





# A Guide to Influencer Marketing in the United Arab Emirates Best Practices Charter



### Advertisement Under the National Media Council

In the United Arab Emirates, all advertising content must comply with the National Media Council's Cabinet Resolution No. (23) of 2017 on Media Content.







The NMC defines advertisement as "any means intended to inform people about a certain commodity or purpose, whether by presentation or publication in writing, drawing, image, symbol, sound or other means of expression."

### Influencer Marketing Under the NMC

NMC guidelines apply to any individual, organization or company practicing advertising activities through social media for any financial or non-financial consideration.

Under these regulations, anyone circulating advertisements on social media should clearly disclose any business relationship with the owners of the advertised product or service.



### Influencer Marketing What Is It, Exactly?

We brought together local industry players to better explain what Influencer Marketing means:

How do you define an influencer?

An influencer is any individual who has a form of influence or sway over specific industries or groups of people through their social and digital channels.

How do I know if I'm engaging in Influencer Marketing activities?

You are engaging in Influencer Marketing if you are working on a transactional basis (financial or not) with brands or businesses to promote their services or products to your followers on your social channels.

How do influencers work with brands?



Brands & businesses collaborate with influencers on content creation and product placement. Influencer marketing generally drives brand awareness, supports a brand message or encourages engagement with a brand's product.

Where and how does Influencer Marketing take place?



If you are an influencer, brands may leverage you to create and share with your social following content that is more authentic and organic than traditional advertisements.

These engagements generally take place on your own social channels.

What counts as Influencer Marketing?



Influencer marketing can take different forms: oneoff engagements, short- term promotional collaborations or longterm ambassador positions. When should I disclose?



You should disclose a commercial working relationship with a brand whenever compensation is offered, whether in the form of financial renumeration, a gift or any other value exchange (free benefits, services, general exposure through brand association...)

#### Influencer Licensing

Do I need to get a license to exercise as an influencer in the UAE?

Yes! NMC guidelines mandate that anyone engaging in commercial advertising and media activities should:

- hold a valid work permit or business license from local authorities;
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obtain an NMC license and abide by its instructions & regulations.

As an influencer, there are three ways to get an NMC license:



Category 1: Individual License

Fees: Dhs15,000

Other requirements: Separate trade license.



Category 2:

Partnership license for small groups of influencer

Fees: Dhs15,000

Other requirements: Registered company with a valid trade license.



Category 3:

Influencer agencies "umbrella"

Fees: on a contractual basis, as per agency discretion.

Other requirements: Influencer to be represented by agency in contractual engagements.

#### Are there exceptions?

Yes! You will not need to obtain an NMC license or be signed to an influencer agency if you are advertising on a voluntary basis, or just receiving gifts, experiences and/or products in exchange for coverage on your social channels.

#### Notable exceptions include:

Charitable and voluntary activities that you are providing for free



Advertising activities you carry out as a hobby, for a non-financial renumeration & of a cumulative value lower than the FTA's VAT threshold



Any other activities as deemed to be excluded by the Council



But you still need to transparently disclose your commercial partnerships & engagements to your audience...

...and the UAE's Federal Tax Authority mandates that you pay 5% VAT if you earn more than Dh375,000 annually in "freebies."

#### What About Labeling?



Any promotional content you share must always be clearly identifiable as advertising.

This can take the form of a simple and clear explanation, displayed obviously enough for your audience to read or hear.

The NMC requires using clear hashtags: "#ad" or "#paid\_ad"



#### Acceptable labeling

Labels like the ones below make your disclosure straight to the point.

Use them to give unambiguous clarity to your followers:

Ad or Advertisement Paid or Paid Partnership Sponsorship or Sponsored

Also consider using the business tag provided by the social media platforms to complement your own disclosure.



#### **Insufficient labeling**

The following labels can be used as complementary, but are insufficient on their own.

They do not imply a working relationship with a brand explicitly enough, and may confuse an uninformed audience:

Gift or Gifted In Collaboration/ Collab In Cooperation with In Partnership Influencer Marketing Thanks to Supported by

#### Here are some practical recommendations:





- Present the disclosure in a conspicuous place.
- Make sure readers are able to distinguish it from the rest of the caption.
- Use a clear and legible font.
- Use clear hashtags.



- Avoid accumulating hashtags in a way that is hard for the audience to distinguish the label.
- Avoid putting disclosures in a place that requires users to move to another page or content (i.e. the disclosure should not be placed under a "Read More" link).
- Avoid unreadable fonts (whether due to size or color): disclosure should be easy for users to find and read.
- Words such as "Thank you..." "In cooperation..." alone are not sufficient to disclose paid advertisement.



## Across Content Formats: Where do I place Disclosures?



Image Captions

For the caption of an image, disclosure should be conspicuous enough for the audience to distinguish it clearly.

This means it should stand apart from the rest of the caption, whether it is a text explanation or a hashtag.



**Stories** 

When publishing stories, disclosure should be included in the first few images.



Videos

When publishing video content you must state the disclosure verbally throughout the video and in writing in its description.



**Streams** 

When using broadcast or live stream features, you must mention the disclosure at the beginning of the broadcast and repeat it occasionally, so that viewers can be informed when joining in at any point of the event.

### What About Sensitive Products?

The National Media Council defines specific guidelines on promoting sensitive products:



Advertising for alcoholic beverages or narcotics is not permitted.



Advertising for tobacco, smoking of all kinds & methods of using them is not permitted.



Health and medicalrelated advertising requires approval from the competent authority.



You generally need to obtain approval from competent authorities to share promotional content on health, education, real estate, Hajj & Umrah campaigns, among others.

Do you have doubts about promoting a service or product that is potentially sensitive? Reach out to ABG for guidance.

### What's in it for me?



Influencer Marketing is about building value-driving exchanges and partnerships, over traditional advertising efforts.

Brands can derive significant value from the right influencers' storytelling & content production skills to connect with audiences.

As an influencer, you should never promote something you don't believe in: Your audience trusts you, and your reputation and values are at stake!

Likewise, as a brand, you should never use an influencer to promote a product or message that isn't aligned with what he or she stands for: It may come across as disingenuous or intrusive.

All in all, this is consistent with influencer marketing guidelines in highly active influencer markets and in fact improves the authenticity and transparency of influencers.

The audience will appreciate the brand and the creator all the more when a partnership makes sense.



### ...Building Win-Win Partnerships

### Transparency: A Shared Responsibility

Influencer Marketing content is a shared responsibility: all parties need to agree, align and review content before going forward with the publication.

While the account holder is responsible for the content of his or her account, ultimately, all parties involved ultimately bear the responsibility for any issue that may arise from an influencer marketing engagement.

Both the influencer's and the brand's reputation are at stake! There is no room for error on content production or in disclosures practices.



### LEAD: Driving The Industry Forward



Building on the NMC Advertising Guide & Cabinet Resolution No. (23) of 2017 on Media Content;

and in consultation with industry stakeholders, this Best Practices Charter has been developed to provide advertisers, agencies, influencers, and the broader ecosystem with a clear industry playbook on Influencer Marketing.

The Charter was designed under the ABG's LEAD initiative, in partnership with Mediaquest's MENA Effie Awards.

LEAD brings advertising & marketing stakeholders together, to Learn, Engage, Activate and Drive the industry forward.



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As a Self-Regulatory Organization, ABG defends and promotes the interests of the UAE's advertising industry and advocates for responsible advertising & communications in the country.



Be aware of the rules! When in doubt, reach out to ABG for guidance.