



ADVERTISING
BUSINESS GROUP

| 2022

INFLUENCER MARKETING TRANSPARENCY

IN THE UNITED ARAB EMIRATES



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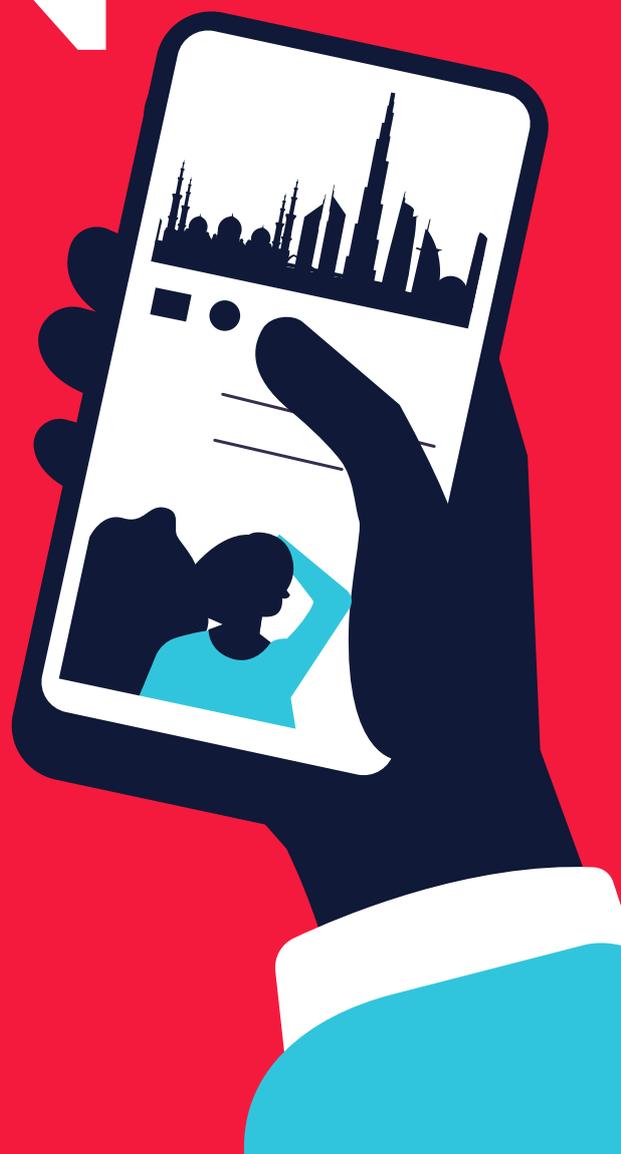
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INTRO- DUC -TION



FOREWORD



by **SANJIV KAKKAR,**
ABG CHAIRMAN



ADVERTISING
BUSINESS GROUP

The growth in influencer marketing

Why is transparency important for brand authenticity?



Sanjiv Kakkar

ABG Chairman & EVP UNILEVER

Unilever North Africa Middle East, Turkey, Russia Ukraine and Belarus, reflects on the growth in influencer marketing and on why transparency is important for brand authenticity.

Today, influencer marketing is a key component of every marketing strategy. The colossal increase in TikTok influencer marketing in 2020 has illustrated the commercial power of social media platforms. This increased influence of influencers has however led to concerns and debates over trust and transparency.

The influencer marketing industry is only set to grow further to \$16.4 billion in 2022, according to **The State of Influencer Marketing 2022: Benchmark Report**. Influencer Marketing focused platforms raised more than \$800M in funding in 2021 alone, an indication of the industry's significant growth.

The hold of influencers in the GCC is equally strong with about 85 percent of millennials in Saudi Arabia and the UAE following at least one social media influencer as per a BPG Group and YouGov Survey: **Middle East weighs costs versus benefits of social media influencers (arabnews.com)**, and consumers are demanding increased transparency, authenticity, and genuine value from the influencers they follow and trust.

The UAE's National Media Council (NMC), via their Board Resolution No. (26) of 2017 on Media Content, requires influencers to disclose sponsored content via a tag of "Paid partnership" to "more clearly communicate when a commercial relationship exists between a creator and a business".

For all these reasons, influencer marketing transparency has become a key focus for the Advertising Business Group (ABG). As the region's leading self-regulatory advertising and marketing group, we are dedicated to uniting the industry around higher standards. ABG members account for over 70% of the region's advertising spend, and we are therefore committed to supporting the disclosure of paid partnerships between brands and influencers.

To that end, ABG developed an **Influencer Marketing Transparency Charter** to support and build on the NMC regulation; and releases this industry-driven report presenting the challenges and opportunities the UAE faces with regards to transparency in the ad industry.

In conclusion to this collaborative effort, ABG invites influencers and industry stakeholders to continue to drive awareness and promote best practices.

ABOUT



ADVERTISING BUSINESS GROUP

Founded in March 2007 & formerly known as the Advertisers Business Group, the Advertising Business Group was relaunched in November 2016 and rebranded to reflect the interests of the wider industry including **advertisers, agencies, and media owners.**

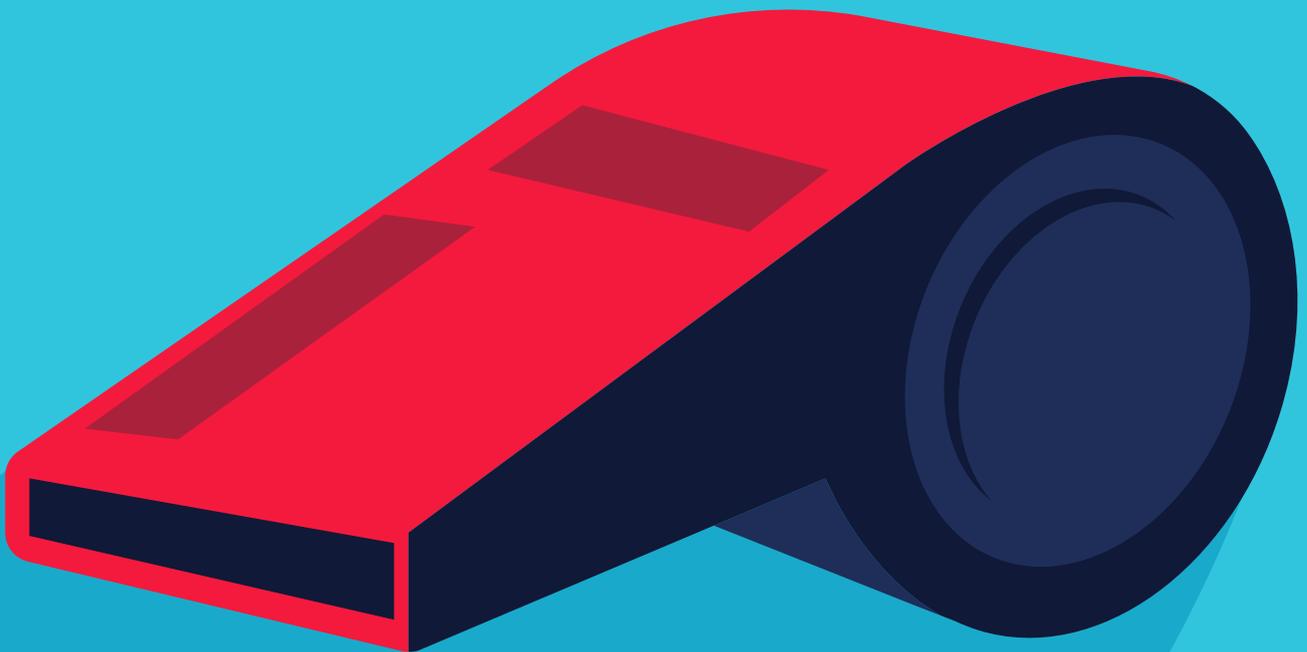
As the United Arab Emirates' Self-Regulatory Organisation, **ABG defends and promotes the interests of the UAE's advertising industry** and advocates for responsible advertising and communications in the country.



SELF-REGULATORY ORGANIZATIONS



WHAT ARE THEY?



Self-Regulatory organizations

What are they?

Overview

Set up by and for the industry



Independent bodies typically set up by the advertising industry, Self-Regulatory Organizations (SROs) regulate the market on a voluntary basis.

The vast majority of SROs worldwide are financed by membership fees.

"Soft law" based on best practices



SROs rely on "soft law" (e.g., best practices, guiding principles) to regulate the industry on specific topics and apply standards to ensure that advertisements are ethical.

They also offer voluntary dispute resolution mechanisms to avoid resorting to legal action taken by an administrative agency.

Scope of work

Setting Advertising Standards



SROs typically promote self-regulatory code of standards & set of guiding principles governing the content of ads.

Self-regulation of the Industry



SROs assess whether advertising industry players are compliant with applicable self-regulatory standards based on mandate and scope of activities (i.e., legal, decent, honest, truthful, socially responsible, fair, etc.).

Complaints-handling



Ultimately, SROs also offer mechanisms to handle complaints from consumers and/or competitors, often through an independent body within the SRO, generally called the Jury or Complaints Committee.

51 SROs globally

Today, the International Council for Advertising Self-Regulation (ICAS) counts at least 51 countries with advertising SROs. (source: ICAS)



Influencer marketing transparency: a global focus



International coordinating bodies



ICAS's main mission include:

- ✓ Exchanging best practices around ad self-regulation and working on common solutions to the global challenges faced by the advertising industry.
- ✓ Facilitating the establishment of new SROs in emerging markets and empowering them to grow.
- ✓ Promoting self-regulation worldwide and highlighting its benefits for consumers, businesses, regulators and society as a whole.

ICAS highlights principles of transparent disclosure of ads that should be adopted by social influencers



European Advertising Standards Alliance (EASA) recommends all influencer marketing communications should be designed and presented in a way that ensures that the **audience immediately identifies** them as such.

Disclosure of commercial intent of the influencer's message should appear instantly.



Self-regulatory organisations



SRO in the US is BBB National Programs and refers to FTC guidelines when assessing influencer marketing.

For disclosures, FTC recommends using **simple and clear language** and simple explanations around advertising.



FTC recommends terms like **"advertisement", "ad", and "sponsored"**.

It deems acceptable (but not necessary) to include a hashtag with the disclosure, such as **#ad** or **#sponsored**.



FEDERAL TRADE COMMISSION



ASA provides specific directions to **clearly label** advertising as such (with or without hashtags) and to stay away from **unclear language**.



ASA recommends using clear labels that help consumers understand, e.g.:

- Ad
- Advert
- Advertising
- Advertisement
- Advertisement Feature

Labels like these can be used with or without a '#'.



ASA provides specific directions to **clearly label** advertising as such (with or without hashtags) and to **separate the ad identifier label** from other labels and hashtags.



ASA recommends the use of one of the following (with or without hashtags):

- Ad
- Advert
- Advertisement

These must appear at the first interaction consumers have with the ad content.



autorité de régulation professionnelle de la publicité

ARPP requests influencers to provide **explicit indications**, in any form, of the collaboration, allowing for its **immediate identification by consumers**.



The ARPP recommends using clear hashtags in French such as **#pub**, **#sponsorisé** and **#collaboration**

A GUIDE TO INFLUENCER MARKETING IN THE UNITED ARAB EMIRATES



BEST PRACTICES CHARTER OVERVIEW



Best practice charter: building on media guidelines

National Media Council (NMC) Cabinet Resolution No. (23) of 2017 on Media Content



In the United Arab Emirates, all advertising content must comply with the National Media Council (NMC) 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".

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.

Building on the NMC Advertising Guide & Cabinet Resolution No. (23) of 2017 on Media Content, and in consultation with industry stakeholders, ABG developed a **Best Practices Charter** and **Guide on Influencer Marketing Transparency in the United Arab Emirates**.

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



Under its LEAD initiative, this charter and best practices guide aims to provide advertisers, agencies, influencers, and the broader ecosystem with a clear industry playbook on influencer marketing.

Local industry support is key to disseminating and applying the practices recommended in this charter, and ABG is seeking the industry's commitment to this document and initiative.

Influencer Licensing

Influencer Licensing

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

The NMC's guidelines mandate that anyone engaging in commercial advertising and media activities should hold a valid license and abide by its instructions & regulations.

As an influencer, there are three ways to obtain a license:

 <p>Category 1: Individual License</p> <p>Fees: Dh\$15,000</p> <p>Other requirements: Separate trade license.</p>	 <p>Category 2: Partnership license for small groups of influencer</p> <p>Fees: Dh\$15,000</p> <p>Other requirements: Registered company with a valid trade license.</p>	 <p>Category 3: Influencer agencies "umbrella"</p> <p>Fees & requirements: On a contractual basis, as per agency discretion.</p>
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Labeling

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 conspicuously enough for your audience to read or hear. The NMC requires using #ad or #sponsored.

Acceptable labeling

Labels like the ones below make your disclosure straight to the point. Use them to give your followers 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 complimentary, 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
Collaboration/ Collab
In Collaboration with
Partnership
Thanks for Marketing
Thanks to
Supported by

Dos & Don'ts

Additional Recommendations:

Do's

- 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.

Don'ts

- 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). Disclosures should be easy for users to find and read.
- Words such as "Thank you," "In consideration," etc. are not sufficient to disclose paid advertisement.

Additional Recommendations

Across Content Formats: Where do I place Disclosures?

 <p>Image Captions</p> <p>For the caption of an image, disclosures should be conspicuous enough for the audience to distinguish it clearly.</p> <p>This means it should stand apart from the rest of the caption, whether it is a text explanation or a hashtag.</p>	 <p>Stories</p> <p>When publishing stories, disclosure should be included in the first few images.</p>	 <p>Videos</p> <p>When publishing video content you must state the disclosure verbally throughout the beginning of the broadcast and repeat it in its description.</p> <p>This means you must state the disclosure verbally throughout the beginning of the broadcast and repeat it in its description.</p>	 <p>(LIVE) Streams</p> <p>When using broadcast or live stream features, you must mention the beginning of the broadcast and repeat it occasionally, so that viewers can be informed when pointing it at any point of the event.</p>
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To read the full charter and become a signatory, visit this link: www.forms.gle/wq4FqY7V4Sj2qGWW8

Driving the industry forward

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

The LEAD initiative brings advertising & marketing stakeholders together, to learn, engage, activate, and drive the industry forward.



AN INITIATIVE BY



POWERED BY



UAE LAND- SCAPE



INDUSTRY INSIGHTS





Alexandre Hawath,
LEAD Representative

Industry Feedback

“ Over the course of interviews and roundtable discussions in January and April 2021, LEAD gave UAE stakeholders engaged in influencer marketing the opportunity to share their opinion on a variety of questions.

These conversations allowed us to better understand where local market players stood on the topic of influencer transparency.

Interview Insights

**NMC Regulations
& Compliance**

**Self-Regulating
Practices**

**Market Guidance
& Education**



The discussion revolved around the following set of questions

1 FOCUS NMC regulations & compliance

❓ Are the NMC regulations easy to understand and implement?

❓ Do you verify influencers' licenses or disclosure practices, as per NMC requirement?

❓ Have you faced any compliance issues with local authorities on influencer marketing transparency?

2 FOCUS Self-regulating practices

❓ Do you have strict internal policies to ensure influencers transparently label and present paid content?

❓ Do you agree that content should be identifiable as advertising by consumers before they engage with it?

❓ Are your influencers comfortable using clear labeling like "Paid by" or "Ad"?

3 FOCUS Market guidance & education

❓ Do you support and guide / educate on best practices in influencer marketing as a profession (both for brands and influencers)?

❓ Is there enough market guidance and education on the issue?

❓ Is there a need for more support from other stakeholders?

Who were the stakeholders interviewed?

Influencer marketing agencies

Agencies: broadly referring to influencer management agencies, platforms offering to connect influencers to brands, and advertising creative and marketing groups.

6  Stakeholder interviews

Brands & agencies

Broadly referring to advertising, marketing and media agencies working together with brands.

11  Stakeholder interviews

1 FOCUS

Are the NMC regulations easy to understand and implement?



Management Agencies

Overall, the influencer management agencies participating in the interviews described NMC regulations as straightforward, although they pointed out there's room for improvement on specific issues.



Brands & Agencies

Often under the direction of their HQ, international brands highlighted that they usually provide in-contract guidelines tackling transparent labeling and disclosure of advertising content.

Some agencies noted that this practice was not always widespread, noting some discrepancies in their client portfolio.



Somewhat 0%

CHALLENGES & ISSUES RAISED

License procedures opacity for both influencers and agencies

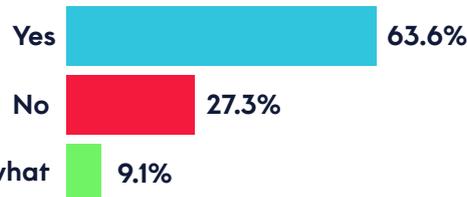
A number of agencies interviewed expressed concerns about the lack of clarity surrounding legislation and procedures to obtain a license as an influencer or as an agency.

Little awareness and dissemination of updated and new regulations

Interviewees pointed out the need for more communication and awareness-building around NMC rules and regulations updates, with both the NMC or local media often ineffectively relaying those changes.

"Whose responsibility?" Assigning clearer roles

Some agencies interviewed felt the need for more brand involvement and responsibility with regards to NMC guidelines application and enforcement.



CHALLENGES & ISSUES RAISED

Need to clarify the spectrum of influencer marketing best practices

Given the variety of potential influencer activations (ranging from the distribution of free products and gifting, to paid campaigns), some players interviewed raised the need to clarify how rules applied to some grey area practices.

2 FOCUS

Do you have strict internal policies to ensure influencers transparently label and present paid content?



Management Agencies

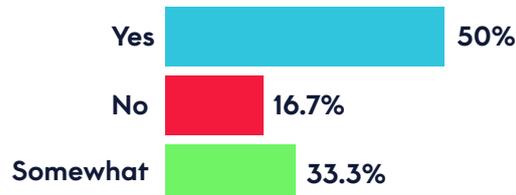
While sometimes requesting influencers to comply with disclosure practices or to remove posts that do not adhere to those, some agencies noted that transparency practices largely remain a contractual requirement, on a client-based engagement.



Brands & Agencies

Brands interviewed highlighted that they provide in-contract guidelines (often coming directly from HQ in the case of international companies) tackling transparent labeling and disclosure of advertising content.

Some agencies noted that this practice was not always widespread, noting some discrepancies in their portfolio of clients.



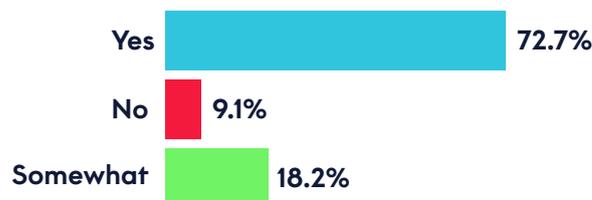
CHALLENGES & ISSUES RAISED

Lingering concerns surrounding transparent disclosure

Interviewed agencies noted that while many brands now accept the rules, some brands or influencers still express concerns that disclosing paid content may affect engagement and impact the credibility of the campaign.

Guidelines & rules enforcement vs. creative authenticity

Some of the players pointed to the need to strike a balance between providing guidelines and support to influencers in regulation compliance, while also ensuring content remains as authentic as possible.



CHALLENGES & ISSUES RAISED

Agencies under brand directions

Agencies rely on brands to set guidelines and tend to follow directions on general content compliance requirements. Some agencies mentioned that some brands did not always adhere to transparency practices; also noting that they tried to educate brands on the benefits of transparently labeling campaigns.

Balancing guidelines and creativity

Agencies and brands both recognized that there should be a balance struck between guiding influencers while also protecting their authenticity; educating and guiding influencers on best practices while also avoiding constricting them in the creative content production.

Lifting the taboo of transparency

Being transparent about conducting campaigns with influencers is key to the growth of the practice. To drive value for all parties in the market, brands and influencers alike should understand the value of being more open about their practices.

3 FOCUS

Is there enough market guidance & education on the issue of transparency?



Management Agencies

Influencer management agencies found general market education topical; they recommended existing rules and regulations be shared more widely to ensure alignment from all parties – including client brands, agencies, and influencers.



Brands & Agencies

Overall, the general consensus across brands and ad agencies interviewed is that there is not enough market guidance and education on the issue.

Yes 0%

No 66.7%

Somewhat 33.3%

CHALLENGES & ISSUES RAISED

Ensuring easy access and exposure to guidelines

Overall, agencies commented that it would help to have a simplified, more accessible set of guidelines, complementary to the NMC website's own resources.

Media coverage & awareness building

Some agencies pointed to stronger media engagement in order to better diffuse information and guidelines, and raise awareness on the topic. Some suggested this could be achieved by putting the spotlight on brands engaging in correct practices or highlighting examples of campaigns.

Yes 18.2%

No 63.6%

Somewhat 9.1%

No Answer 9.1%

CHALLENGES & ISSUES RAISED

More industry support for influencers to navigate and access rules

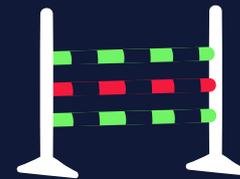
Some players pointed out that influencers could use more support, as navigating regulations was not always easy; adding that many were operating without following the rules (whether on licensing or disclosure) as a result of these challenges.

Looking out for micro-influencers as a category of content creators

Some noted that micro-influencers in particular could benefit from more support, considering their challenging status; they're not always covered by an agency or have the means to position themselves as a full-fledged influencer.

Other issues raised

The stakeholders interviewed raised a number of issues to address, to facilitate influencer marketing transparency.



1

Clarifying grey areas surrounding influencer marketing practices

▶ Barter deals & gifts

Clearer definition of how this fits within the practice of influencer marketing.

▶ Influencer categorization

Creation of new categories or a tiered licensing system fairer to small influencers.

▶ Short-term influencer permits

Facilitating short-term permits to encourage tourism promotion engagements.

▶ Restricted products & services

Clearer presentation of restricted products and general procedures to obtain approval.

2

General industry and market alignment

▶ Influencer rates & market alignment on pricing

More transparency and guiding ground rules on influencer marketing rates.

▶ NMC double-taxation & VAT questions

Increased support on VAT matters.



3

Improving collaboration with social platforms

▶ Data access on influencer track record/accounts

API access to fully assess influencers' performance and compatibility in a scientific/data-driven way.

▶ Payment equity/balance between brands, influencers, and social platforms

Equitable redistribution of marketing budget allocated via social platform..



UNITED ARAB EMIRATES: STATE OF TRANSPARENCY IN INFLUENCER MARKETING



MARKET STUDY
by

vinelab 

createvo 





vinelab 

Abed Agha,
Founder & CEO



createvo 

Rim Mecherkany,
Product Manager

“ “ We are pleased to partner with ABG and Mediaquest on encouraging transparency within the influencer marketing practice. The disclosure of paid brands and influencers collaborations is the starting point for the adoption of best practices in the industry.

While not surprising, the findings provide insights into various industries and influencers lacking transparency. Awareness can help pave the way for the adoption of higher standards of disclosure.

Scope of study



United Arab Emirates

In order to focus on influencer activity in the UAE, the sample was narrowed down to surface professional IG accounts with audiences in the UAE, to reflect both influencers and brands.

Objectives

Surveying Instagram posts published by influencers in the United Arab Emirates to detect potentially sponsored posts and partnerships and understand whether transparent labeling is effectively being followed by influencers in the market.

Approach

Detecting influencer posts that tagged their collaborations under Instagram's "Paid partnership" tag, disclosed a collaboration by adding hashtags such as #ad #ads, or mentioned brands by tagging them in the post's media or captions.

Period covered
January 2020 - June 2021

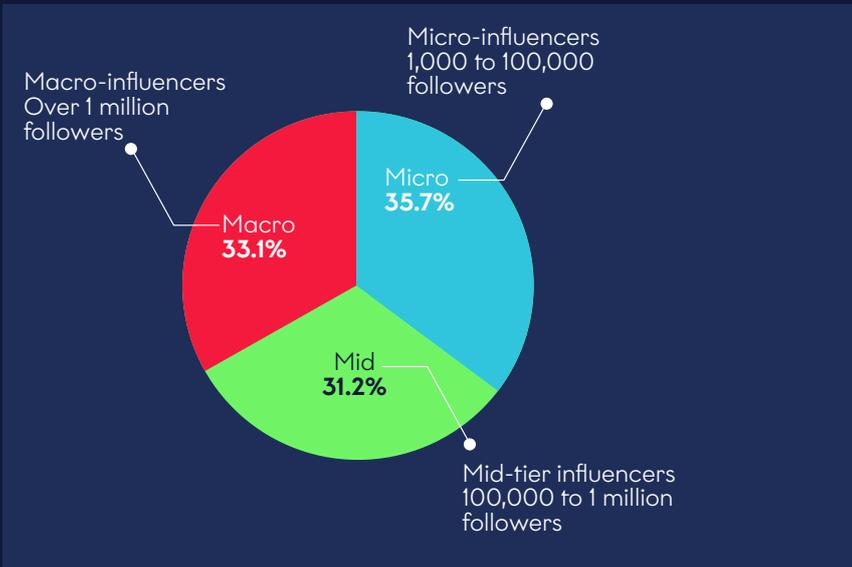
Platform
Instagram

Content
Posts format
(excluding stories)

Sample size
5,000
posts studied

Data sample

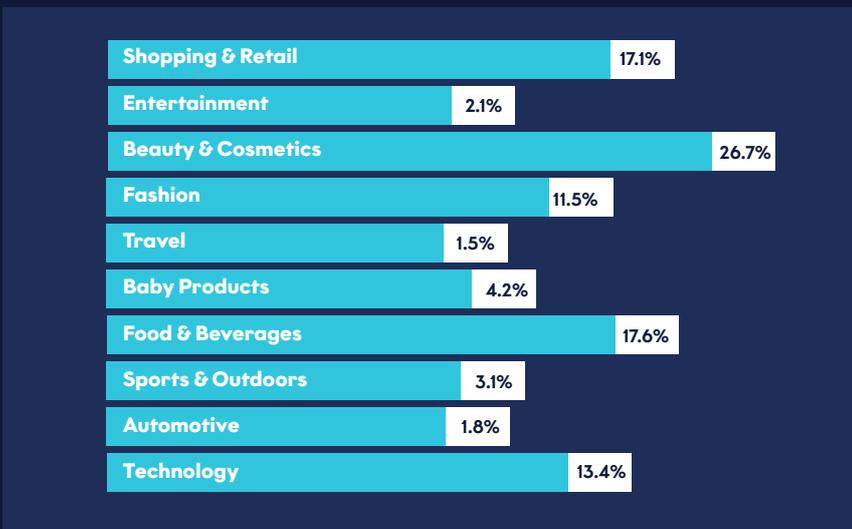
Sample by tier



“ While not surprising, the findings provide insights into various industries and influencers lacking transparency.

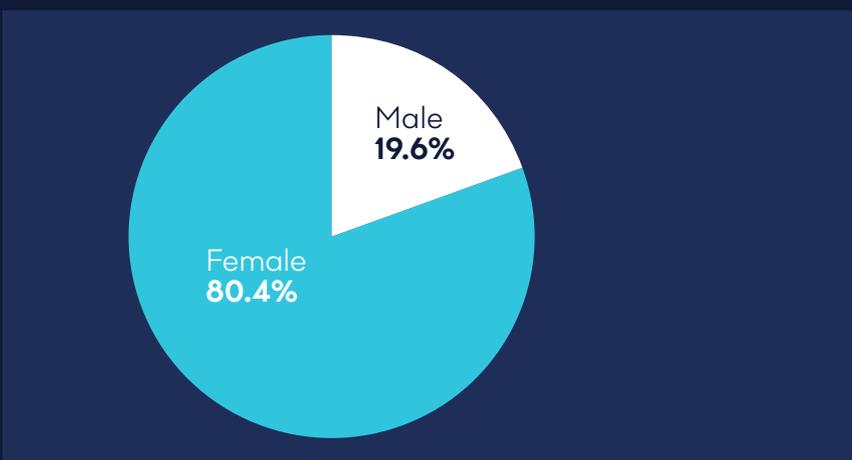
Selecting a sample of evenly divided posts by **micro-, mid-tier,** and **macro-influencers** in order to get a representative sample of influencers across all levels of the ladder and understand whether the following or level of influence made a difference.

Sample by industry



Top industries leveraging influencer collaborations include the beauty & cosmetics and **fashion sectors**, representing over a third of the sample posts (**38.2%**), but also the **shopping & retail (17.1%)** and **food & beverage (17.6%)** industries.

Sample by gender



Given that the top industries that leverage influencer collaborations on Instagram include **beauty & cosmetics and fashion**, the sample selection presented was heavily skewed towards **female influencers**, whose presence leads in promoting these industries.

Transparency criteria

By law, as mandated by the NMC's guidelines, influencers should disclose a commercial working relationship with a brand whenever compensation is offered, whether in the form of financial remuneration, a gift, or any other value exchange (free benefits, services, general exposure through brand association).

The following criteria were set following the NMC guidelines and the ABG's charter published under the LEAD initiative:

✓ Correct Labeling

Ad or Advertisement
or إعلان

Paid or Paid Partnership

Sponsorship or Sponsored

✗ Incorrect labeling or to be improved

Accumulating hashtags in a way that is hard for the audience to distinguish the label

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)

Unreadable fonts (whether due to size or color): disclosure should be easy for users to find and read

— Insufficient labeling

Gift or Gifted

In Collaboration/Collab

In Cooperation with

In Partnership with

Influencer Marketing

Thanks to

Supported by

! Methodology disclaimer

A non-exhaustive but representative sample

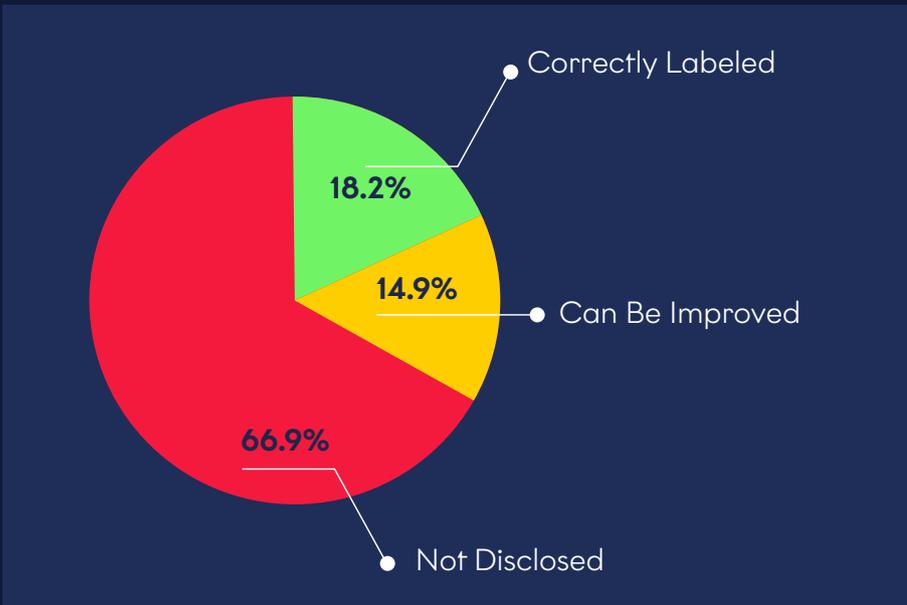
Given Instagram has grown to become one of the most popular platforms for influencer marketing since the start of 2020, this study focused on this platform exclusively, as a starting point to understand current market dynamics.

With the development and rapid growth of both social media and influencer marketing, the emergence of new platforms and formats, future reports will need to expand their scope of study.

In the meantime, it considered that posts on Instagram would provide a solid basis to help assess transparency practices on the UAE market.

Findings

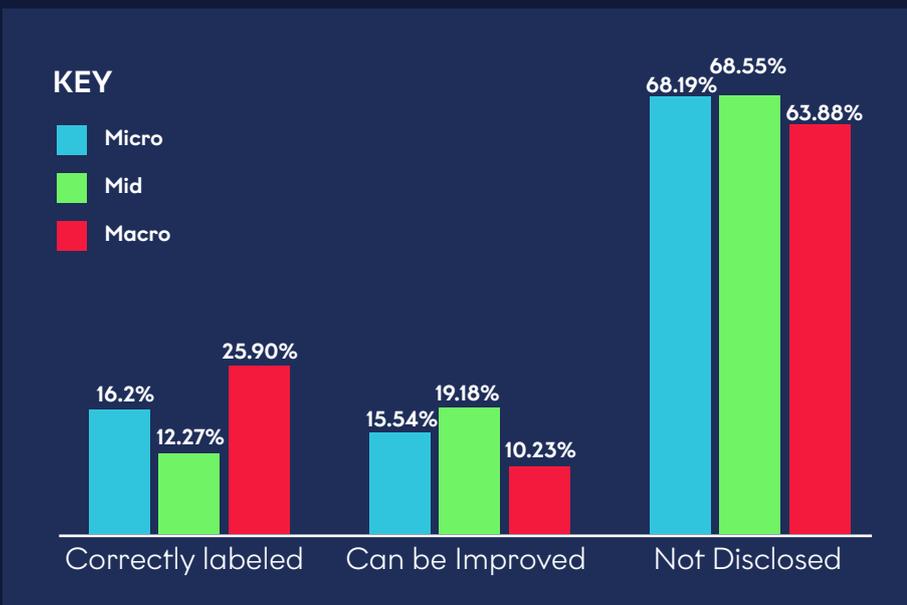
Breakdown by transparency level



66.9%

Out of the total **sample of potentially sponsored posts** collected and studied, the majority was assessed as largely undisclosed: only 18.2% appeared correctly labeled, 14.9% could be improved, while a jarring **66.9% of the posts did not effectively and transparently disclose sponsorship.**

Breakdown of transparency level by Tier



Overall, transparency was a common issue found at all levels of influencer marketing – whether micro, mid-tier, or macro, **influencers largely do not disclose their partnerships and sponsored posts transparently**, though macro-influencers had a slighter tendency of adopting transparency labels correctly.

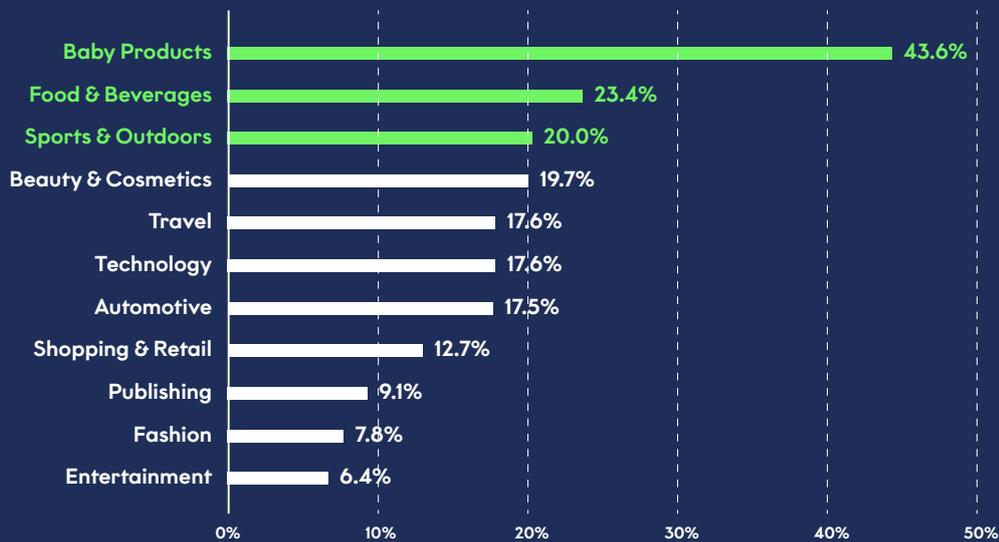
It is however interesting to note that micro-influencers are more likely to adopt transparency than mid-influencers, potentially a sign that **emerging influencers are more readily embracing new norms of influencer marketing in their practices**, as opposed to influencers that have been exercising the profession for longer.

From transparency to lack of disclosure, across industries

The top 3 of the most transparent industries include **baby products, food & beverages,** and **sports & outdoors.**

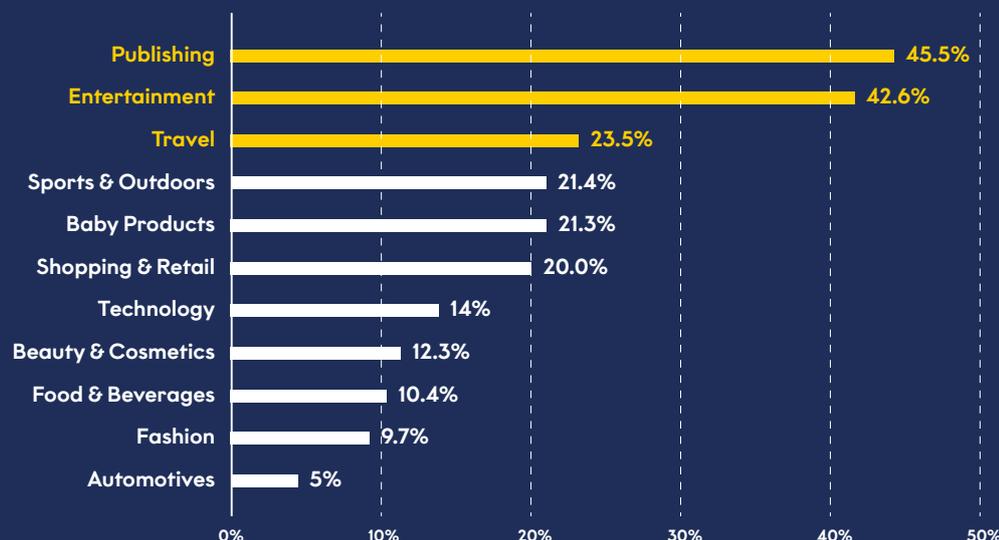
We can observe the correlation between high standards of transparency and industries where there is strong regulatory oversight of companies, such as those selling children products or food and beverages.

Correctly labeled

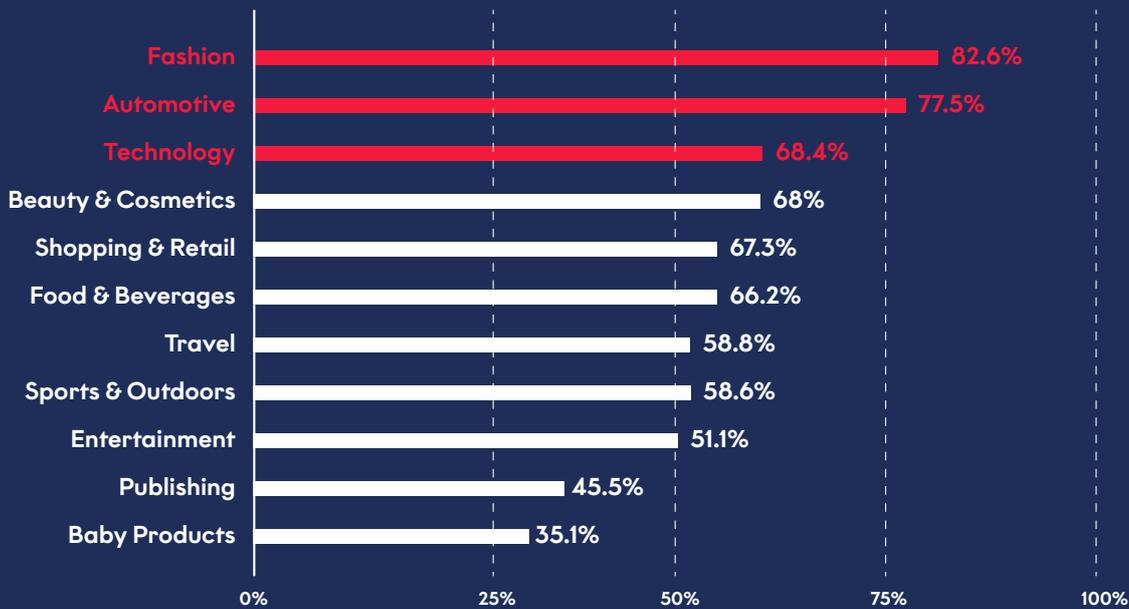


Publishing, entertainment, and **travel industries** appear to exercise a certain level of transparency, but nevertheless have much room left for improvement.

Can be improved



Not disclosed



Industries including **fashion, tech automotive,** and **beauty & cosmetics** are observed as the least transparent in the United Arab Emirates.

Jewelry brands and collaborating influencers do not disclose whether a product is being lent, gifted, or paid for, due to the traditional and historical tendency of these brands to lend or gift jewelry products to celebs.

Influencers rarely disclose whether the **tech/gadgets** products they showcase are gifted or purchased by them or whether they have earned more material gain from the relationship.

Influencers also generally refrain from total transparency when it comes to **invitations and event attendance**; they generally thank the company rather than properly disclose the material gain from the relationship.

In **e-commerce**, influencers tend to provide the coupon code without disclosing the material gain (vs. influencers in the west clearly and proudly telling their audience of the commission they receive when the product is bought through the link).

From a brand and company perspective:

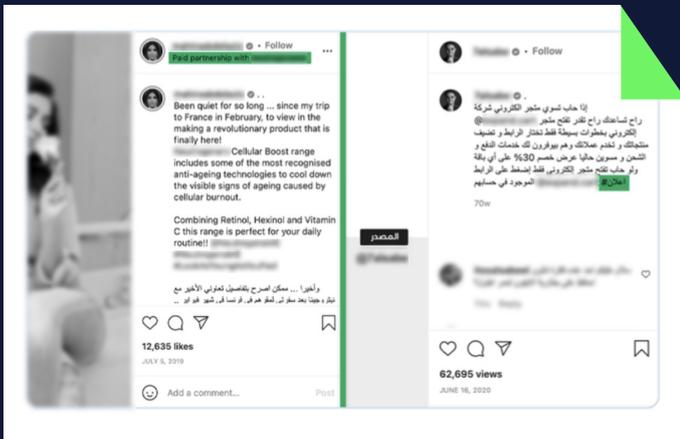
The posts studied have shown that multinational brands are more likely to adopt transparency in influencer marketing, but brands that spend more do not necessarily enforce transparency.

Overall, and with some exceptions, brands are more likely to enforce transparency than for influencers to adopt it autonomously.

We can observe the correlation between high standards of transparency and industries where there is strong regulatory oversight of companies.

Examples of post labels

Correctly labeled post



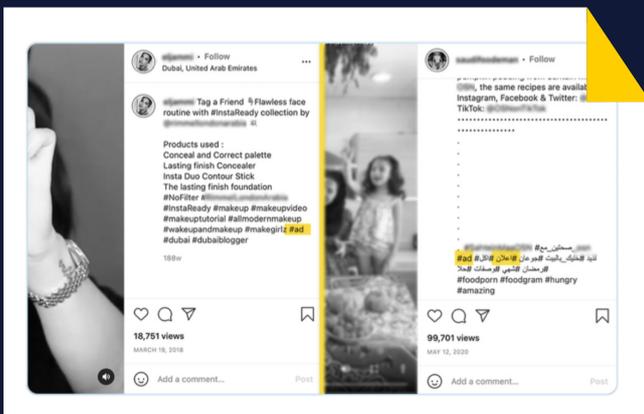
The paid partnership tag is properly utilized, or a clear hashtag presents the post as an advertisement.

“The posts studied have shown that multinational brands are more likely to adopt transparency in influencer marketing, but brands that spend more do not necessarily enforce transparency.”

Post labels to be improved

Hashtag is clear but is displayed under the “See more” level, so not directly visible to the audience.

The hashtag may also be buried in a set of other hashtags, and therefore not immediately visible to the audience.



Buried in hashtags



Under see more

Post labels to be improved

The disclosure uses language that is not explicit enough such as "Thanks to" or the term "Gift" and does not include the required #ad or #advertising.



Gifted



Insufficient labels "Thanks to"

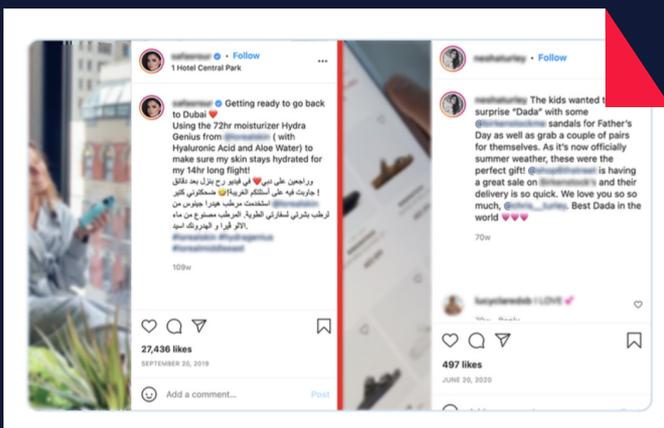


Marketing Thanks

“ Industries including fashion, tech automotive, and beauty & cosmetics are observed as the least transparent in the United Arab Emirates.

Untransparent post labels

The brand is tagged with no clear explanation of the relationship or mention of sponsorship in spite of the overtly promotional language.

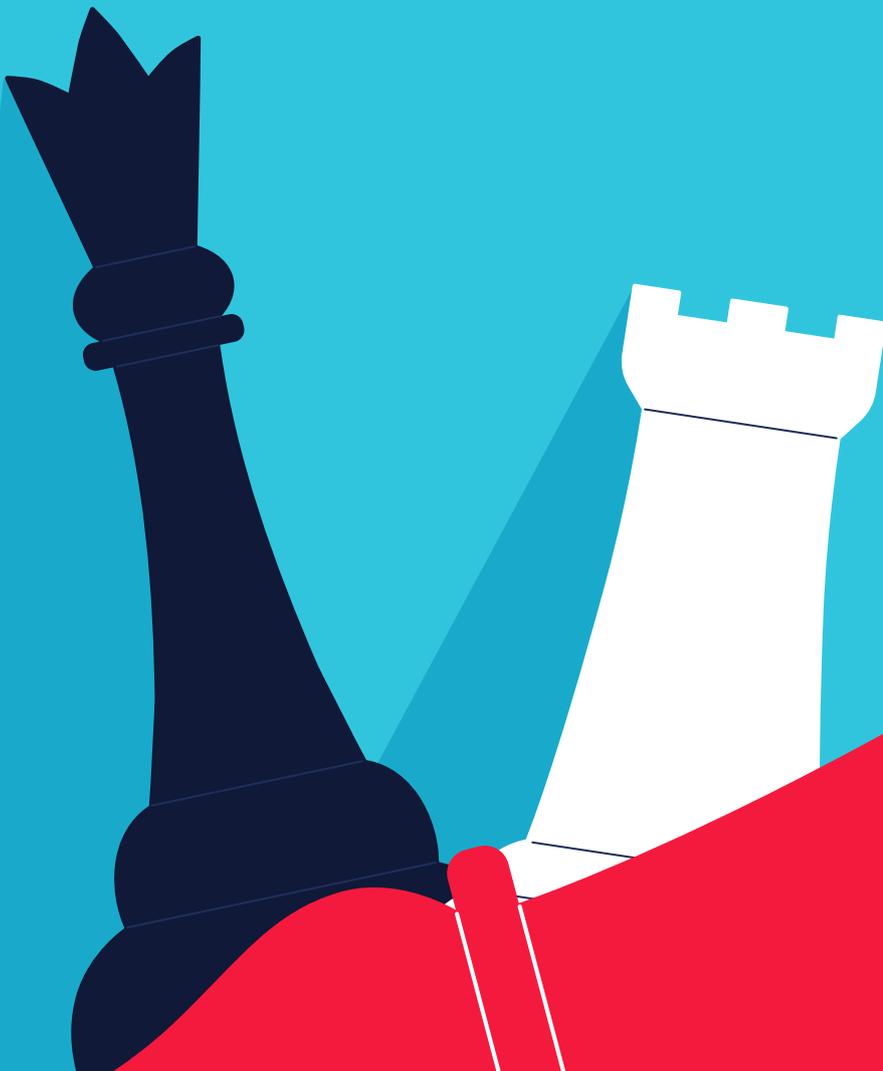


No disclosure

THE IMPORTANCE OF INFLUENCER AUTHENTICITY & CHALLENGES



brandripplr





brandripplr

Tanaz Dizadji,
Founder & CEO



brandripplr

Alma Miri,
Head of Marketing



The influencer marketing industry is the fastest growing marketing channel growing at a rate of 30% YOY. The market in MENA alone stands at \$250 million, with the GCC market leading the Middle East with the highest demand from brands and top paid influencers.

In fact, in a recent survey by BPG Cohn & Wolfe for 100 brands in MENA, 94% of brands confirmed that engaging with social media influencers benefits their brand, and 49% of brands confirmed they are currently working with social media influencers.

The importance of Transparency

Consumers nowadays are highly invested in influencers, with 85% of MENA users following at least one influencer and referring to them for brand discovery and recommendations.

With that in mind, consumers are more likely to be loyal to brands that are authentic, as they expect and want authenticity from the brands they love and want to build a genuine rapport with them. They are even more aware than ever of paid collaborations, where 73% of consumers can tell if content on an influencer's social page is paid for or authentic.

This is a key drive for both influencers and brands to be fully transparent in their collaborations, as transparency and authenticity will help brands develop trust from these consumers, generate positive word-of-mouth and build long-term relationships with loyal customers who genuinely believe in the brand, its products and services, and what it stands for.

A survey by Sprout Social for 1,000 US consumers revealed the importance of transparency, where 86% of consumers believe that transparency from businesses is more important than ever, and 73% are ready to pay more for brands that ensure total transparency.

Industry Challenges

“ With the huge rise in demand for influencers, transparency and authenticity became a major challenge for brands and influencers in the industry.

Buying followers or engagement

! Challenge

Some influencers who are looking for a quick boost in their social media platforms opt to buy either followers or engagement to quickly increase their chances for brand collaborations.

This is one of the main challenges that affect the authenticity of influencers and make it harder for brands to select the right influencer for their business.

✓ Navigating the challenge

Reputable social media agencies have developed tools to assess the influencers' authenticity by analysing their follower's count and engagement to determine if the influencer has bought any followers or engagement.

This is a key metric that brands need to take a closer look into to assess the safety and authenticity of the influencers they choose to collaborate with.



Multi-collaborations

! Challenge

Some influencers opt to accept collaborations from different brands that are considered competitors in the market and advocate for both of them, sometimes within a span of a week.

This practice creates confusion for their followers and instills distrust in their content and brand advocacy.

✓ Navigating the challenge

Influencers started being more selective with the brands they collaborate with. They tend to choose brands that they truly believe in, and would even work on long-term partnerships with brands to build a high level of trust from their followers.

These practices might include positioning themselves as brand ambassadors, using affiliate marketing or agreeing on exclusivity clauses with brands they collaborate with.



86% of consumers believe that transparency from businesses is more important than ever, and 73% are ready to pay more for brands that ensure total transparency.



Not disclosing partnerships

! Challenge

Businesses today are working in challenging markets where customers expect a high level of transparency from brands, especially when it comes to collaborations with influencers.

Not disclosing a partnership between brands and influencers may lead to skeptical consumers and affect the trust in both the brand and the influencer, especially considering that 73% of consumers can tell if content on an influencer's social page is paid for or authentic.

✓ Navigating the challenge

Consumers are more aware of organic vs. paid collaborations, which is why influencers are aiming to maintain a high level of trust and reputation, and tend to disclose any paid collaborations by mentioning it in their captions or hashtags using #ads.

Moreover, social media platforms have recognized the importance of disclosing paid partnerships for the brand's image and the influencers' authenticity, and have developed tools such as the "paid collaboration" toggle to encourage influencers to be fully transparent on any collaborations with brands.



IN PRACTICE

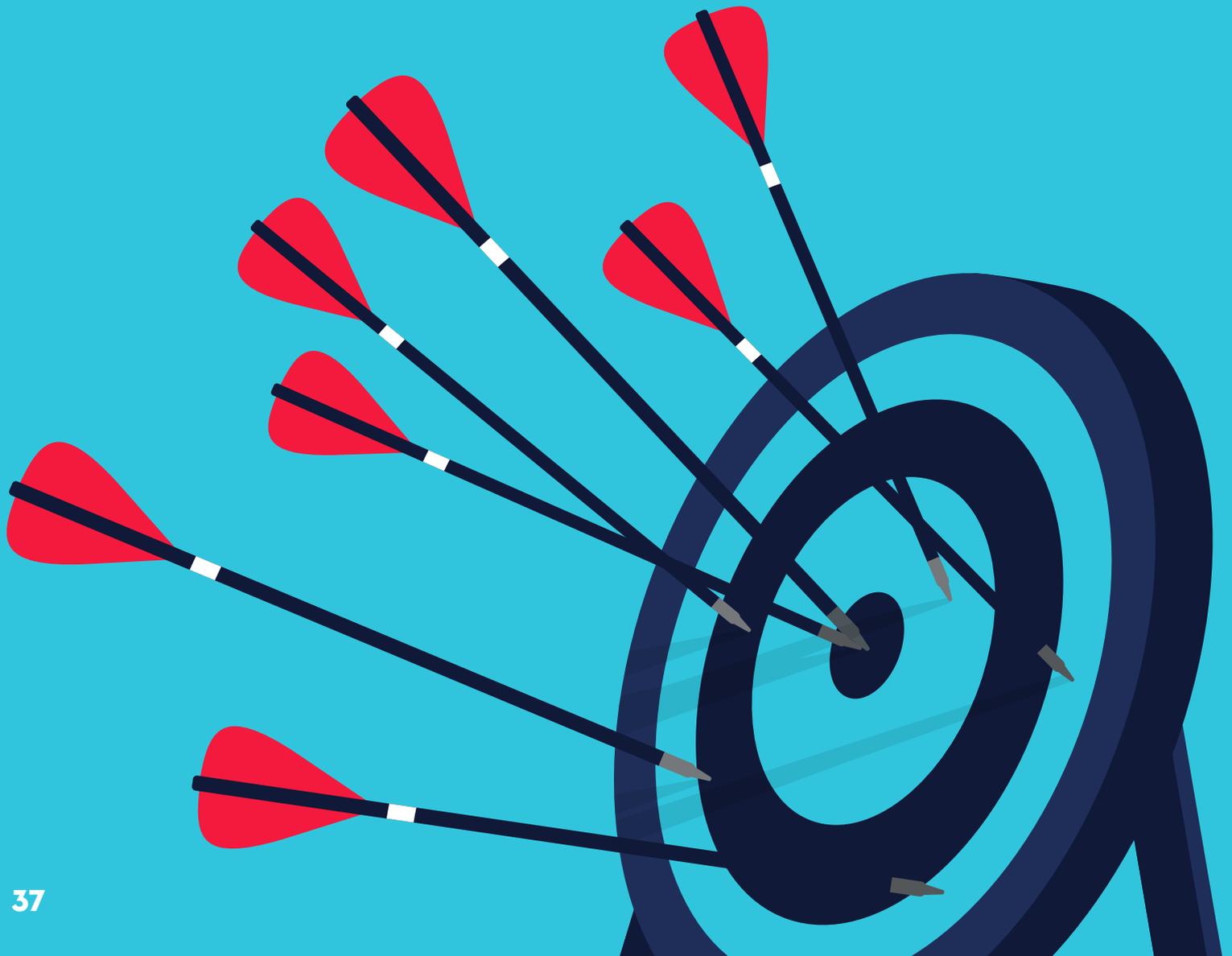
HOW TO



RECOMMENDATIONS FOR TRANSPARENCY



ABG ADVERTISING
BUSINESS GROUP



Running a transparent campaign

Recommendations from



As the United Arab Emirates' local Self-Regulatory Organization (SRO), the Advertising Business Group (ABG) considers that influencer marketing must hold itself to account, raising and maintaining standards of **creativity, transparency** and **measurement**.

Whether it is brands working with key influencers to reach their target audience to achieve short- or long-term marketing goals; or key influencers/opinion leaders including social media/vertical platform leaders, brand ambassadors, bloggers, etc., from micro to macro, **all stakeholders involved in the practice are responsible for upholding these standards** by committing to ensure:



Originally produced content

Originally produced content, adhering to the highest standards of ethics and integrity, confirming that the campaign does not engage in any activity that might be construed as plagiarism.



Transparency & clear disclosure

Transparency with clear disclosure of the sponsored content as per the National Media Council's Cabinet Resolution No. (23) of 2017 on Media Content (including the mandatory hashtag #ad #advertising and following the recommendations outlined in the ABG charter).



Data-driven analysis

Measurement based on transparent data of the campaign's results.

Methodology for a transparent & efficient campaign

Overall, when hiring an influencer for a marketing initiative, ABC recommends adopting the following methodology for a transparent and efficiently run campaign:

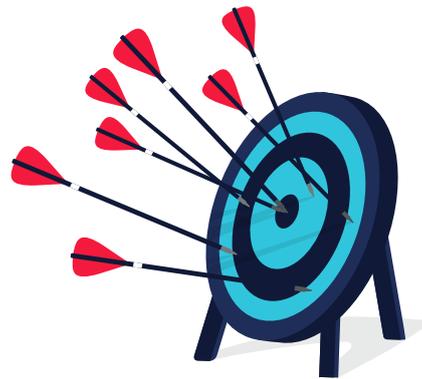
1 Set clear objectives and goals

Plan for your campaign and collaboration by doing your research on current best practices and campaigns.

Share a clear brief covering your objectives and goals for the campaign or activity, including the KPIs you plan to set to measure the success of the campaign.

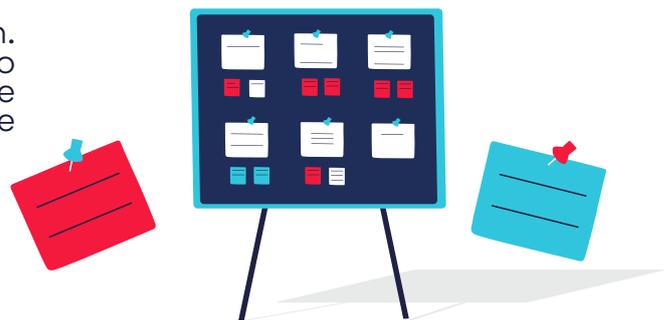
Include a strategy identifying your audience and the reasons why the influencer is important to your audience.

Highlight what the influencer can do for the audience, how they can carry out marketing activities, and how they can impact consumer behaviors to benefit your business.



2 Adopt a strong campaign management plan

Set a clear campaign management approach. Research tools and technologies you can use to monitor the campaign's progress and tackle your objectives, and agree on them with the influencer.



3 Define your execution approach

Agree on what methodology the influencer is going to use to execute your campaign; what creative and/or innovative approach, meeting or exceeding best practices, the influencer will use to help your company stand out.



4 Ensure regulatory compliance and transparency

Always ensure you are aligned with local regulations: is the influencer in line with the UAE's regulatory requirements? Was the influencer transparent and was there clear disclosure throughout the campaign of the sponsorship, and in what forms?



Elements to review include



Influencer license

Ensuring that UAE-based influencers are properly licensed or, if not, that the campaign must be voluntary or non-financially remunerated, in adherence to the NMC requirements.



Transparent labeling

Acceptable labeling disclosure (the NMC requires using clear hashtags: "#ad" or "#paid_ad" in all advertising social media content).



Formats

Consistent transparency and disclosure across the campaign and applicable to all formats (images, stories, videos, streams, etc.).



Sensitive Products

No sensitive products (alcohol, tobacco are forbidden; health & medical, education, real estate, Hajj & Umrah campaigns, with approval of relevant authorities).

5 Focus on data-driven results

Cross-reference back to objectives and set clear goals and KPIs for your campaign.

Results to consider include



Average reach

Audience demographics/
success rate with a demographic



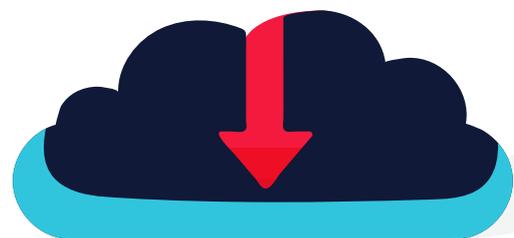
Average impressions

Average traffic to
website per post



Post engagement

Average conversions
per post



BLUEPRINT FOR A COMMUNITY-LED INFLUENCER DISCOVERY PROCESS



presented by

createvo



Blueprint for a community-led influencer discovery process

Implementing a community-led approach to influencer discovery, and collaborating with influencers at a community level allows brands to measure the impact of their campaign efforts more easily, and further encourages authenticity and transparency at all levels of influencer marketing campaigns.

Createvo shares its 3-step blueprint to help brands adopt a community-led influencer discovery process:

1 Cultural Territories

Interests

(Audience & Creator)



Keyboard & topics



Type of content that works



When identifying the influencers, it is imperative for brands to first identify communities, or "cultural territories" within which the brand can play a positive role.

To do so, brands should qualify the relevance of the community, and quantify the scale and the potential for that community to drive the brand.

2 Influence Dynamics & Map

Community-Specific Influence Dynamics



Top Experts

Top Curators

Top Storytellers

High Resonance Circles

What are the community specifics and influence dynamics?

Understand the role different types of influencers play within the communities and identify those with high resonance.

3 Influencers

Customer Matching Persona



High Viewership & Engagement Scores



High Audience Affinity (Matching Audiences)



Last comes the influencers selection: do the influencers align with the brand plan, based on insights into the relationship they have with their audience?

Consider the influencers' values, content, reach, resonance and reactions.

Impact

Repeatedly collaborating with influencers in defined communities over extended periods of time will allow brands to reinforce the positive role they play within these defined communities.

It encourages all parties to be open about their collaborations, and transparency ultimately becomes easier to adopt for all parties.

FOSTERING AUTHENTIC INFLUENCER MARKETING COLLABORATIONS



presented by
brandripplr



Fostering authentic collaborations

In order to choose the right authentic influencer, brands should keep the below key points in mind to create transparent content in their collaborations:

▶ Look beyond the following size



When choosing the right influencer for collaborations, brands shouldn't be swayed by the influencer's high number of followers. Instead, they should focus on choosing influencers who are authentic in their content and not commercial.

▶ Allow for honest reviews



In order to ensure authenticity in the content, brands should allow influencers to review the products with honesty and give them the freedom to be transparent in their content, such as mentioning who the product isn't suitable for.

▶ Focus on product benefits



Brands should choose influencers based on the product's benefits that suit the influencer's requirements and personality. For example, if an influencer has dry skin, brands shouldn't let them promote skincare products for oily skin, as this would impact the brand's and the influencer's authenticity.

▶ Disclose paid collaborations



Brands should allow influencers to be fully transparent and clearly state that this is a paid collaboration through tools such as the IG paid collab, hashtags, or in their captions. This will help the brands build a level of trust from the influencers' followers.

▶ Choose the right profile



To effectively communicate the brand's message to the right consumers, brands should choose an influencer who has aligned beliefs and values with the brand. For example, a vegan influencer would not be able to create authentic content promoting a steakhouse.

TAX CONSIDERATIONS FOR INFLUENCER MARKETING



Q&A



Choueiri Group





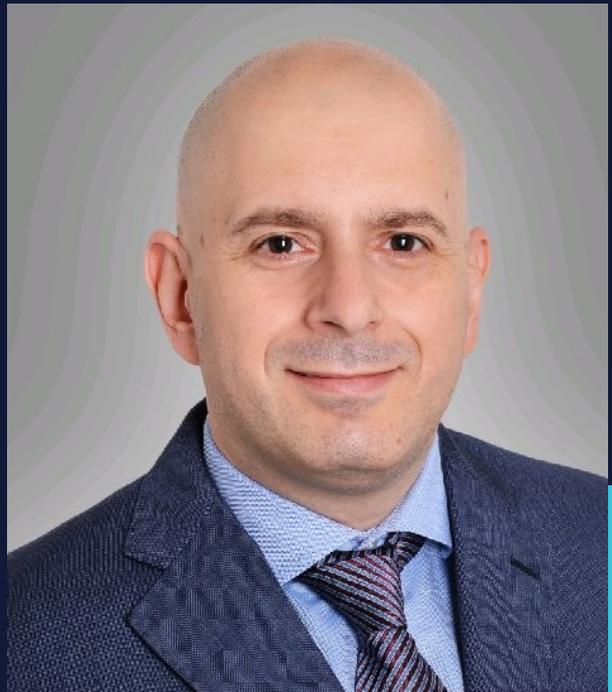
ABG ADVERTISING
BUSINESS GROUP

Julien Cordahi,
Deputy General Counsel,
Legal Officer



Choueiri Group

George Hoyek,
Finance Manager



Value Added Tax (VAT) Law in the United Arab Emirates

1. Should I register for VAT?

A You are a UAE Resident

- 1 Making taxable supplies greater than AED 187,500 within the last 12 months or are expected to exceed that threshold in the next 30 days; or**

You may voluntarily register for VAT and are expected to be able to prove your turnover (e.g. by keeping your invoices etc.);

- 2 Making taxable supplies equal to or less than AED 187,500 within the last 12 months and are not expected to exceed that threshold in the next 30 days; or**

You may not register for VAT, however, you should keep an eye on your turnover just in case it is expected to exceed the threshold in the next 30 days;

- 3 Making taxable supplies equal to or less than AED 375,000 within the last 12 months and are not expected to exceed that threshold in the next 30 days; or**

You may want to consider a voluntary registration for VAT (if you meet the conditions under A-1) especially if you expect exceeding the threshold for mandatory registration, as the risk of getting fined will increase significantly the closer your turnover gets to the AED 375,000 threshold;

- 4 Making taxable supplies greater than AED 375,000 within the last 12 months or are expected to exceed that threshold in the next 30 days**

You must register for VAT within 30 calendar days of reaching the mandatory registration threshold or risk getting fined by the FTA.

B You are not a UAE Resident

1 Billing to a VAT-registered person; or

No need to register since billed person will file the output VAT on your behalf in their reverse charge process;

2 Billing to a non VAT-registered person in the UAE

Even if AED 1.00 worth of consideration is charged by the influencer/ artist, VAT registration becomes mandatory as per the Executive Regulation;

NB

The fine for violating the mandatory registration requirement is AED 20,000 + 5% retroactive from the mandatory registration date.



2. What is a Taxable Supply?

Any service or deliverable supplied in her/his capacity as an influencer/artist in return for anything of value, whether cash or in-kind, even if such supplies do not fall within the scope of their core artistic or influencer marketing activity;

Examples:

1. Online promotional activities carried out on behalf of other businesses (such as brands) for a consideration (not necessarily paid in cash), such as:
 - (i) Promoting a product in a blog/vlog;
 - (ii) Creating a video;
 - (iii) Promoting a business in a post on social media;
2. Any physical appearance or activations relating to marketing or advertising;
3. Granting access to the network of other social media influencers on social media;

NB#1

You should always be able to substantiate transactions for personal use/enjoyment done outside of your activity (in the broader sense).

NB#2

Certain transactions are considered "out-of-scope" such as "electronic services" where such services performed are "used and enjoyed" outside the UAE.



3. Any Correlation between Tax Residency and UAE Residency?

Tax residency is not necessarily linked to having a UAE residence permit. Having the latter automatically qualifies as Tax residency if the taxable supply is performed in the UAE.



4. What is my Post-Registration To-Do List?

You will be expected to do the following:

1. Issuing tax invoices as per the requirements of the VAT Law;
2. Maintaining proper accounting records;
3. Declaring VAT in compliance with the provisions of the VAT Law (mainly quarterly) even if no supplies are made during a specific period (bearing in mind that a deregistration obligation may apply if the mandatory registration or the voluntary registration conditions are not longer met);

NB

The minimum fine to apply for violating any of the above requirements is AED 1,000 for the 1st quarter and AED 2,000 for any subsequent violation;

5. How are Barter Deals Treated?

Barter deals (where no monetary consideration is due for your services or deliverables but only an in-kind compensation) are treated exactly the same way as paid-supplies. The value of your supply in a Barter deal is calculated as per its fair market value and 5% VAT will apply to such supply.

6. Can I claim input VAT?

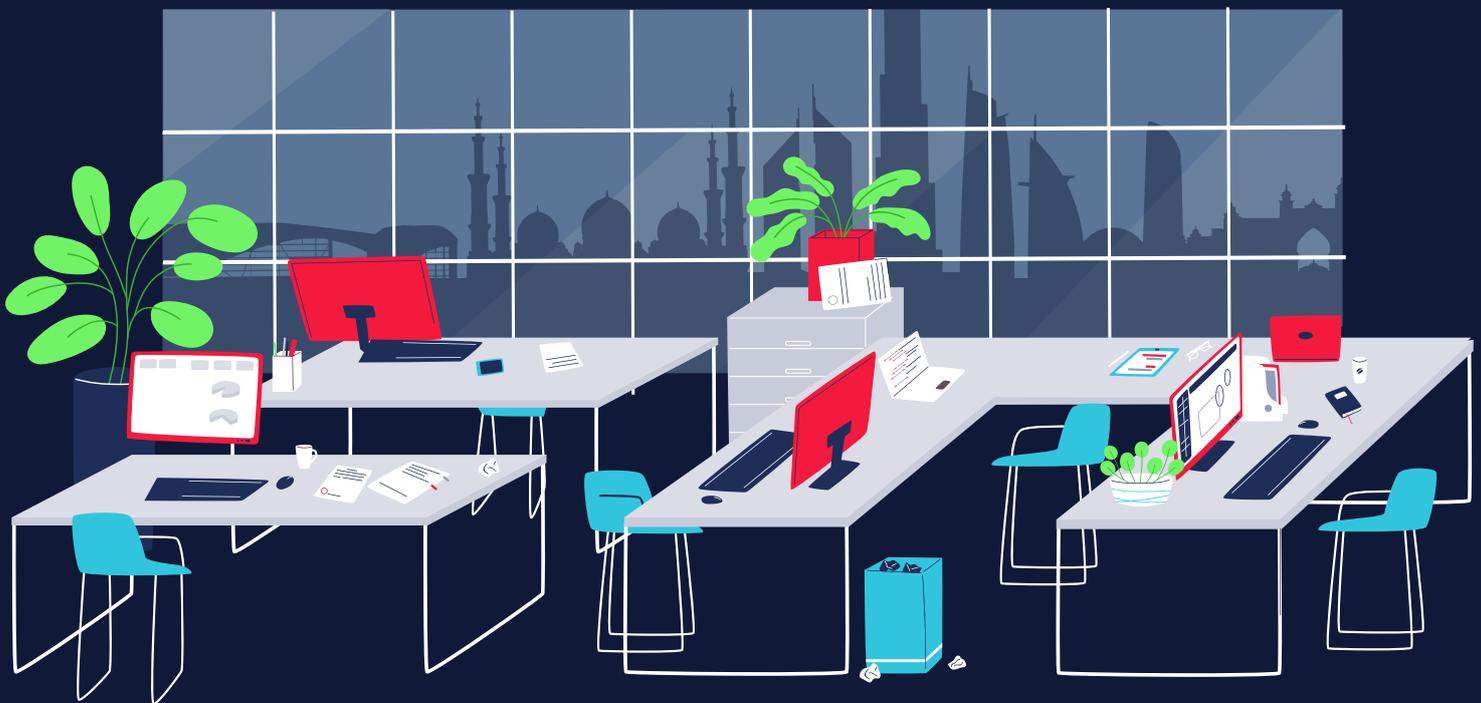
Yes, but the scope is limited and the condition is to establish that the supplies received were strictly related to the business. For example input VAT on entertainment services received by the influencer for his business can be claimed back if the influencer can show such expenditure was strictly and exclusively incurred for the creation of her/his content, in other words showing that it was not for her/his personal enjoyment. e.g. renting out a venue and hiring a band for the video vs. buying a mobile phone to film the content with.



NB. Advice for Influencers / Creators carrying on their commercial activity through a Limited Liability Company they own.

It is advisable that Influencers/ creators sign services agreements or employment agreements with their own entities (this does not apply to establishments) and receive their compensations by virtue of such agreements in order to segregate their commercial activities from their personal ones and to avoid widening their tax exposure by clearing any confusion between the entity's income and theirs as influencers.

As a general advice, influencers and creators are strongly recommended to consult with auditors and tax consultants in relation to their activities and obtain legal advice to better understand the rules and regulations applying to them and their activities and ensure such activities are compliant with applicable laws.

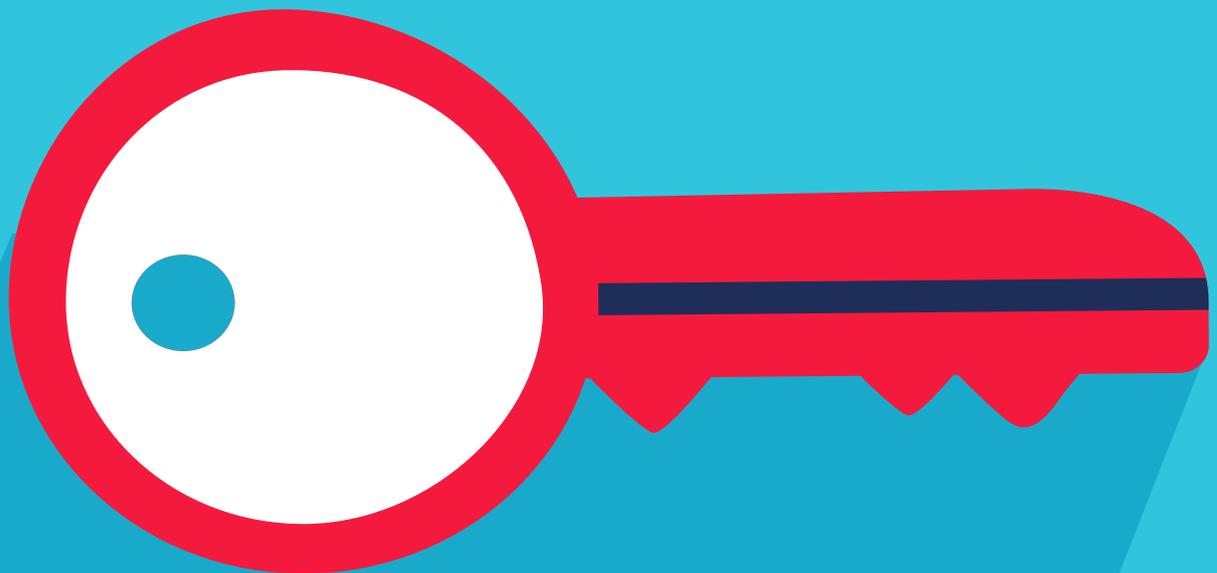


INFLUENCER CONTENT OWNERSHIP



PRESENTED
by

CWB





Who owns influencer content?

CWB

Cameron Crawford,
Partner, Head of Technology,
Media & Entertainment

In the UAE, when discussing the legal issues surrounding influencers, common topics include compliance issues, such as how influencer regulations will shape brand positioning in social media posts, and whether online activity complies with the recently updated UAE cybercrime laws.

However, one question is often overlooked in the context of influencers; **who owns the content?** This issue, fundamental to the media industry, can be key to the success of a campaign and to effective control over brand exposure.

In a conventional influencer post, there are **three principal parties involved**. There is **the brand, often acting via an agency**, paying for the brand exposure. Then there is **the influencer**, possibly supported by a photographer or videographer, creating content and using the goodwill in their public persona and social media channels to contribute to the brand's elevation. Last but not least, there is **the platform** on which the content is posted, using software and global reach to enable access to a vast audience.

While the origin of the **works and creators' rights** (known in law as '**authors' rights**') may at first appear peripheral to in the arena of social media posts, which are short-lived in value compared to sellable works such as motion pictures and songs, **they can be pivotal to brand protection and effective use of marketing budgets.**

Under UAE law, at the point of creation, **the person creating the works (such as photographs and video footage) is the owner of the copyright.** Therefore, the default position appears to be that the influencer owns all intellectual property the post. However, this is not the full picture. Or video.

If the influencer has engaged a photographer or videographer to make the content, **the photographer or videographer owns the content.** To acquire the rights needed to post the content on social media channels, the influencer needs **a signed, written contract to transfer the intellectual property** in the content or, alternatively, a written licence to use the content.

Author's rights with respect to creative works will consist of two types of rights: Economic rights and Moral rights.

► **Economic rights**, addressed under UAE law by Article 9 Federal Decree-Law No. 38/2021 On Copyrights and Neighbouring Rights (also known as the "UAE Copyright Law"), are rights that protect authors' economic interests, allowing them to generate income from exploitation of the work.

In a 'work for hire' situation, where the author is paid to transfer intellectual property to a commissioning party (such as screenwriter engaged to work on a motion picture UAE **Copyright Law requires that such a transfer must be made by written agreement.**

In the absence of such agreement, these rights remain with the author. Where the intention is that the influencer owns the content, all other parties in the content creation process should formally assign the rights, in writing. This process is necessary for the influencer to be able to use the content and, where applicable, to permit brand owners and agencies to use it.

► **Moral rights**, guaranteed under **Article 5 of the UAE Copyright Law**, are rights that enable an author to protect the integrity of their work, maintaining a bond between their personality and the works they create.

They are unassignable, meaning that even under contract, they cannot be transferred or purchased. In extreme cases, moral rights have been asserted to withdraw films, books, and other works from public circulation, an expensive outcome for the studios, publishers, and other investors.

While the UAE Copyright Law is silent on the subject, **standard practice in the media industry is to secure a waiver of moral rights**, i.e. an assurance from the creator that they will not be enforced.

Failure to properly address both economic rights and moral rights carries an inherent risk that at any time, a party involved in the creation of the content may be within their rights to request removal of a post or an entire campaign from social media platforms.

One final aspect of influencer content that is often overlooked is the presence of the brand itself in the social media posts.

In the context of significant investment in marketing and brand protection, brand owners and agencies should take a robust approach to agreements with influencers. Not only are these contracts necessary to manage key operational and commercial risks, such as managing compliance issues and setting expectations on how and when posts are made, but - more significantly - **a well-drafted influencer marketing agreement enables control over how the brand is presented in the public domain.**

The influencer **will need permission to use the underlying brand trademark** as well as the **various forms of intellectual property in product and packaging design**, and such permission should be subject to clear limitations and reserved rights of approval. This provides both parties clarity and ensures that, if things do not go as planned, the content can be pulled from circulation while the issue is resolved.

Therefore, in answering the question posed in the title of this article, a conclusion can be reached: it may not be necessary to own the content featured in influencers' posts as long as the influencers have cleared the rights correctly.

Brand owners and agencies should deploy **sound contract management** and a **well-devised trademark registration strategy** to protect their brands in the sphere of influencer marketing.

TECH & TOOLS



FOSTERING TRANSPARENT CREATION



INCLUDES PAID PROMOTION

INCLUDES PAID PROMOTION

INCLUDES PAID PROMOTION



Fostering transparency

YouTube's paid promotion label



Tarek Amin,
Director, MENA,
YouTube EMEA

"YouTube creators foster a powerful relationship with their communities. There's a degree of trust between the creator and the person watching, which is why it's pivotal that they are transparent when a brand sponsors a video or pays for having their product or service featured in their content.

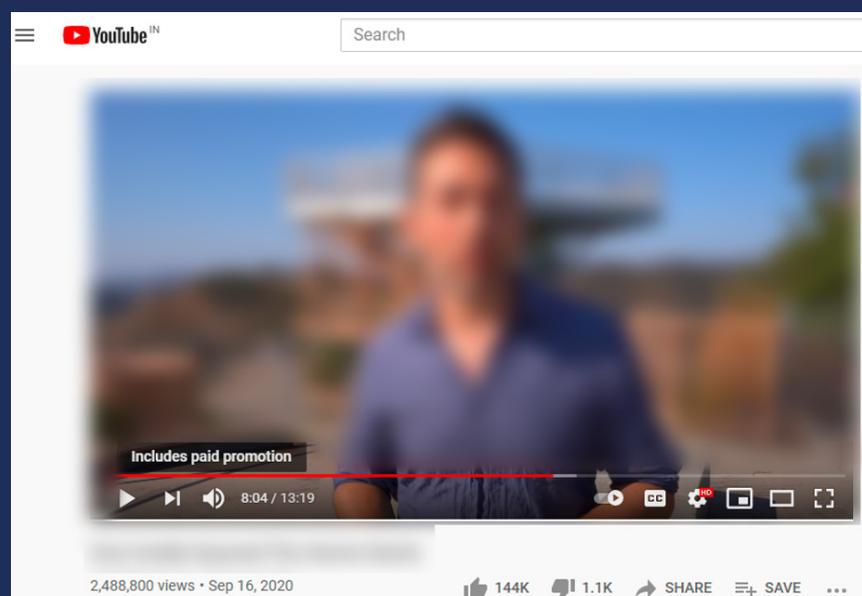
YouTube has a feature that allows creators to mark if a video contains sponsored materials, which shows a disclosure message at the beginning of the video to viewers. This label is visible to viewers if creators declare that a video contains sponsored content before uploading their videos in a feature we provide creators.

Ultimately, creators and brands are responsible for understanding and fully following legal obligations to disclose paid promotion in their content according to their jurisdiction, which helps brands maintain the relationship that exists between creators and their communities."

When a creator indicates that a video includes paid promotion, YouTube may replace an ad that conflicts with the brand partner with an alternative ad.

Additionally, videos indicated to contain paid promotion are removed from the YouTube Kids app in line with YouTube's existing policies.

For users, the paid promotion label would appear as indicated here:



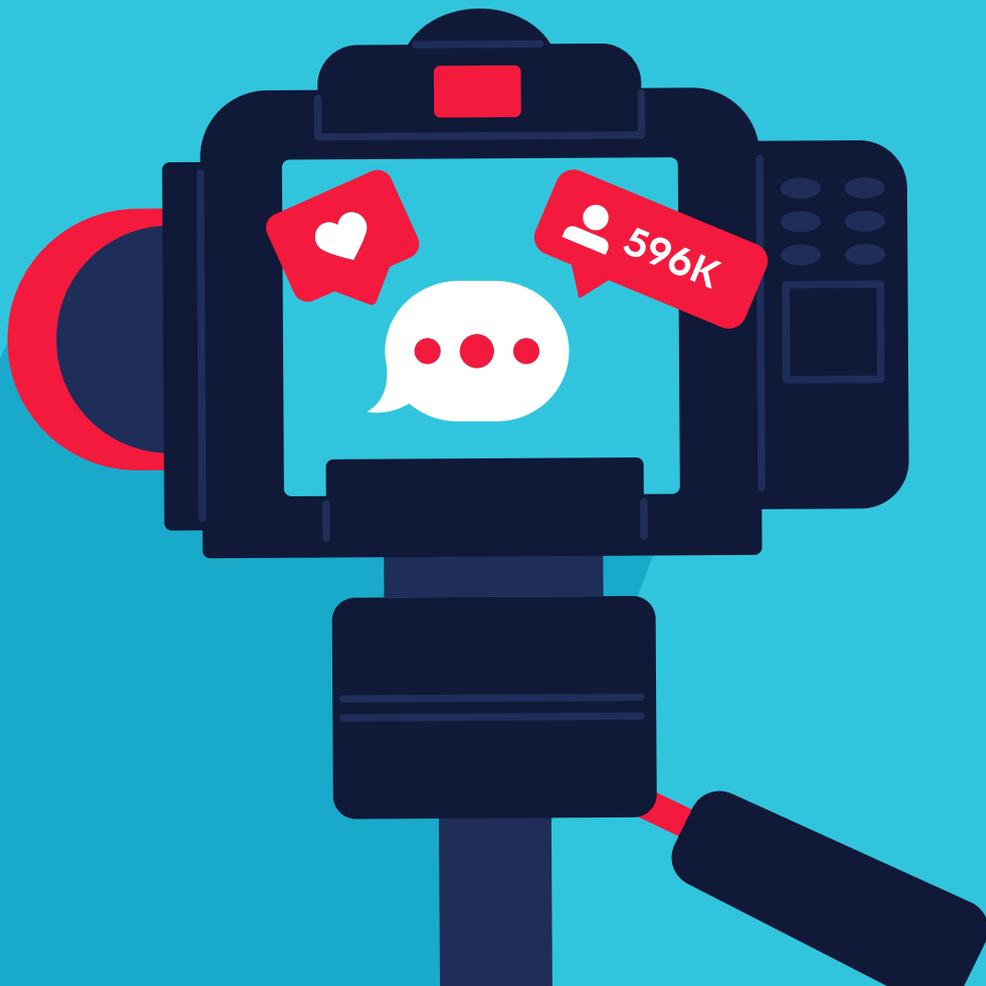
PERS- PEC -TIVES



IN THE WORDS OF INFLUENCERS



presented by
brandripplr



Influencer perspectives

Why Transparency?

Presented by brandripplr



Dima and Chaza
@dimaandchaza



154K

followers

Parenting

category

What does it mean for influencers to be transparent when they collaborate with brands?

Transparency is at the heart of influencing people. Our work in the influencer marketing industry is fully built on honesty and trust, not only with our audience but also with the brands we associate ourselves with.

Being transparent with the brands we work with creates a win-win situation for both parties. It allows us as influencers to truly understand the aim and direction of the brand, and it increases productivity and creativity. It also helps an influencer establish an honest relationship with the brand, hence working to their greatest potential. As for brands, an influencer's honesty will help them understand the way they feel about a certain product and better assign ambassadors who are willing to take over the task, with their minds at ease.

How important is transparency in today's influencer marketing industry?

It is very important nowadays to be transparent with the brands we work with and the people we inspire/influence. Once people start to feel that the person that they're following isn't being real and transparent, they are going to unfollow and never be impressed by him/her anymore.

Have you ever collaborated with a brand without disclosing that this is a paid collab? If so, what were the reasons?

No, I tag almost any brand I work with because it is exactly what I'm here for. I want to show my followers every good product which can make their lives better lived and loved!



Baraa Sabbagh

@baraaelsabbagh

100K

followers

Health and Fitness

category

What does it mean for influencers to be transparent when they collaborate with brands?

Transparency means that influencers should be honest with the brand and their audience about whether they actually use the product they are promoting. Personally, I would never promote a product if I don't like it, believe in it or use it.

How do you ensure you are being transparent and authentic when collaborating with brands?

Being transparent is very important to build trust with your audience, because once you promote something that is not actually great you are going to lose your audience and the influence you have on them. This does not apply only with our audience, but also with the brands we associate ourselves with.

At the same time, if you are not transparent with the brand, you are not being authentic to yourself and your message. Oftentimes I share my perspective with the brand and what I believe truly works with my followers. I would not promote something solely based on what the brand's message is. I have to be honest from the start with my communication and what message I am willing to share with my followers.

Have you ever collaborated with a brand without disclosing that this is a paid collab? If so, what were the reasons?

Disclosing that it is a paid collaboration with my audience is not something that I always do, as I believe that my audience tends to know when it is a paid collaboration, and can tell when I'm super genuine about a brand versus when I do not believe in it.

There is no specific reason why I don't like to mention when the ad is paid, because it can come off as sales or sometimes people can disregard it and not pay attention to it.

I would not promote something solely based on what the brand's message is. I have to be honest from the start with my communication and what message I am willing to share with my followers.



Durjoy Datta

@Durjoydatta

 **596K**
followers

Lifestyle
category

What does it mean for influencers to be transparent when they collaborate with brands?

Influencers need to be upfront about the kind of audience they have, and whether there's synergy between the brand in question and their own image. To pick up brands that don't fit dilutes the impact and trust from the followers in the influencer marketing industry

How important is transparency in today's influencer marketing industry?

Transparency is everything, especially since it's an industry on the rise. Influencers and PR agencies need to make sure it's a positive-sum game, and that won't be possible without the brands, influencers, and PR agencies being on the same page with the goals they are aiming to achieve.

How do you ensure you are being transparent and authentic when collaborating with brands?

I am quite certain of what my audience wants from me – the kind of product recommendations they are looking for, and the kind of content developed around it. I choose to work only on brands/products that fall in line with my audience.

Influencers and PR agencies need to make sure it's a positive-sum game, and that won't be possible without the brands, influencers, and PR agencies being on the same page with the goals they are aiming to achieve.

BRAND CAMPAIGN PAID PARTNERSHIP: ENGAGEMENT IMPACT



PRESENTED
by

P&G

PAID PARTNERSHIP WITH

PAID PARTNERSHIP WITH

PAID PARTNERSHIP WITH



Paid partnerships: Driving brand credibility and trust



Deepa Vaidyanathan,
Senior Communications
Director Asia Pacific,
Middle East and Africa



As a principle, every P&G collaboration with a key opinion leader or influencer is declared transparently as a paid partnership.

This has not impacted the perception of authenticity or credibility because our choice of influencers and their mutual choice of our brands has to match.

We find on the contrary that declaring paid partnership continues to drive our brand credibility and trust.

In fact, our latest Pampers campaign with the "Paid Partnership" tags on every post measured +6X more intention to buy the product than industry average.

Brand lift tests Results	CPG Norms*	Pampers Campaign
Action Intent Lift	+0.6pts	+4.0pts

INTERNATIONAL OUTLOOK





icas  International Council
for Ad Self-Regulation

**The International Council for Advertising
Self-Regulation (ICAS)**

www.icas.global.com

Sibylle Stanciu-Loeckx
Director

We applaud the work done by ABG on Influencer Marketing with the launch of the Influencer Marketing Transparency Charter last year and the follow-up research detailed in the present report.

It is a great example of the value of advertising self-regulation. It not only provides clear guidelines for the industry, but also measures transparency levels and helps educate the industry as well as influencers. This in turn helps create more responsible advertising which leads to a higher consumer trust which in turn is essential for a healthy ecosystem.

The benefit of the self-regulatory system for advertising is that it has always kept an eye on technological innovations. Both, to make sure that all new forms of marketing techniques are covered by the codes, and to employ new technologies to ensure better compliance with the codes or standards.

With the emergence of influencer marketing, most SROs across the globe have swiftly developed clear guidance for influencers and marketers to make platforms a more transparent and trusted place for everyone. Some SROs have also invested in a technological approach to monitor social media platforms and influencer marketing with the use of algorithms and Artificial Intelligence.

The International Council for Advertising Self-Regulation (ICAS) is a global platform that brings together the SROs and the advertising industry at a global level to foster information and best practice exchange. The discussions around responsible influencer marketing have been one of the most fruitful exchanges leading to robust advertising standards at national level based on international best practice and to exemplary collaborations between the SROs.

With spending on influencer marketing growing and expected to reach \$15 billion by the end of 2022*, advertising self-regulatory organizations across the globe are well prepared to ensure that this growing industry becomes more responsible, transparent and trusted worldwide.



See the year-end report by influencer platform Collabstr:
<https://www.collabstr.com/2022-influencer-marketing-report>



The European Advertising Standards Alliance (EASA)

www.easa-alliance.org



Lucas Boudet
Director General

EASA, together with its members, has always strived to ensure the relevance of ad social responsibility, by helping develop and promote best practices in the light of new and emerging practices.

In this spirit and following the lead of several European SROs which established new rules for influencers, EASA issued back in 2018 its Best Practice Recommendation (BPR) on Influencer Marketing, which provides further guidance to complement national advertising codes and the ICC Advertising and Marketing Communications Code which apply to all forms of advertising.

The BPR emphasises that any form of influencer content, generated against any form of compensation and in agreement with the brand, must be clearly identified as marketing communications. In this context, influencers are third-party endorsers who shape audience attitudes through posts, tweets, and other social media platforms. Accordingly, social media transparency disclosures should be clear and instant. However, they can vary from platform to platform, and every party involved in the creation of content is required to make their role transparent.

EASA SRO members have taken a number of additional steps to ensure transparency. They provide insights, conduct training workshops, and advise, guide, and instruct brands, media owners, and influencers about best practices for influencer marketing. For instance, in France, a "certificate of responsibility" is granted to influencers who successfully complete a test on the rules for influencer marketing. This helps local influencers produce marketing posts and videos in line with high ad standards and in turn ensure that their content is legal, decent, honest, and truthful.

"EASA and Self-regulatory organisations in Europe have developed guidance to ensure the proper application of advertising and transparency standards to influencer marketing, ultimately helping to foster trust, which is paramount for consumers, brands, and influencers alike."



Ed Senior
Compliance
Executive



Victoria Bugler
Senior Compliance
Executive

The Advertising Standards Authority (ASA)

www.asa.org.uk



Our first ruling about ad disclosure on social media was back in 2014 when we upheld a complaint that a vlog did not adequately convey to consumers that they were engaging with a marketing communication by Mondelez UK Ltd.

We have conducted Ad Labelling research to gauge consumer understanding in this space and continued to produce a collection of clear ASA rulings about disclosure which help inform industry and improve labelling practices generally.

We have also produced a wealth of guidance on ad disclosure, from a bespoke educational campaign targeted at contestants leaving a UK reality TV programme to a more general 'Influencers' guide to making clear that ads are ads!

Most recently, we've partnered with content creators on TikTok to help raise awareness of the ad labelling rules. Key in all of this is taking an education-first approach with players in this nascent industry and speaking to influencers in a manner they understand.

While we know that ad disclosure has been improving, our monitoring exercise of 122 UK-based influencers on Instagram in March 2021 showed that compliance levels were below what we expect. To address persistent non-compliance in this space, we have launched a dedicated non-compliant social media influencers page, where we list those who routinely fail to clearly disclose when they are advertising to consumers on social media. If inadequate disclosure continues, we have launched on-platform targeted ads to inform consumers on the platform itself, that we have concerns about influencers' lack of ad labelling.

Our work continues to help ensure that when consumers view an ad it is legal, decent, honest and truthful, and that includes ad disclosure for ads on social media.



ASCI The Advertising Standards Council of India

The Advertising Standards Council of India (ASCI)

www.ascionline.in



Manisha Kapoor Secretary General

Influencer Marketing is gaining a greater share of advertising spends, globally and in India. As lines between content and advertising blur, it was imperative to protect consumer interest by releasing specific guidelines for influencer advertising.

ASCI launched the Influencer Guidelines in May 2021, and it has received much appreciation and acceptance by all stakeholders including the influencer community. Since then, we have scanned close to 6000 posts and processed over 1000 complaints.

We received an overall compliance of over 89% on our recommendations. Self-regulatory organizations can play a crucial role in protecting consumer interests in the digital space by being agile, forward looking and through investments in digital monitoring capabilities.

 **National Programs**

BBB National Programs

www.bbbprograms.org



Mary K. Engle Executive Vice President, Policy

BBB National Programs applauds the ABG's report on influencer marketing, which is consistent with the advice our National Advertising Division provides.

The National Advertising Division's influencer marketing cases have provided three guideposts for advertisers:

- (1) an influencer's paid endorsement must be truthful,
- (2) an influencer must be highly transparent when they are endorsing product due to a relationship with an advertiser; and
- (3) the advertiser is responsible for the truth and transparency of an influencer's marketing on its behalf.



Our National Advertising Division recently updated its guidance with 5 tips for influencer marketing. For more information: <https://bbbprograms.org/media-center/blog-details/insights/2021/02/24/5-tips-for-influencer-marketing>





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