Hidden advertising and firm size: the symmetry effect

Abstract. Economists and marketing scholars have devoted considerable attention to studying the underlying factors, diverse forms, and potential consequences of embedded advertising, which involves blending marketing communications with media content in a way that appears non-promotional. In most countries, the disclosure of embedded advertising to consumers is required by law. However, instances of inadequate disclosure are frequent. Our study examines the factors that influence hidden advertising, which refers to embedded advertising without proper disclosure, by analysing the characteristics of cases handled by the Italian Competition Authority between 1993 and 2022. Among the factors considered, firm size emerges as the sole consistent determinant affecting the likelihood of non-compliance. When the media outlet and the advertiser possess similar sizes, the probability of infringement tends to be higher.

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Introduction

In the past twenty years, numerous scholars have focused on examining the antecedents and consequences of native advertising (Wojdynski and Golan, 2016; An et al., 2019). Native advertising refers to a form of online advertising that seamlessly integrates with its online context by imitating the format of surrounding non-advertising content (Campbell and Grimm, 2019, p. 110). Although the term "native advertising" is relatively recent, the practice itself has been used for a long time (Rotfeld, 2008; Wojdynski and Golan, 2016). Notable examples of these practices include infomercials on TV, advertorials in newspapers and magazines, and product or brand placements in movies and TV series. There is a wide range of terms used to describe these practices, such as covert marketing (Rotfeld, 2008), masked marketing (Petty and Andrews, 2008), embedded advertising (Cain, 2011), stealth marketing (Boerman and Van Reijmersdal, 2016), under-the-radar marketing (Kaikati and Kaikati, 2004), hybrid advertising (Hellemans et al., 2015), disguised advertising (Nebenzhal and Jaffe, 1998), and product placement (Homer, 2009). The diverse range of expressions is due to the different advertising formats and media involved, which makes it difficult to establish a standardized terminology. In this paper, the term "embedded advertising" will be used to encompass all of these practices. The growing prevalence of embedded advertising has sparked significant interest among academics (Newell et al., 2009; Boyer et al., 2015; Spielvogel et al., 2021). Why does embedded advertising attract many companies? Academic research has identified three primary motivations. Firstly, advertisers aim to break free from the increasingly cluttered mass media environment (Ferraro and Avery, 2000; Rotfeld, 2008), where consumers are bombarded with marketing communications (Petty and Andrews, 2008). Secondly, the availability of digital devices allows consumers to skip traditional commercials, particularly in TV programs (Cain, 2011; Van Reijmersdal et al., 2005), and integrating marketing messages within media content can help reduce ad-avoidance. Finally, some scholars argue that embedded advertising simply reduces media and advertising costs (DeLorme and Reid, 1999; Van Reijmersdal et al., 2005).

At the same time, the consequences of embedded advertising are ambiguous (Balasubramanian et al., 2006): "a substantial part of [the] effects of brand placement is still unknown" (Van Reijmersdal et al., 2009, p. 440). For example, some scholars found that embedded advertising can lower consumers' trust and commitment to the brand (Ashley and Leonard, 2009; Milne et al., 2009) or create a negative shift in brand attitude (Cowley and Barron, 2008), while others identified the conditions under which embedded advertising can positively affect various dimensions of consumer attitude towards the brand or product involved (An et al., 2019).

Embedded advertising is subject to regulation in many countries. In fact, consumers tend to be less sceptical towards activities that do not appear to be marketing-related (Petty and Andrews, 2008). As a result, they may not critically analyse the advertising message or employ cognitive defences against persuasion (Nebenzhal and Jaffe, 1998; Bhatnagar et al., 2004; Kuhn et al., 2010; Boerman and Van Reijmerdsdal, 2016; Boerman et al., 2017; Evans et al., 2017; Van Reijmerdsdal and Rozendaal, 2020; Spielvogel et al., 2021). In general terms, embedded advertising can be seen as unethical (Kuhn et al., 2010; Han et al., 2018) since consumers have the right to be aware when they are being exposed to advertising (Friestad and Wright, 1994; Lee, 2008; Hellemans et al., 2015; Campbell and Grimm, 2019). This perspective has shaped the regulations of the European Union concerning embedded advertising. For instance, Article 9 of the Audiovisual Media Directive (Directive 2010/13/EU, updated in 2018) states that "audiovisual commercial communications shall be readily recognizable as such." Therefore, media outlets and advertisers are required to disclose the presence of commercial content that is integrated with non-commercial media content. However, a challenge with these regulations is that they do not provide specific guidelines on how the disclosure should be made, resulting in lacking, unclear or inadequate disclosures (Krizelman, 2017; Boerman et al., 2018). At the same time, empirical research has also examined how disclosure affects consumer welfare and the perception of advertised brands[1].

In conclusion, both theoretical and empirical studies have primarily centered on examining the dynamics between consumers and advertisers/brands engaged in embedded advertising practices. From the advertiser's standpoint, the effectiveness of embedded advertising relies heavily on consumer response, which, in turn, is influenced by various factors such as the product category, media platform used, brand visibility, congruity between the brand placement and media content, and numerous other elements. The consumer response also plays a crucial role in shaping the perspective of public regulation surrounding embedded advertising practices. Only when the consumer response is sufficiently clear can policymakers assess the need for regulating embedded advertising. In the event that regulation is deemed necessary, the impact of embedded advertising on consumers will also influence the mandatory forms of disclosure across different media platforms. In the intricate web of marketing inquiries and consumer protection measures, the literature on embedded advertising has, to some extent, overlooked the role of the media. Nonetheless, for embedded advertising to be observed, whether with or without regulation (i.e., with or without mandatory disclosure), the media must voluntarily participate in this particular form of marketing communication. This is evident from the fact that whenever public agencies identify a violation of embedded advertising rules, both the media and the advertiser involved are held equally responsible[2].

[1] For example, An et al. (2019) claimed that while disclosure is thought for protecting consumers, it may benefit media and advertisers as well.

[2] The active role of the media differentiates embedded advertising from deceptive advertising, as deceptive advertising typically holds only advertisers liable.

In the second place, two main areas have been explored. Firstly, researchers have investigated the motivations behind advertisers adopting embedded advertising when mandatory disclosure laws are absent. Secondly, they have examined the most effective forms of disclosure when regulations are in place. There is a gap in the literature regarding the analysis of hidden advertising, which refers to embedded advertising that is not disclosed. This phenomenon can occur even when mandatory disclosure laws are enforced. The issue of hidden advertising holds practical significance as public agencies regularly uncover instances of hidden advertising, thanks to reports from various stakeholders such as consumers, consumer associations, competitors of the advertiser, competitors of the media, and public administration. This demonstrates that regulations alone are insufficient in preventing attempts to conceal marketing communications. It also highlights the incentive for both media outlets and advertisers to mask and ultimately hide their marketing communications, even in the presence of regulated embedded advertising. This paper introduces a novel approach by examining the violations of rules pertaining to embedded advertising. We consider a context where rules exist to inform consumers about their exposure to marketing communications, but where these rules can also be infringed upon. In particular, this paper analyzes the proceedings conducted by the Italian Competition Authority (ICA) from 1993 to 2022, specifically focusing on cases involving alleged violations of regulations concerning the disclosure of embedded advertising. Our objective is to examine the factors that may influence the motivation of media outlets and advertisers to violate laws related to embedded advertising. This involves investigating the agreement reached between media outlets and advertisers to engage in hidden advertising, which refers to embedded advertising without proper disclosure, as defined in this paper. The following section provides details on the data and empirical methodology used, including descriptive statistics. Section 3 presents the findings of the empirical analysis, while Section 4 offers an interpretation of these results, with a specific focus on the relationship between firm size (both media outlets and advertisers), the risks associated with hidden advertising, and the incentives behind engaging in hidden advertising. The final section concludes the paper and discusses policy implications stemming from our results.

Data, methodology and descriptive statistics

Data and methodology

Since 1992, the ICA has been entrusted with the responsibility of enforcing laws related to deceptive advertising, comparative advertising, and embedded advertising. According to both European and Italian legislation, embedded advertising must always be disclosed. The ICA does not initiate proceedings ex-officio; investigations start upon the receipt of external complaints. The ICA's website regularly publishes all completed proceedings, making them accessible to the public. To identify relevant proceedings concerning embedded advertising, we utilized the internal search engine on the ICA's website. Our search queries included terms such as "embedded advertising," "hidden advertising," "indirect advertising," as well as more general terms like "hidden," "non-transparent," or "indirect." After carefully reviewing the search results, we identified a total of 245 completed proceedings related to embedded advertising between 1993 and 2022. These proceedings were then coded according to the following criteria.

Advertiser and media size. We differentiate between large firms (with more than 250 employees) and small and medium-sized enterprises (SMEs) for both advertisers and media outlets. Due to the lack of available information on turnover, we treat firm size as a binary variable.

Firms involved. We distinguish between proceedings involving only one advertiser and one medium and those involving multiple companies.

Complainant. The complainant can be a consumer, a consumer association, a competitor of the advertiser, or a representative of the public administration. While the ICA identifies the category of complainants, their exact identities (i.e., names and surnames) are not revealed.

Media. Alleged hidden advertisements can appear in various media channels, including TV programs and movies (e.g., product placements and infomercials), newspapers and magazines (e.g., advertorials), and websites. No complaints were reported regarding radio broadcasting.

Media ownership. We differentiate between private media outlets and, in the case of national TV stations, those controlled by the central State (such as Rai, the company providing public broadcasting services in Italy).

Products advertised. Due to the small number of observations, we categorize the advertised content as either material goods or immaterial services.

Outcome. The proceedings can result in either an infringement of advertising laws or the acquittal of the media and advertiser.

Section 3 will utilize a logit analysis to explore the relationship between firm size, number of firms involved, complainant identity, media category, media ownership, and the category of products advertised with the outcomes of the ICA's investigations.

Descriptive statistics

Table 1 shows the number of complaints and infringements per category of complainant. The percentage of infringements does not vary significantly across the categories of complainants.

Table 1. Complainants and infringements.

Complainant	n	Infringements
Consumer	74	41 (55.41%)
Consumer association	91	55 (60.44%)

Competitor	73	44 (60.27%)
Public administration	12	8 (66.66%)

Table 2 indicates that the share of infringements is higher when large advertisers and small and medium-sized media outlets are involved.

Table 2. Media and advertisers: firm size.

	Medium					
Advertiser	Large	Infringements	SMEs	Infringements	Total	Infringements
Large	127	78 (61.42%)	25	17 (68.00%)	152	95 (62.50%)
SMEs	60	25 (41.66%)	33	24 (72.72%)	93	49 (52.69%)
Total	187	103 (55.08%)	58	41 (70.69%)	245	144 (58.77%)

Table 3 displays the media categories and State-controlled media involved in the proceedings. The total count exceeds 245 because certain advertising campaigns included multiple mediums.

Table 3. Media category and media ownership.

	Medium				
Product	TV/Cinema	Magazines	Newspapers	Web	Total
Public control	42	0	0	0	42
Private	37	116	57	8	218
Total	79	116	57	8	260

The matrix of correlation (not shown here) does not show any large correlation among the variables under review.

Empirical analysis

The initial stage of the empirical analysis involves examining whether the characteristics of the proceedings are correlated with the likelihood of infringement. Table 4 presents the results of a logit analysis, with the dependent variable being the probability of infringement. The explanatory variables include those discussed in the previous section.

Table 4. Probability of infringements and characteristics of the proceedings. Logit analysis (I).

Advertiser	Pooled sample	SE	Large adv.	SE	Large media	SE
Large advertiser	0.64**	0.30			0.83**	0.37
Large media	-0.77**	0.35	-0.03	0.54		

Multiple	-0.07	0.05	-0.18*	0.06	-0.10	0.07
Consumer	0.38	0.90	0.53	1.16	0.52	0.94
Consumer association	0.65	0.89	1.07	1.15	0.55	0.93
Competitor	0.77	0.95	1.03	1.22	0.69	1.02
Public administration	1.15	0.96	0.76	1.26	1.31	1.03
Material goods	-0.03	0.32	0.16	0.44	-0.18	0.37
Public control	-0.28	0.48	-0.29	0.58	-0.49	0.53
TV/Cinema	-0.41	0.63	-0.72	0.79	-0.27	0.82
Newspaper	-0.72	0.59	-0.42	0.80	-0.98	0.77
Magazine	-0.32	0.61	-0.14	0.82	-0.29	0.80
Web	-0.15	0.86	0.24	1.18	0.03	0.96
Constant	0.66	1.11	0.56	1.60	0.01	1.19
LR χ^2		14.91		10.93		14.89
Pseudo R^2		0.05		0.06		0.06
n		245		152		187

Notes. Coefficients are marginal effects. SE =robust standard errors. Significance codes: **=0.05; *=0.10.

The results of the logit analysis indicate that the probability of infringement increases when the advertiser is a large company. Conversely, in the case of large media, the probability of infringement decreases (and necessarily increases for small and medium sized media). When examining only large advertisers, the effect of large media disappears, and the coefficient for the variable "Multiple" is weakly significant but with an unexpected direction. The identity of complainants, the nature of the advertised product, the media involved, and the presence of public media control are not found to be significantly associated with the probability of infringement.

Table 5 examines the data from a different angle by introducing a new variable called "Symmetry". This variable takes a value of 1 if both the media and advertiser involved in each investigation are either large companies or both SMEs. In cases where there is a dimensional asymmetry, with large media hosting marketing communications of small companies or small media hosting marketing communications from large companies, the value of "Symmetry" is 0.

Table 5. Probability of infringements and characteristics of the proceedings. Logit analysis (II).

Advertiser	Pooled sample	SE	Goods	SE	Print	SE	Non-print	SE
Symmetry	0.69**	0.29	0.83**	0.37	0.77**	0.34	0.72	0.61
Multiple	-0.08	0.05	-0.11*	0.06	-0.11*	0.07	-0.05	0.19
Consumer	0.25	0.90	-0.16	1.00	-0.10	1.17	0.81	1.27
Consumer association	0.59	0.89	0.70	1.00	0.23	1.14	1.09	1.25
Competitor	0.72	0.94	0.37	1.08	0.27	1.18	1.18	1.43

Public administration	1.09	0.97	1.63	1.21	1.13	1.06	2.46	1.78
Material goods	0.07	0.31			0.17	0.37	-0.09	0.61
Public control	-0.49	0.47	-0.50	0.58			-0.29	0.51
TV/Cinema	-0.24	0.62	-2.01*	1.08				
Newspaper	-0.49	0.58	-1.86*	1.05				
Magazine	-0.18	0.60	-1.94*	1.01				
Web	-0.26	0.85	-1.55	1.15				
Constant	-0.09	1.09	1.92	1.37	0.01	1.18	-0.99	1.51
LR χ^2		12.41		18.40		7.91		4.50
Pseudo R^2		0.04		0.08		0.04		0.05
n		245		179		174		71

Notes. Coefficients are marginal effects. SE =robust standard errors. Significance codes: **=0.05; *=0.10.

In the pooled sample, the only significant variable is Symmetry, which has a positive effect on the probability of infringement. When analyzing the data specifically for material goods, the impact of symmetry is further strengthened. For services, collinearity issues arise, making it difficult to determine the exact effect. Additionally, the probability of infringement is weakly and negatively associated with the number of companies involved.

When examining specific media categories, such as TV, movies, newspapers, and magazines, a negative and weakly significant association with the probability of infringement is observed. In subsequent regressions, the analysis is divided into print advertising (e.g., advertorials) and non-print advertising (e.g., product placement). The variable representing public control is excluded in these regressions since the Central State does not own any print media. In the case of print advertising, the symmetry effect is confirmed, while it is refuted in non-print advertising.

Discussion

The last section has shown that hidden advertising is more likely when media and advertisers have a comparable size. This section suggests a possible explanation. Let us assume a legal framework that mandates the disclosure of embedded advertising. Hidden advertising refers to the practice of embedding advertisements without proper disclosure. In such cases, various entities including consumers, consumer associations, competitors of media and advertisers, and public administration may identify the lack of disclosure and report it to the relevant regulatory agency. Subsequently, the agency can initiate an investigation and, if a violation is found, impose financial penalties on both the media and the advertiser involved.

Using a methodology inspired by the risk-incentive trade-off of agency theory or incentive theory, we examine the risks and incentives faced by media and advertisers when adopting hidden advertising practices. While previous research has emphasized factors such as involvement/connectedness with media content, brand prominence, clutter around product placement, and audience characteristics in the context of embedded advertising, we shift our focus to hidden advertising. Specifically, we explore how the size of media and advertisers influences the risks and incentives associated with hidden advertising. For our analysis, we consider both large and SMEs.

Our assumptions regarding firm size are based on the expectation that, for media, larger companies would typically have a larger potential audience, while for advertisers, larger companies would generally have greater brand awareness. We posit that the risk of being caught in the absence of disclosure is influenced by these factors. Specifically, we assume that as the size of the media increases, there is a higher likelihood of detection due to the larger number of individuals (such as TV viewers, radio listeners, newspaper and magazine readers, etc.) who may observe the lack of disclosure. Similarly, for advertisers, larger companies with greater brand awareness face an elevated risk of their hidden advertising being noticed.

In this context, we posit that the likelihood of being detected for engaging in hidden advertising hinges on the size of both the media and advertiser involved. Specifically, if both the media and advertiser are large companies, the risk of being caught is at its highest. If one of the parties is a small enterprise while the other is a large company, the risk is relatively lower. Lastly, if both the media and advertiser are SMEs companies, the risk of detection is at its lowest. Table 6 presents these risks categorized as HR (high risk), IR (intermediate risk), and LR (low risk) accordingly.

It is important to acknowledge that hidden advertising is accompanied by incentives for both media and advertisers. Without these incentives, hidden advertising would not be practiced or detected by public agencies. To simplify our analysis, we consider two levels of incentives: high (HI) and low (LI), as denoted in Table 1. Furthermore, we posit that the level of incentive to engage in hidden advertising is contingent upon the size combination of the media and advertiser involved.

Small media companies (such as many local media), often facing financial constraints (Costera Meijer, 2010; Goyanes, 2015; Ali, 2016; Hayes and Lawless, 2018), are more likely to have a strong incentive to engage in hidden advertising practices with large-sized advertisers. This is because partnering with a large advertiser can provide them with substantial revenue, addressing their financial challenges. The incentive, although still positive, may be lower if the advertiser itself is a small company. Large media companies can benefit from embedding advertising within their content by reducing costs (DeLorme and Reid, 1999; Van Reijmerdsdal et al., 2005), addressing advertising clutter (Ferraro and Avery, 2000; Rotfeld, 2008), and retaining a larger share of the audience (Cain, 2011). These advantages are amplified when the advertiser is a large company with a well-established brand and a willingness to invest significantly in advertising. In such cases, hidden advertising can lead to increased revenues for both the media company and the advertiser. However, if the advertiser is a small company, the profitability of hidden advertising is likely to be lower due to the limited resources and brand recognition of the advertiser.

The incentive of the advertiser to adopt practices of hidden advertising can be described in a similar fashion. Both large and small advertisers are motivated to engage in hidden advertising when collaborating with large media companies. This is attributed to the advantages of increased visibility, cost reduction, and avoidance of a competitive and crowded traditional advertising market. The incentives for hidden advertising decrease when working with small media companies, which may offer limited visibility and a smaller audience. Nevertheless, there may still be some incentives for advertisers to engage in hidden advertising with small media companies, albeit to a lesser extent.
Table 1 provides a summary of our assumptions, illustrating the trade-off between risks and incentives for media and advertisers of different sizes when they engage in hidden advertising strategies.

Table 6. Risks and incentives of hidden advertising.

	Small media	Large media
Small advertiser	(LR/LI), (LR/LI)	(IR/HI), (IR/LI)
Large advertiser	(IR/LI), (IR/HI)	(HR/HI), (HR/HI)

Table 6 reveals that when there is "dimensional symmetry" between media and advertisers (i.e., small media-small advertiser or large media-large advertiser), there is a convergence of risks and incentives. In the other combinations, where there is a disparity in size between media and advertisers, the alignment of risks does not correspond to an alignment of incentives.
The setting proposed here is analogous to collaborative (or collusive) tax evasion, where, for example, households and service providers jointly engage in tax evasion activities (Yaniv, 1992; Boadway et al., 2002; Chang and Lai, 2004; Kleven et al., 2009; Kleven et al., 2011; Madzharova, 2013; Naritomi, 2013; Weisel and Shalvi, 2015; Abraham et al., 2017; Bjørneby et al., 2021; Doerr and Necker, 2021; Burgstaller and Pfeil, 2022). In the study of collaborative tax evasion, researchers have examined the dynamics of coordination and decision-making between two parties involved in compliance or evasion activities. These studies have explored the impact of factors such as fines and punishments on the likelihood of coordination, as well as the effects of external changes in the probability of detection. While the focus of these studies is primarily on tax evasion, their findings can offer valuable insights into understanding the coordination between media and advertisers in hidden advertising practices.
For example, according to Boadway et al. (2002), the detection of collaborative evasion depends on the costly avoidance activities of both transacting partners, while Weisel and Shalvi (2015) found that the highest levels of corrupt collaboration occurred when the profits of both parties were perfectly aligned. The need of alignment may also regard social norms, that is, common statements about the appropriate and accepted behaviour in specific situations. For example, Abraham et al. (2017) showed theoretically and empirically that the norms on tax compliance have a stronger negative effect on the magnitude of collusive

tax evasion. The type of interaction can also play a role in collaborative tax evasion. For example, Doerr and Necker (2021) found that the incentives to jointly evade are particularly high when a product or service requires a direct and frequent interaction between seller and consumer.

These findings align with the general results of traditional collusion theory, for which collusion is easier when firms interact frequently and in case of symmetry between the involved parties (Motta, 2004; Ivaldi et al., 2007). In addition, they can apply to the coordination on hidden advertising. While the concept of "symmetry" can be applied to various contexts, in the case of firm size, we can assume that two large companies or two small companies are more likely to converge on the same norms compared to companies of different sizes. Thus, the similarity in size may facilitate coordination and agreement on shared practices which, in our scenario, pertain to the disclosure of embedded advertising. Additionally, it is reasonable to assume that two firms of comparable size have a higher probability of engaging in frequent and direct interactions. This is because marketing and economic literature suggest that small advertisers typically target local markets and opt for smaller media outlets, while large advertisers tend to engage with larger, national media companies to reach a wider audience. The notion of dimensional symmetry can also be associated with information and cost symmetry, as companies of similar sizes are likely to possess similar information and cost structures.

In conclusion, the alignment of risks and incentives presented in Table 1, along with the theoretical and empirical evidence from similar contexts, suggests that coordination on hidden advertising is more probable when media and advertisers have comparable firm sizes, and less likely when there is a discrepancy in size. While the decision to adopt or not adopt hidden advertising practices may be influenced by additional factors, including the advertiser's industry, the specific media outlet, or media ownership, the empirical analysis in the preceding section has taken into account these and other factors that can impact the choices made by media and advertisers.[3]

Conclusions

This paper has investigated the factors related to hidden advertising, which refers to marketing communications that integrate with media content without clear disclosure. Previous studies have primarily examined disclosed embedded advertising and focused on the perspectives of consumers and brands/advertisers. By shifting the focus to the media, this research provides insights into the enabling

[3] The decision of media and advertisers to enter into a hidden-advertising strategy can also be analyzed as a coordination game, specifically an assurance game. In this game, both parties have two strategies to choose from hidden advertising or embedded advertising. If both players select matching strategies (i.e., both choose hidden advertising or both choose embedded advertising), they will receive positive payoffs. However, if their strategies do not match, both players will earn zero profits. In our analysis, we assume that the hidden-hidden strategy pair may offer a Pareto improvement over the disclosure-disclosure strategy pair, and this improvement becomes more significant as the level of symmetry between the two players increases.

factors and dynamics of hidden advertising. We conducted an analysis of investigations carried out by the ICA between 1993 and 2022 to identify instances of hidden advertising. The data revealed that hidden advertising was present across various media platforms and was observed in both material goods and immaterial services. The analysis found no significant association between the identity of the complainants and the likelihood of hidden advertising violations. Moreover, media outlets under public control, such as TV stations, did not exhibit a lower probability of engaging in hidden advertising practices. The analysis revealed significant results related to the size of the companies involved in hidden advertising practices. Large advertisers and small media companies had a higher probability of violating disclosure norms. Additionally, when there was a comparable size between media and advertisers (e.g., coordination between large media and large advertisers, or between small media and small advertisers), the likelihood of hidden advertising cases being identified by the competition authority increased. In Section 4, we have suggested a theoretical interpretation of the symmetry effect, which regards more print media than non-print media. The comparable size of media and advertisers may result in a more symmetric exchange of resources and information. This symmetry can facilitate the coordination and implementation of hidden advertising, as both parties are better equipped to navigate the intricacies of blending marketing communications with media content.

The presence of the symmetry effect highlights the importance of thorough examination by public agencies of local media markets where frequent interactions between small media and small advertisers occur. This poses a significant challenge, as it requires extensive and costly scrutiny of embedded advertising practices, given the numerous local media markets dispersed throughout the national territory.

Although the results encompass all the proceedings initiated for alleged hidden advertising in the period under examination, they may not be directly applicable or easily extendable to other countries with different regulatory frameworks and enforcement practices regarding embedded advertising and disclosure requirements. Moreover, there might be variations in the level of harmonization within the European Union, which could result in different approaches to regulating and addressing hidden advertising across member states.

Broadly speaking, this paper has emphasized the role played by the media in the adoption of non-orthodox forms of marketing communications. The non-neutrality of the media, evident in case of hidden advertising, could regard other deviations of marketing communications, for example deceptive advertising or illegal comparative advertising (Tan and Chia, 2007; Mitra et al., 2008; Drumwright and Murphy, 2009; Boerman and Van Reijmersdal, 2016). The active involvement of the media in practices such as hidden advertising, deceptive advertising, or illegal comparative advertising necessitates vigilant monitoring. This is particularly crucial as media content increasingly shifts to the online environment, where online media heavily rely on advertising investments (Pérez-Seijo et al., 2020; Radcliffe, 2020; Jammot, 2022; Meese, 2022). The intense competition among various online platforms to attract advertising investments may potentially lead to an increase in the adoption of embedded and hidden advertising practices. This, in turn, can undermine consumers' ability to differentiate between marketing communications and genuine media content, creating challenges for consumer awareness and protection.

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