

# Report: Nearly 40% of Publishers Don't Comply With FTC's Native Ad Guidelines

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## Commentary

by [Tobi Elkin](#), Staff Writer [@tobiElkin](#), March 1, 2017

A new [study](#) finds that nearly 40% of publishers don't comply with native advertising guidelines set forth by the Federal Trade Commission (FTC). The study, conducted by MediaRadar, a cloud-based ad sales intelligence platform used by 1,600 publishers, examined native ad trends in 2016. It analyzed thousands of unique native ads from nearly 13,000 brands over the course of 2016.

Among the findings of the study, "Leaders and Lessons in Native Advertising":

--Only 29% of publisher sites analyzed were compliant when the FTC released its first guidelines for native advertising in December 2015. That number has increased by 119% year-over-year, with 63% of digital publishers having modified their native advertising to adhere to the FTC guidelines. That still leaves 37% of digital publishers that aren't native-compliant.

--Adoption and demand for native ad content is high, with an average of 610 new advertisers using native each month. The survey noted that many advertisers are purchasing digital packages of native, not merely standalone campaigns.

--The average native campaign runs for just two months -- and renewal rates and campaign duration for native remain low overall. Based on 2016 data, native renewal rates are at only 33% across all media sites. An even smaller portion of those (20%) renew less than 20% of the time. However, sites with more established native programs have a 49% renewal rate. This include sites with native programs where more than 50 brands are placing native buys.

--Media and entertainment was the most popular native ad category in 2016, with 3,198 brands using native campaigns. That was followed by professional services campaigns (2,017 brands); finance and real estate (1,246 brands); technology (1,231 brands); and retail (1,153 brands).

The FTC guidelines are still relatively new, having launched in [late 2015](#). When they were first put in place, publishers were barely aware of their existence. "Over the past year, a lot of the major publishers have become fully compliant. We believe that as the years progress, a lot of

smaller publishers will likely follow suit,” Todd Krizelman, CEO & co-founder, MediaRadar, told *Native Insider* via email.

Krizelman said that MediaRadar is seeing an average of 610 new advertisers buying native for the first time each month, signaling the growing popularity of the medium.

“But while the number of new native buyers is up, renewal rates remain low,” he said. “It’s the large publishers that proved solid returns to advertisers that are seeing the best renewal rates: *The Wall Street Journal*, *New York Times*, and *Quartz*, for example.” He expects renewal rates to increase among publishers to an average duration of four months.