCupid Blog 2010). The blog author’s reflection suggests this might be how self-deception manifests, as he recounts how he exaggerated his own height: “On a somewhat humbling personal note, I just went back and looked at my own profile, and apparently I list myself at 5’ 11”. Really, I’m a touch under 5’ 10”. Hmmm.” He also discloses that he has been posting earlier and younger looking pictures of himself, in line with the average population habits.
Considering the service OkCupid provides, false representations and preference falsification only works against the consumer’s long-term utility of finding a suitable mate, and is therefore self-deception more than deception of another.

**Consumers Deceiving Other Consumers (CdC)**

Perhaps more explicitly, consumers also deceive fellow consumers. This relationship has significant impact for marketing because most consumers trust other consumers and online communication such as online product reviews more than advertisers (Godes and Mayzlin 2004). CdC may arise from consumers presenting themselves differently, as in the previous example on OkCupid.

In some other cases, like fake reviews for Huawei phones on Best Buy website, the consumers may be complicit in the deception of other consumers. On January 31, 2018 Huawei posted on its Facebook page with 60,000 members, a contest for the chance to beta test its upcoming Mate 10 pro flagship smartphone. In order to get a chance to test the unreleased device, consumers were required to post a review of the phone on Best Buy website. While some reviews disclosed that the reviewer did not have any hands-on experience with the device: “I can’t wait to get my hands on this phone and demonstrate how amazing it is to people,” albeit with 5 star ratings (Deahl 2018). Others were downright duplicitous reciting “loving this phone’s camera” and “great phone that puts Samsung to shame” for a product that has not been released yet. On February 12, when the story was published by 9to5google.com, the 108 reviews had an average of 4.8 stars out of 5. After the negative publicity, Best Buy removed suspected reviews, leaving only 5 of them and Huawei responded to the accusations by claiming that the social media manager made a mistake and confused two different campaigns, one for finding beta users and the other for eliciting feedback from beta users.

The structural incentive mechanisms (i.e., free product, discounts or direct payments) provided help to justify “preference falsification”. This, in combination with the high source credibility generally vested in consumer reviews (Godes and Mayzlin 2004), leads to a duplicitous dynamic between consumers.

**Consumers Deceiving Marketers (CdM)**

Perhaps the most elusive amongst the types of consumer duplicity is when the consumer attempts to deceive the marketer. Any subversive CGC might fall into this category, alongside the misuse of consumer empowerment, fortified by social media platforms.
According to an article on eater.com, some consumers use the empowerment of Yelp reviews to extort favors from establishments by leaving bad reviews. A common industry practice is to reach out to customers who leave negative Yelp reviews, and to make amends, establishments offer freebies with the hope that the reviews will be positively updated. These policies are abused by some reviewers and in one specific example to the tune of a $100 gift card from a California restaurant (Forbes 2012).

Amazon seller forums contain seller claims of fake consumer reviews and many experts address the question of how to deal with ‘fake’ and even ‘verified’ but still fake reviews. While there is hardly any discussion of how consumers may subvert marketers’ messages through CGC and deceive companies for reparation and retaliation, some examples in this category still puzzle the marketer. Sellers on Amazon recently started seeing reviews with short but positive content with very few stars (Amazon seller forum 2017). The subversion is manifest in the text congruent with sellers’ claims but a negative attitude, expressed by the stars a reviewer might bestow upon the product/seller. This type of duplicity carries the possibility of deceiving other consumers by bringing down the average rating at its face value or at least confusing those who read the positive content of the review with the low rating. Given the ambiguity ingrained into AMC, these complications could end up to the detriment of all parties involved.

**Marketers Deceiving Consumers (MdC)**

In contrast to CdM, marketer duplicity especially deceiving or manipulating consumers has been discussed and criticized extensively both in the public and academic spheres. In the context of AMC, the majority of duplicity arises from failing to disclose whether a piece of communication was sponsored by a brand or “preference falsification” (Kuran 1995).

Industry practices have not fully caught up with FTC regulations that clearly state that ‘paid for’ communications must be identified as such. For example, the FTC investigated a company who promoted schools for military/vets with no ad disclosures. Victory Media uses an online Matchmaker tool to recommend schools that are military friendly to their military customers and families. However, starting in 2015, the company accepted payments to include schools that did not meet the criteria into the search results. It also created endorsements in articles, emails and social media posts to promote certain schools to clients but failed to disclose that the schools themselves paid for those communications. This is a clear example of a marketer who should disclose the content created
for profit but did not, with the intent to deceive the customer (FTC Blog 2017a).

Many influencers also fail to follow the FTC regulations on disclosures. In 2017, the FTC settled a case against Cassell, Martin and CSGOLotto, Inc. who paid influencers to create videos and social media posts that were not properly identified in an effort to appear genuine (FTC Blog 2017b). Between July 2017 and June 2018, the FTC sent 90 warning letters to influencers recommending the procedures to disclose payments and paid ads, and then had to send 21 more letters warning about potential lawsuits for those of the influencers who still did not comply with disclosure guidelines.

This is a substantial area of interest for the FTC going forward, in the US but also internationally to the entire marketing community. In the US, the FTC has been actively prosecuting marketers’ failure to disclose material connections between reviewers or endorsers and the products they peddled online. Congress passed the Consumer Review Fairness Act of 2016, which protects consumers’ ability to post truthful (either negative or positive) reviews online. The true extent of the duplicity problem is however, much larger than these actions suggest and will require better tools to track and enforce in a world where AMC are the norm rather than novelties.

**Marketers Deceiving Other Marketers (MdM)**

Influencers’ value to firms directly depends on how influential they are. The more people influencers reach, the more money they make. According to data collected by Captiv8, a company that connects influencers to brands, an influencer with 100,000 followers might earn an average of $2,000 for a promotional tweet, while an influencer with a million followers might earn $20,000” (Confessore et al. 2018). Number of followers, likes, retweets, YouTube views, Soundcloud plays etc. determine a social media account’s influential power and all of these metrics are for sale in global black markets, sometimes for less than pennies. There are dozens of companies that sell followers and their trades are hard to observe. One company’s records recently became available because of a lawsuit. These records for Devumi show that they have more than 200,000 customers including reality television stars, professional athletes, comedians, TED speakers, pastors, models and of course, influencers (Confessore et al. 2018). One example of a marketer, former model Kathy Ireland, engaging in this type of duplicity with the goal of deceiving other marketers was reported by the New York Times (2018):
Most of Devumi's best-known buyers are selling products, services or themselves on social media.

[...

Ms. Ireland has over a million followers on Twitter, which she often uses to promote companies with whom she has endorsement deals. The Wisconsin-based American Family Insurance, for example, said that the former model was one of its most influential Twitter ‘brand ambassadors,’ celebrities who are paid to help promote products.

But in January last year, Ms. Ireland had only about 160,000 followers. The next month, an employee at the branding agency she owns, Sterling/Winters, spent about $2,000 for 300,000 more followers, according to Devumi records. The employee later made more purchases, he acknowledged in an interview. Much of Ms. Ireland’s Twitter following appears to consist of bots, a Times analysis found.

A spokeswoman said that the employee had acted without Ms. Ireland’s authorization and had been suspended after The Times asked about the purchases.

By some estimates, 9 to 15% of active Twitter accounts are bots (Varol et al. 2017). Facebook, despite being much stricter than Twitter about verifying real-life identities of its users, still admits to having 2-3% fake accounts and 6-10% duplicate accounts (Heath 2017). Each of these accounts can be potentially sold as followers over and over to countless influencers. This problem may not go away quickly as “social media companies, whose market value is closely tied to the number of people using their services, make their own rules about detecting and eliminating fake accounts” (Confessore et al. 2018).

As the number of followers become easier to manipulate and buy, the actual circle of influence these ‘influencers’ have will make less of an impact on the sponsor. While the indicator (i.e., number of followers) proposes a specific amount of monetary value, the return on this investment may not always match up with the expectations of the sponsoring company.

**Marketers Deceiving Themselves (dM²)**

The AMC we focus on are made up of a rich universe of deception including the marketer’s self-deception. Influence marketers seem especially prone to self-deception because of the ambiguity of roles they
take upon themselves as both marketers and consumers of a product or brand.

The process is facilitated by the devotion a lot of marketers feel for the brands they promote. For many of them, it is the love of a brand (or product) that makes them recommend it to their followers. Before achieving fame, many of the influencers create content that is not popular enough to be sponsored but because they deceive themselves that their dream job (of reviewing products and becoming trendsetters) is going to become reality, they may pay for the products themselves and incur all the hosting costs and other content creation costs. Once they become famous, the payment they receive for their influence may be just a way to make a living doing what they love to do. For example, in the expensive and exclusive fashion world, fashion influencers have now earned a spot at top shows and are allowed to recommend products they try on themselves. It is a new world of fashion influencers, built on self-deception of these marketers in the initial phases of their rise to street stardom:

My biggest-ever moment was when, after two years of flying myself to Paris and using friends’ tickets to get into shows, I was front row at Valentino sitting next to all these really big editors, the people I had looked up to and admired for so many years,” says Chriselle Lim, an L.A. blogger who started out doing makeup tutorials on YouTube and now has a million Instagram followers and works with Dior and Chloé and Chanel and Vuitton and Tiffany (Larocca 2018).

The fashion AMC practitioners live in between dreams that they are successful and a reality that they have become powerful enough to sell products that may not be designed for the masses:

“You need reality and dreams in life,” she says. “A life that is just reality feels uninspired, and a life that’s all dreams feel ungrounded. The best influencers have both” (Larocca 2018).

**Implications of Ambiguous Persuasion Knowledge**

While AMC can be very effective in reaching the right target segments with the right message and messenger, they also provide a fertile ground for duplicitous marketing relationships. Inadequate disclosure of sponsored vs. authentic content creates a confusion of identities for AMC practitioners and the receiver of the message may be uninformed of the intent to persuade thereby lacking the persuasion knowledge that would activate the defense mechanisms such as critical thinking (Evans and Park 2015).
The novelty of these communications will wear off and consumer skepticism will create a necessity of innovation in marketing communications once the value of authentic content is diluted by sponsored content disguised as authentic. Therefore, a long-term strategic approach would suggest clarity in messaging and disclosure of intent. Best AMC practices incorporate authenticity with data-analytics to come up with compelling campaigns.

Managerial Implications and Best Practices
In addition to documenting the use of social media and word-of-mouth marketing, previous literature (e.g., Castronovo and Huang 2012) has focused on the advantages that companies have from working with social media. Managers also recognize that AMC are a potentially powerful tool to engage customers and successful AMC campaigns leverage data-analytics to measure true effectiveness instead of only follower numbers.

For example, AMC campaigns, especially NA and IM tend to use engagement as a key performance indicator for assessing the success of messages with customers (TapInfluence 2018a). Not only views, but also number of clicks or comments on the native, in-stream ads or the influencer posts, are used to determine the awareness of a campaign. Users may click on a link or ad on Facebook or Instagram, or perhaps view a video on Twitter and thus be aware of the digital message of the campaign. For engagement with the digital content, the user has to click but also to comment, like, re-share or retweet the content. This engagement rate is used mostly in IM. Considering that engagement rate is a more accurate way to measure user response to a campaign than the mere number of followers an influencer has; Facebook’s decision to prioritize posts with high engagement might actually increase the efficacy of IM and NA. The challenge for marketers now has become creating engagement mechanisms rather than focusing on buying bots to populate their circle of influence. The incentive mechanism to foster this definition of AMC success is to implement cost-per-engagement pricing.

We know of no large academic research studies that systematically estimate the size of the effect on actual sales from using AMC. However, influencer-marketing companies like TapInfluence, working with Nielsen Catalina Solutions have put out estimates of how effective influencer campaigns are for Fitness and Food Categories. The study used top bloggers who created paid content for food brands (such as “Meatless Mondays” posts for example) and then shared the content via influencers’ social networks with no additional paid distribution. The clicks were matched with loyalty card data to track resulting sales. Despite some
methodological problems with the study, the results speak of the power of AMC: exposed consumers increased their purchases, they shifted away from competitor brands, and the effect persisted over time (TapInfluence 2018b). TapInfluence computed the ROI for AMC to be 11 times more than traditional digital advertising. Campaigns with disclosed intent are more than capable of convincing consumers without a need for duplicity.

While influencers, and AMC in general, seem to have good returns per cost, there is a worry that the industry is paying too much for content. Overpayment is an incentive for less useful content being created, or may lead to less engaged influencers themselves. For example, DigiDay.com (2016) published a candid interview with a manager who reported that choosing an influencer strategy is not a well-planned decision (rather it tends to be ad-hoc): “At this major car brand, I worked for, we paid $300,000 for a few photographs because the CEO’s kid liked someone.” Moreover, the fees for influencers are too high to recoup with no real guarantee for a sales effect. In fact, justifying the purchase of fake followers becomes easier when there are no established and agreed-upon norms of operation amongst the AMC creators and brands that sponsor them:

Like the big media networks that say they work with 2,200 followers. They’re helpful. The big problem is, they don’t operate much like a traditional talent management company. They don’t provide insurance in case their talent doesn’t deliver or anything. Agencies can’t really hire them through them. They sort of just expect the brands to approach them. They don’t pitch them or anything. It’s silly.” [...]“We used to pay $800 for 30 or 40 edited images back in 2014. So add the cost of the product, and it would be like $2,500 to shoot and have content for a few weeks. Now, if you work with some big YouTube guys, the Casey Neistats, those types of people charge $300,000 to $500,000, and brands don’t actually own the rights to it (DigiDay 2016).

At the same time, influencers who value their own brand worry more about product brands trying to control their content and how their own image can be affected by a badly timed or poorly executed campaign. Mommy blogger Heather Armstrong quit blogging regularly on Dooce after 13 years of sponsored posts because she feared the control brands were having on her blog actually reached back to impact her life:

The problem, Armstrong says, was that because she felt so beholden to them, she was agreeing to do just about anything to keep the advertisers happy. ‘What happened over the last couple of
years is the brands have been given a lot more say and a lot more control than they did when I was starting out,’ Armstrong said. “At the beginning, it was, ‘We’re just gonna put the logo at the end of the post. Write something around this.’ ... And then it was, ‘Well, actually, we need you to show pictures of the product’. And then it was, ‘We need you to show the product.’ And then it was, ‘We need your kids involved in the post’ (The Guardian 2015).

Consumers also appreciate the authenticity of these online personalities even when they are clearly marketing products. Full disclosure with an authentic opinion might help marketers gain and retain a loyal following more so than advertising disguised as content with vague source credibility.

The bigger question of what should be a systematic payment for good engagement content is something that the industry built around AMC is still struggling with. At BlogHer#2016, the main industry conference for bloggers aiming to become influencers, many panels revolved around monetizing content online (for the budding bloggers) while still creating valuable content for their readers, to engaging new readers while still keeping brands happy (BlogHer 2016). As platforms like Facebook move to an engagement focus and start to devalue counts of momentary interaction with the content, marketers will have to engage in authentic conversations with their follower/consumers. This type of interaction may be the basis to form strong brand communities; not only increasing sales but also creating a loyal network of consumers and brand advocates.

**Ethical Considerations**

Considering the reflexive and dyadic nature of the marketing relationships outlined in Figure 2 the ethical considerations are also multilayered and complex. One issue we discuss below is the consumer’s right to the disclosure of sponsorship, and another is determining the property rights of the promotional creation (i.e., blog post, videos on Youtube or images on Instagram).

The marketer to consumer duplicity has been a concern before the rise of AMC, therefore FTC has been focusing on the regulation of communications that have a commercial nature. The recent FTC actions to protect consumers against deception, while sorely needed, may not be able to match the pace of innovation in the industry. Despite industry efforts and regulatory appeals, the FTC guidelines are not enforced universally, there is no real-life algorithm to differentiate the fake news style communications, and consumers have to rely on ethically minded...
firms for protection against duplicity. Platforms are increasingly taking a more active role in moderating the content they supply (Zuckerberg 2018).

The market for AMC, even at the level of top companies, is still evolving and including new players as users adopt different platforms and brands decide to split their advertising revenue to reach these consumers. Large innovative companies such as Facebook and Google rely on advertising revenues to grow. Facebook’s ad sales grew 48% while Google’s grew 22% in the final three months of 2017 (Fiegerman 2018). Snapchat and Twitter are both becoming important in the social media world, with Snapchat adding users quickly and Twitter finally turning profitable in early 2018 (Fiegerman 2018). Amazon’s web services are growing enough to make industry analysts watch the “Other” category in Amazon’s revenue disclosures (which grew 67% in years to year comparisons in 2018). Other services supporting the industry such as influencer or native advertising agencies are also emerging. On one hand, most companies will protect their brand reputation and refrain from outright duplicity of not disclosing an ad embedded in AMC. However, the level of ad disclosure may vary, and consumer discounting of disclosures may arise as another part of the problem (Loewenstein et al. 2011) until a universally enforced industry standard is widely accepted.

A less discussed ethical implication relates to the property rights issues regarding the promotional material by AMC creators or sponsoring companies. Pierre Berthon and his colleagues discuss the concept of Consumer Generated Intellectual Property (CGIP) and elaborate on creative consumers co-creating value for a company. They introduce the notion of utilizing emotional property, complementary to intellectual property and suggest the value of these creations to the creator may be more than the commercial value. Likewise, in AMC, the communication is at times created upon a call from sponsoring companies (i.e. native ads) as well as self-initiated (i.e. CGA) and in-between (i.e. influencers) Adopting a similar understanding (see Berthon et al. 2015) of intellectual and emotional property rights to facilitate ethical standards in value creation and distribution.

**Conclusion**

With the accelerated spread of AMC, issues of its effectiveness and ethics arise for scholars and practitioners to consider and debate. Only after such exhaustive analysis and debate can we start to understand the true impact of these alternative marketing communications and how they shape and are shaped by the virtual and real societies we live in. In this paper, we aim to present a framework and its application to several
different types of AMC. The conceptual framework, as applied to the examples from recent AMC attempts, reveals both ethical and managerial lessons for marketers and consumers, which may enable the ethical and effective use of these types of communications.

**Theoretical Contributions**

The theoretical contribution of this paper lies in expanding our understanding of the types of marketing relationships in a post-social media world, where virtual selves are at times divorced from the real selves or other times so intertwined that the line between one’s authentic personal opinion and their professional review of an offering (for instance as an influencer) are at odds. The role confusion of consumer/marketer in AMC creates a context for duplicity and the incentive mechanisms add fuel to misuse of an otherwise effective tool. Systemically increasing consumer skepticism through duplicitous communications will render the AMC ineffective over time and therefore is not a positive outcome strategy.

In the current incentive mechanisms CGCs with no commercial intent can become deception mechanism, ads are disguised as editorial content, and influencers may try to deceive their prospective sponsors as well as their followers. Instead, creating authentic and engaging content with clear intentions and measuring the impact of engagement through real-time data analysis can lead to effective practices.

We use examples to illustrate the duplicity that occurs between but also within the individual and that is caused by the perceived dichotomy of the marketer and consumer self in AMC. Consumer generated marketing communications, and duplicitous relations in marketing, most commonly in one direction (i.e., marketer to consumer), has been a topic of discussion in marketing literature for decades (e.g., Luca and Zervas 2016; Mayzlin et al. 2014). However, the literature on the other combinations presented in the conceptual framework is sparse. As the medium and directionality of our communication changes from the one-way broadcast (i.e. Mass media) to a network with multi-dimensional ties (i.e., Web 2.0), the necessity to study these networked relationships is becoming more vital for the market and academia.

Perhaps even more importantly, studying the multi-dimensional ties is already crucial for the consumer, as persuasion knowledge (Evans and Park 2015) theory suggest having being alerted to the intention of persuasion will enable a skeptical eye and more informed decision-making.
Practical Contributions
The practical contributions in this paper are implicit in the ethical and managerial concerns and best practices outlined in the discussion section. Marketers and companies soliciting AMC from these marketers to ensure an ethical and more effective use of AMC can implement the lessons. These implementations may increase the probability of customer retention as the bond of trust between the consumers and the marketers or company will not be lost due to ambiguous messaging signaling duplicity and an intent to deceive.

Limitations
While the conceptual framework adopted in this paper has a robust approach to all combinations of duplicitous relationships, in our search for examples we encountered various types of intended subversions and unintended errors that led to duplicitous messaging and could not be categorized under the provided relationships. For instance, celebrity endorsers Scott Disick and Naomi Campbell forgot to remove the copy text (from the respective brands’ social media managers) revealing the staged nature of their posts (curalate.com 2016). These seem to be simple mistakes; still some reporters speculated that they might be intentional as both posts went viral because of the mistakes (Hirsh 2016). This possible duplicity might fall under marketers (endorsing influencers) deceiving other marketers (the brand) or consumers (followers) or a consumer deceiving either, therefore presents challenges to our conceptual understanding of these relationships.

Another major limitation to this paper is that the inquiry is limited to the cases presented from real-life campaigns and do not necessarily examine the inner workings or reasons of these duplicitous relationships. This type of inquiry would be beneficial but challenging and is outside the scope of this paper. We intended to introduce how this framework of duplicity applies to the unconventional marketing communications discussed throughout; and propose that our understanding of duplicity, adapt to the changing relationships facilitated by the omni-directional communications on these platforms.

Future Research
Consumer deception and skepticism, its roots and reasons as well as tactics to bypass this skepticism have been part of academic debate with increasing importance in the recent years (Pitt et al. 2015). Multidirectionality of current communication technologies available to the consumer is paving the way to a new stream of research (see Berthon et al. 2007): scholars are trying to understand duplicity between the sender
and the receiver of the message rather than solely focus on the marketer’s intent to manipulate.

Relationships in any marketing context are layered with intentions, noise, and perceptions, which complicates the dynamics for all involved parties (Pehlivan et al. 2015). The risk of duplicity in marketing relationships increases due to the layers that obscure the intentions between the sender and the receiver of the message. Furthermore, AMC like IM with the ambiguous roles influencers take upon themselves, or the questionable authenticity in NAs, or CGCs, both for marketers and consumers, compound these complications.

The possible relationships proposed by the framework and revealed in the examples provided throughout this paper are evidence to the relevance of this topic to current marketing practices. Future research in this area could focus on the systemic and structural factors that create these duplicitous relationships, understand the incentives in current practice that facilitate deception. Studies might explore the role confusion and preference falsification (Kuran 1995) exhibited by consumers and influencers as well as different market structure with incentive mechanisms for authenticity. By clarifying the ‘intent to persuade’ both parties open the doors to a brand relationship that can have great value for the marketer and the consumer too.
References


