GUIDELINES FOR INFLUENCER ADVERTISING IN DIGITAL MEDIA

DEFINITIONS

Influencer

An Influencer is someone who has 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 authority, knowledge, position, or relationship with their audience.

Virtual Influencer

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

Material connection

A material connection is any connection between an advertiser and influencer that may affect the weight or credibility of the representation made by the 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, awards, or any family or employment relationship, etc.

Digital media

Digital Media is defined as a means of communication that can be transmitted over the internet or digital networks, and includes communication received, stored, transmitted, edited or processed by a digital media platform. Digital media includes but is not limited to:

1) Internet (advergames, sponsored posts, branded content, promotional blogs, paid-for links, gamification, in-game advertising, teasers, viral advertising, augmented reality, native advertising, connected devices, influencers, etc.)

2) On-demand across platforms, including near video on demand, subscription video on demand, near movie on demand, free video on demand, transactional video on demand, advertising video on demand, video on demand, pay per view, etc.

3) Mobile broadcast, mobile, communications content, websites, blogs, apps, etc./digital TV (including digital video broadcasting, handheld and terrestrial), etc.

4) NSTV (non-standard television)

5) DDHE (digital delivery home entertainment)

6) DTT (digital terrestrial television)

Preamble:

As digital media becomes increasingly pervasive and more consumers start to consume advertising on various digital platforms, it has become important to understand the peculiarities of these advertisements and the way consumers view them. With lines between content and advertisements becoming blurry, it is critical that consumers must be able to distinguish when something is being promoted with an intention to influence their opinion or behaviour for an immediate or eventual commercial gain. Consumers may view such messages without realising the commercial intent of these, and that becomes inherently misleading, and in violation of clause 1.4 (misleading by omission) and 1.5 (abuse trust of consumers or exploit their lack of experience or knowledge).

Guidelines:

1. **Disclosure**

   All advertisements published by social media influencers or their representatives, on such influencers' accounts must carry a disclosure label that clearly identifies it as an advertisement.

1.1 The following criteria must be used to determine if disclosure is required:

   a. Disclosure is required if there is any material connection between the advertiser and the influencer.

   b. Material connection is not limited to monetary compensation. Disclosure is required if there is anything of value given to mention or talk about the advertiser's product or service. For example: If the advertiser or its agents gives free or discounted products or service, or other perks, and then the influencer mentions one of its products or services, a disclosure is needed even if they were not specifically asked to talk about that product or service.

c. Disclosures are required even if the evaluations are unbiased or fully originated by the influencer, so long as there is a material connection between the advertiser and influencer.

d. If there is no material connection and the influencer is telling people about a product or service they bought and happen to like, that is not considered to be an advertisement and no disclosure is required on such posts.

1.2 Disclosure must be upfront and prominent so that it is not missed by an average consumer.

a. It should be placed in a manner that is hard to miss.

b. Disclosures are likely to be missed if they appear only on an ABOUT ME or profile page, or bios, at the end of posts or videos, or anywhere that requires a person to click MORE.

c. Disclosure should not be buried in a group of hashtags or links.

d. If the advertisement is only a picture or video post without accompanying text (such as Instagram stories or Snapchat), the disclosure label needs to be superimposed over the picture/video, and it should be ensured that the average consumer is able to see it clearly.

I. For videos that last 15 seconds or lesser, the disclosure label must stay for a minimum of 3 seconds.

II. For videos longer than 15 seconds, but less than 2 minutes, the disclosure label should stay for 1/3rd the length of the video.

III. For videos which are 2 minutes or longer, the disclosure label must stay for the entire duration of the section in which the promoted brand or its features, benefits etc., are mentioned.

e. In live streams, the disclosure label should be announced at the beginning and the end of the broadcast. If the post continues to be visible after the live stream is over, appropriate disclosure must be added to the text/caption.

f. In the case of audio media, the disclosure must be clearly announced at the beginning and at the end of the audio, and before and after every break that is taken in between.

1.3 The disclosure must be made in a manner that is well understood by an average consumer.

a. Following is the list of disclosure labels permitted. Any one or more can be used:

- Advertisement
- Ad
- Sponsored
- Collaboration
- Partnership
- Employee
- Free Gift
- Affiliate
- Any platform disclosure tool meant for the purpose of disclosure of material connection with brands.

b. The disclosure should be in English OR in the language as the advertisement itself, in a way that is easy for an average consumer to understand.

1.4 A virtual influencer must additionally disclose to consumers that they are not interacting with a real human being. This disclosure must be upfront and prominent.

1.5 Responsibility of disclosure of material connection and also of the content of advertisement is upon the advertiser for whose product or service the advertisement is, and also upon the influencer. For clarity, where advertiser has a material connection with the influencer, advertiser's responsibility will be to ensure that the posted influencer advertisement is in line with the ASCI code and its guidelines. While the influencer shall be responsible for making disclosures required under the guidelines, the advertiser, shall, where needed, call upon the influencer to delete or edit an advertisement or the disclosure label to adhere to the ASCI Code and Guidelines.

2. Due Diligence

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

Addendum I (Date 15.07.2021)

If an influencer/advertiser disputes that the piece of communication in question is not an advertisement as there is no material connection, the following evidence will be required to be submitted to ASCI:

1. A declaration from the advertiser stating that there is no material connection between them and the influencer as on the date of the post. This declaration needs to be signed by a senior member of the advertiser's organisation such as the Marketing Head, Legal/ Compliance Head, and Digital Marketing Head or similar.

2. In the event that the advertiser of the brand featured is difficult to trace in spite of reasonable efforts, or if the piece of communication features brands of multiple advertisers, then proof of purchase of featured products and brands, provided by the influencer, would be considered adequate evidence to refute material connection.

Addendum II (dated 06.03.2025)

For Health and Financial Influencers

As losses to consumers could be substantial and serious due to improper or wrong advice in the categories connected with a) Banking, Financial Services and Insurance (BFSI) and b) Health and nutrition products & services it is necessary that Influencers in these two categories are qualified to provide advice and that these qualifications are stated upfront in their posts.

I. Influencers providing advice and/or promoting and/or commenting on merits or demerits on technical aspects related to commercial goods or services must have the necessary qualifications and certifications in order to provide such information and advice to consumers.

   This would include aspects such as -

   a. Claims on investment or any other financial advice based on growth, safety, security, returns etc. in the field of BFSI.

   b. Any prevention, treatment, cure, remedy for medical conditions etc. related claims for Health and Nutrition products or services.

   1. In the area of BFSI related to stock or investments, they should be registered with SEBI and their SEBI registration number should be stated with their name & qualifications. For other financial advice,

the influencer must have suitable qualifications such as an IRDAI insurance license, CA, CS etc. In addition, they must abide by all disclosure requirements as mandated by financial sector regulators from time to time.

2. For posts related to health and nutrition, the influencer must have relevant qualifications such as a medical degree, or be a certified nurse, nutritionist, dietician, physiotherapist, psychologist etc. depending on the specific advice being given.

II. The influencer must disclose such qualifications and registration/ certification details prominently, as follows:

1. Superimposed on the visuals prominently and upfront, or mentioned as the opening remark in videos.
2. For blogs or any text-based posts, they should be stated up front before the consumer has to read the post
3. In the case of podcasts or a pure audio medium, they should be called out at the beginning of the advertising content.

III. Influencers who do not have the required qualifications can share generic information about products or services that are not in the nature of technical advice.

For example,

a. An insurance company using an influencer to talk about the need for annual health check-ups
b. Health food company tying up with a chef or food blogger to promote a meal service.

Influencers also must be able to provide proof of such qualifications and certifications should they be asked to by ASCI.

Chairman
Board of Governors, ASCI
March 06th, 2025