







# Endorsements Know-hows!

For Celebrities, Influencers & Virtual Influencers on Social Media Platforms









# Who should disclose?

Individuals/groups who have access to an audience and the power to affect their audiences' purchasing decisions or opinions about a product, service, brand or experience, because of the influencer's/celebrity's authority, knowledge, position, or relationship with their audience.







## Who should disclose?



#### **Celebrities**

Famous personalities, including but not limited to entertainment or sports industry who have the power to affect the decisions or opinions of their audience.



#### Influencers

Creators who advertise products and services with a strong influence on the purchasing decisions or opinions of their audience.



### **Virtual Influencers**

Fictional computer generated 'people' or avatars who have realistic characteristics, features and personalities of humans, and behave in a similar manner as influencers.





## When to disclose?

When there is a material connection between an advertiser and celebrity/influencer that may affect the weight or credibility of the representation made by the celebrity/influencer.







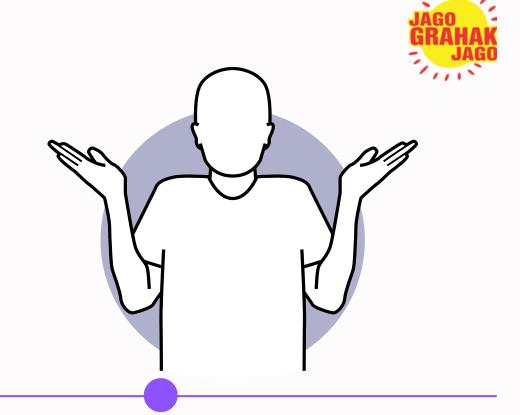
Material connection could include but is not limited to benefits and incentives, such as:

- Monetary or other compensation;
- Free products with or without any conditions attached, including those received unsolicited, discounts, gifts;
- Contest and sweepstakes entries;
- Trips or hotel stays;
- Media barters;
- Coverage and awards; or
- Any family, personal or employment relationship.





## How to disclose?



#### HARD TO MISS

- Disclosures should be placed in the endorsement message in such a manner that they are clear, prominent and extremely hard to miss.
- Disclosures should not be mixed with a group of hashtags or links.

### ENDORSEMENT IN A PICTURE

 Disclosures should be superimposed over the image enough for viewers to notice.

### ENDORSEMENT IN A VIDEO

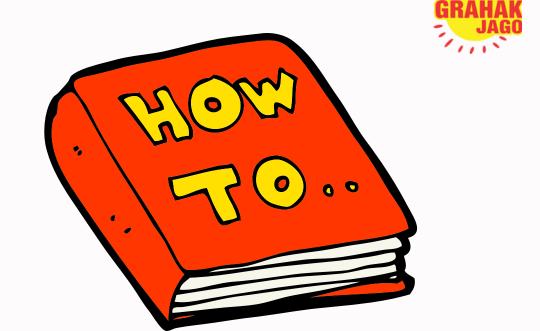
- Disclosures should be placed in the video and not just in the description.
- Disclosures should be made in both audio and video format.

### **ENDORSEMENT IN A LIVE STREAM**

 Disclosures should be displayed continuously and prominently during the entire stream.



## How to disclose?



#### SIMPLE & CLEAR

- Simple and clear language should be used.
- On limited space platforms like Twitter, terms such as 'XYZAmbassador' (where XYZ is a brand) are also acceptable.

#### **TERMS ALLOWED**

- 'advertisement' or 'ad'
- 'sponsored'
- 'paid promotion' or 'paid'

#### **LANGUAGE**

 Disclosures and endorsements should be in the same language.

#### **PLATFORM TOOL**

• Separate disclosures shall be made apart from platform disclosure tools.





## Due Diligence

Celebrities/influencers are advised always to review and satisfy themselves that the advertiser is in a position to substantiate the claims made in the advertisement.

It is also recommended that the product and service must have been actually used or experienced by the endorser.







## An illustration: Engaging Celebrities or Influencers for endorsement by an eCommerce Entity

A prominent eCommerce entity reached out to celebrities and influencers to engage them to promote their products where the eCommerce entity asked them to wear clothes of certain brands and make content for online platforms.

The celebrities and influencers posted content online and most of them didn't disclose their material connection with the eCommerce entity and it appeared as if the celebrities and influencers were promoting those brands without any bias.

In case celebrities and influencers don't disclose their material connection, their opinion may be inferred as biased and/or misleading. However, if celebrities and influencers disclosed their material connection, the consumers will be able to make an informed decision.





## • WARNING!!

Failure to disclose any material connection or non compliance of the Consumer Protection Act 2019 and Rules made thereunder would make such violators liable for strict action under the law





## Have any more questions?

Refer to the detailed guidelines on any questions about endorsements.



Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022

Click here!