

Social media users set to benefit from new hidden advertising protections

- New principles for platforms to follow to protect users
- Influencers told gifts must be disclosed as well as payment
- Brands warned that compliance is their responsibility too

Everyone involved in creating content and posting this on social media must take responsibility to ensure all ads are labelled correctly.

Working alongside the Advertising Standards Authority (ASA), Ofcom, social media companies and content creators, the Competition and Markets Authority (CMA) has produced a suite of resources designed to help those publishing and sharing paid promotions to comply with consumer protection law. This work builds on [commitments made by Instagram in 2020](#) to tackle hidden advertising on its site.

Three separate guides set out the expectations for social media platforms, brands and influencers about being open and upfront when it comes to paid promotions, as well as explaining the roles and responsibilities of the different regulators of online advertising.

George Lusty, CMA Senior Director of Consumer Protection, said:

Hidden adverts are illegal and harmful. They could persuade people to spend money on things they might not buy if they knew the endorsement was paid for, which is even more concerning now people's finances are squeezed.

Transparency is everyone's responsibility – from social media platforms to brands and influencers. Those not already doing their part should get up to speed with the law now, to make sure people can quickly and easily identify paid-for content. Following our guides will help them with this.

The 'Compliance Principles' set out how social media platforms should prevent and tackle hidden advertising appearing on their sites. These principles apply to all social media platforms and the CMA expects them to be followed. Platforms such as TikTok, YouTube, Twitter, Snapchat, Pinterest and Twitch have engaged constructively with the CMA in drawing up the guidelines.

The principles require platforms to be proactive in tackling hidden advertising, including by:

- Providing their users with tools to label commercial content and to report suspected hidden advertising
- Improving information to content creators and influencers about what to label as a paid-for endorsement

- Improving policies and taking action where hidden advertising is found
- Using technology to identify suspected hidden advertising for action

Guidance for businesses/brands

The guide helps make brands aware of their responsibility to tackle hidden advertising. This includes:

- being clear with influencers who they pay or send gifts to that they must label these posts in an obvious way
- taking action where this does not happen – for example, contacting influencers who are promoting products or services on their behalf and asking them to remove or amend posts to accurately reflect the commercial relationship

The guidance is clear that when posts are shared as part of a wider campaign, businesses themselves can be held accountable for misleading customers, as well as influencers.

Guidance for influencers

The CMA's guide reminds content creators that misleading customers through hidden adverts could be in breach of consumer protection law and that people should be able to recognise an advert as soon as they view it. This includes when influencers are paid to post, when they receive gifts and when they post on behalf of a brand they own or are employed by. Posts should clearly display that they are paid-for endorsements using #Ad or #Advert and not use unclear terms, such as: #gift, #gifted, or #spon, among other ambiguous hashtags.

Separately, the CMA and ASA's existing 'Guide for influencers' sets out clearly what influencers need to do when sharing paid-for and promoted content online.

The ASA can [take action to ban undisclosed ads by influencers](#) and, where an influencer appears unwilling or unable to abide by the rules, impose further sanctions.

Guy Parker, Chief Executive of the ASA, said:

We welcome this guidance, which adds to the existing resources the ASA and CMA have produced to help platforms, brands and influencers stick to the rules. Platforms have an important role to play in making sure advertising content is clearly recognisable. We will continue to work closely with the CMA in this key area.

For more information on the CMA's work to improve transparency of paid-for endorsements on social media platforms, visit the [social media endorsements case page](#) including the CMA's guides.

Notes to editors:

1. All media enquiries should be directed to the CMA press office by email on press@cma.gov.uk or by phone on 020 3738 6460.
2. Currently, only a court can decide if consumer protection law has been broken. On 22 April 2022, Government announced that it intends to legislate to give the CMA the power to enforce consumer protection law directly – meaning, to make a legal finding that a company has breached consumer law. Amongst other things, this would enable the CMA to fine companies for breaches. To note – this has not yet been passed into law.
3. If in doubt about their legal obligations, content creators and businesses should seek legal advice.