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# INFLUENCER MARKETING AND CORPORATE LIABILITY IN THE DIGITAL AGE: REGULATING MISLEADING PROMOTIONS AND SHARED RESPONSIBILITY

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Anvita Rose, Christ (Deemed to be) University, Delhi, NCR

Sheetal Singh, Christ, (Deemed to be) University, Delhi, NCR

## ABSTRACT

The emergence of social media has significantly transformed modern advertising, with influencer marketing becoming one of the most popular promotional tools. Corporations increasingly rely on influencers to promote their products and services in a more relatable and persuasive manner. However, this shift has also led to a rise in misleading advertisements, non-disclosure of paid partnerships, and exaggerated product claims, raising serious concerns regarding consumer protection and corporate accountability. This research paper examines the legal and regulatory challenges associated with influencer marketing, focusing on corporate liability and the concept of shared responsibility between corporations and influencers. It analyzes how deceptive digital promotions affect consumer trust and highlights the difficulty in assigning liability when influencers operate as independent entities rather than employees. The study also evaluates the adequacy of existing legal frameworks in India and draws comparative insights from international practices.

The paper adopts a doctrinal research methodology, relying on primary legal sources such as statutes and regulatory guidelines, along with secondary sources including academic literature and policy reports. An analytical and comparative approach is used to identify gaps in the current legal system and assess the effectiveness of regulatory mechanisms. The scope of the study is limited to influencer marketing within the framework of corporate law and consumer protection, primarily focusing on India while incorporating global perspectives. The paper aims to highlight the shortcomings of existing laws and suggests the need for stronger disclosure norms, enhanced corporate responsibility, and stricter enforcement mechanisms. Ultimately, it seeks to contribute to the development of a more transparent, accountable, and ethically responsible digital advertising ecosystem.

**Keywords:** Influencer Marketing; Corporate Liability; Deceptive Advertisements; Consumer Protection; Digital Advertising; Regulatory Framework.

## Introduction

Social media is now a strong communication and interaction medium as well as one that promotes business in the digital age. Given that there are millions of online users who are actively participating in the internet, firms have changed their marketing tactics to less formal ones to more personalized and interactive ways. Influencer marketing is among the most significant trends in this change. It is the practice of people having a high level of online activity marketing the products or services to their followers. The followers who follow these influencers tend to have confidence in their views hence this type of marketing works best and is easy to identify with by the businesses.

Nevertheless, influencer marketing is extremely dangerous in regard to the legal and ethical implications. The biggest problem is that additional misleading marketing is on the rise, in which influencers do not specify paid collaborations or inflate information about products. Practices such as this may delude the consumer and cajole him into an unjust purchase decision. The other significant issue is the question of liability. In cases where consumers are harmed as a result of misleading advertisements, then it is hard to tell who should be at fault. Corporations tend to use the rationale that influencers are independent people, and influencers say that it is merely taking brand orders. This leaves a lapse in accountability and dilutes consumer protection.

Regulatory bodies in India have also come up with some guidelines to tackle these problems though very few are being enforced and breaches are still being made. The situation is even more complicated by the fact that there are no definite legal provisions that regulate corporate liability in influencer marketing. The same problems are being experienced worldwide whereby various countries have been having varied regulatory strategies although no standard format exists<sup>1</sup>. In this paper, the legal problems associated with influencer marketing are considered in relation to shared responsibility between corporations and influencers. It tests the sufficiency of the current legislation and proposes the changes to ensure better transparency, higher accountability, and the protection of the consumers in the online market.

## Research Gap

Although there is growing popularity of breaking down influencer marketing, there is no

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<sup>1</sup> European Commission, *Guidance on Unfair Commercial Practices Directive* (2021).

exhaustive legal study to dwell on corporate liability in this field. The current literature focuses on marketing strategies, consumer behaviour, or the economic effects of influencer promotions. Norway has, however, paid little attention to the legal issues that come about as a result of the deceptive digital advertisements. The responsibility between the corporations and the influencers is also not clear enough. The current literature is inadequate in the determination of liability considering the case of both parties being involved in the creation and promotion of content.

Moreover, in relation to India, despite the fact that regulatory guidelines have been presented, there has been no serious analysis concerning the effectiveness and its implementation. There are also limitations on making comparative studies with international frameworks. This paper targets to fill in such gaps by offering a narrow legal discussion on influencer marketing, corporate liability, and regulatory issues.

### **Research Questions**

1. Who should be held liable for misleading digital promotions in influencer marketing—the corporation, the influencer, or both?
2. Are the existing legal and regulatory frameworks in India adequate to ensure transparency and accountability in influencer marketing?
3. What reforms are necessary to strengthen corporate responsibility and protect consumers in digital advertising?

### **Research Objectives**

The objective of this research is to examine the concept and growth of influencer marketing in the digital age and understand its increasing role in corporate advertising. It aims to analyze the issue of corporate liability and the concept of shared responsibility between corporations and influencers in cases of misleading promotions. The study further seeks to evaluate the effectiveness of existing legal and regulatory frameworks in India. Lastly, it intends to suggest necessary reforms to improve transparency, strengthen accountability, and ensure better consumer protection in digital advertising.

## Research Methodology

This research is based on a doctrinal method, which involves the study and analysis of existing legal materials. The paper relies on primary sources such as statutes, rules, and regulatory guidelines, along with secondary sources including academic articles, journals, and reports.

An analytical approach is used to examine the legal issues and identify gaps in the current framework. A comparative method is also applied to understand international practices and their relevance to the Indian context.

## Scope and Limitations

This study focuses on influencer marketing within the framework of corporate law and consumer protection, primarily examining the Indian legal system while also considering relevant international perspectives. It emphasizes issues of liability, transparency, and regulation in digital advertising. However, the topic is still evolving with limited case laws available, and the research is mainly based on secondary data, which may restrict detailed analysis.

## Concept and Evolution of Influencer Marketing

The influencer marketing is a recent type of advertising that implies that the companies market their goods via people with heavy attendance on social media. These people are termed as influencers since they can influence their followers in terms of opinion and purchase choices. In the past, the companies have used the traditional approaches including television commercials, newspapers and billboards that constituted one way communication with minimal interaction with the consumers<sup>2</sup>. Marketing has however been made more interactive and personal with the rise of the internet and social media. Social networks such as Instagram, YouTube, and Twitter have established the new type of content creators with a huge following. Such people can be celebrities, experts, or regular people that post content regularly and people are more inclined to follow their suggestions than a regular advertisement.

In the last ten years, the field of influencer marketing has developed at a very fast pace and is currently accessible to businesses of any scale, be it a small startup or a big multinational

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<sup>2</sup> Philip Kotler & Kevin Lane Keller, *Marketing Management* 568–570 (15th ed. 2016).

enterprise<sup>3</sup>. The products that are being promoted by influencers are fashion, beauty, health, finance, and technology. Yet, this development has come with a number of challenges as well. Most of the influencers promote products without knowing or checking, and in other instances, they may make false or exaggerated statements about the advantages of a product<sup>4</sup>. This may mislead the consumers who use such promotions in their buying decisions<sup>5</sup>. Thus, though influencer marketing is a very strong and efficient instrument, it also creates significant issues regarding honesty, responsibility, and the necessity to regulate it properly<sup>6</sup>.

### **Role of Corporations in Influencer Marketing**

Influencer marketing is centered on corporations, as they are the ones to develop marketing strategies, choose an influencer, and determine the way their products are to be promoted. Most influencers are paid or given free products, sponsored trips, or brand deals in most instances to promote them. Both popular and less popular influencers have also been used by companies depending on their audience size, type of content and popularity. As an example, a beauty brand can partner with a makeup influencer whereas a fitness company can partner with a fitness trainer. It is true that even though the content is developed by influencers, in many cases, corporations have a heavy hand in the message, which these influencers are given scripts, guidelines or key points that they have to include, which demonstrates that influencer marketing is a process that has active and passive involvement by the corporations.

Although this much involvement is present, the companies usually attempt to evade legal responsibility in cases of incurring problems, claiming that influencers are not their employees and that they are independent people. This will enable corporates to transfer the responsibility to the influencers in the event of misrepresenting advertisements. Nevertheless, this method is problematic and should be taken seriously because the companies are direct beneficiaries of these promotions, and they also contribute to the content creation. Thus, a question can be raised about whether corporations ought to be responsible of the acts of influencers. When the companies benefit through the influence marketing it is time that they should also take the responsibility of ensuring that the information presented to the consumers is right and fair and not deceptive.

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<sup>3</sup> Influencer Marketing Hub, *The State of Influencer Marketing Report* (2023).

<sup>4</sup> Federal Trade Commission, *Disclosures 101 for Social Media Influencers* (2019).

<sup>5</sup> Consumer Protection Act, 2019, § 2(28).

<sup>6</sup> United Nations Conference on Trade and Development, *Digital Economy Report* (2021).

## **Nature and Kinds of Deceptive Advertisements.**

Deceptive advertisements are one of the biggest problems in influencer marketing<sup>7</sup>. These occur when false, incomplete, or exaggerated information is shared about a product or service, leading consumers to make wrong decisions.

There are different types of misleading promotions in influencer marketing:

### **(a) Non-Disclosure of Paid Partnerships.**

Among the most frequent are the cases when influencers fail to make it clear that they are paid to advertise a product. A number of the influencers develop adverts in personal voices, thereby making them appear authentic and credible.

Failure to inform the consumer that the content is sponsored can make the consumer think that the influencer was providing a sincere review, and this can be deceptive.

### **(b) Misrepresentation or Inflated Statements.**

Influencers take excessive information about products, particularly in the field of beauty, health, and fitness. They can say so as an instance, that a product can fix skin issues immediately or aid them in slimming fast with no scientific evidence.

These statements are deceiving to the consumer and even can lead to their health or monetary loss.

### **(c) Lack of Proper Knowledge or Verification**

In many cases, influencers promote products without properly understanding them. They may not verify the quality, safety, or effectiveness of the product before recommending it.

This becomes a serious issue when products involve health, financial investment, or safety risks.

### **(d) Targeting Vulnerable Consumers**

Some promotions target vulnerable groups such as young people, teenagers, or individuals

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<sup>7</sup> Consumer Protection Act, 2019, § 2(28).

facing health or financial problems. These groups are more likely to trust influencers and may be easily misled.

**(e) Underhand Advertising strategies.**

In other cases, advertisements are undertaken in a covert manner where the influencer casually incorporates a product in their work without necessarily making it clear that it is an advertisement. This renders the consumers unable to distinguish between promotion material.

**Effect of Misleading Promotions.**

- Fraudulent influencer marketing is not a trifle:
- It minimizes consumer trust on the influencers and brands.
- It may cause either financial loss or health to the consumers.
- It tarnishes the reputation of the companies.
- It sets a wrong market structure, in which, honest businesses lose.

These problems indicate that there is an acute necessity to set down rules and enforcement to control influencer marketing<sup>8</sup>.

**Corporate Liability in Influencer Marketing**

Corporate liability means the legal responsibility of a company for its actions or the actions done on its behalf. In traditional advertising, it is easy to hold a company responsible because the advertisement is directly created and controlled by the company.

However, in influencer marketing, the situation becomes more complex. Influencers are usually not employees of the company. They are independent individuals who create their own content. Because of this, companies often argue that they should not be held responsible for what influencers say.

But in reality, companies are deeply involved in influencer marketing. They:

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<sup>8</sup> United Nations Conference on Trade and Development (2021 Report).

- Select the influencer
- Decide the marketing strategy
- Provide instructions or guidelines
- Pay for the promotion

Corporations do not exist outside of influencer content because they are actively involved in shaping marketing plans, choosing who to work with as an influencer and tend to dictate the content being produced. Although the content is made by influencers, the companies offer guidance, anticipations, and rewards in exchange, demonstrating that they are the direct participants of the promotion. This renders influencer marketing a collective action as opposed to a solitary affair where both the brand and the influencer make part of the final message to the eyes of the masses.

Legally, a company should accept the responsibility of the harm done in case the company is the beneficiary of such promotions. The notion of accountability underlies the fact that the concept of influencers as independent parties is not a way to escape the issue of liability. The ideas of vicarious liability add to this opinion as even in the absence of an employment relationship, a person may become responsible. Thus, we can assume that corporations and influencers ought to be equally blamed in terms of false advertisements.

### **Legal Framework in India**

India is still lacking one specific, special law that specifically regulates influencer marketing<sup>9</sup>. Rather, there are various prevailing laws and regulations that are used to address such problems as misleading advertisement and absence of transparency. Although such laws offer certain protection to a certain degree, they cannot fully address the dynamism of digital advertising.

#### **(a) Consumer Protection Act, 2019**

The Consumer Protection Act, 2019 is among the laws that are the most significant in India in regards to misleading advertisements<sup>10</sup>. It tries to defend the consumer against unscrupulous

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<sup>9</sup> Advertising Standards Council of India (2021 Guidelines).

<sup>10</sup> Consumer Protection Act, 2019.

trade practices and fraudulent or misleading representations by businesses.

**Under this law:**

- Any misleading advertisement containing untrue information is not allowed.
- The manufacturer and the endorser (including influencers) can be held accountable.
- In serious cases, authorities can impose penalties, fines or even ban endorsements.

This is an important move since it appreciates the fact that influencers are also influential in consumer choices.

**Example:** What happens when a fitness influencer is advertising a protein supplement and says that a person can gain muscle in 10 days, without any scientific evidence? In case the consumers trust this assertion and are harmed, the brand as well as the influencer will be liable under this legislation.

**(b) ASCI Influencer Advertising Guidelines.**

The Advertising Standards Council of India (ASCI) has also provided certain rules that would be followed in influencer marketing to guarantee transparency<sup>11</sup>. These codes compel popular personalities to declare openly when they are sponsored in their posts.

Among them there are some important details, among them there are:

- The influencers should label with specific words such as Ad, Sponsored, or Paid Partnership.
- The reporting ought to be clear and comprehensible.
- It must not be obscured in hashtags or be at a place where it can be overlooked.

The primary objective of these guidelines is to make sure the consumers are not misinformed that paid promotion is an opinion.

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<sup>11</sup> Advertising Standards Council of India (2021).

**Example:** A beauty influencer records a video within which he or she is reviewing a skincare product but fails to mention that the brand has paid to promote the product. It can be perceived as a genuine review by the followers who can buy the product on good faith. This is deceiving and appropriate disclosure such as the use of the hash tag Ad should have been brought out clearly.

### **(c) Central Consumer Protection Authority (CCPA).**

Misleading advertisements can be dealt with by the Central Consumer Protection Authority (CCPA). It can:

- Rank deletion of misleading advertisements.
- Fine the companies and endorsers.
- Prohibit the recommendation of products by people within a specified time.

The CCPA is significant in the application of the laws of consumer protection on the internet.

**Example:** Considering the scenario where a financial influencer advertises about an investment scheme that promises high returns at zero risk, and individuals lose their money, CCPA will be able to investigate the situation and bring charges against both the company and the influencer.

### **(d) Information Technology Rules and Digital Regulation.**

The Information Technology (IT) Rules play an indirect role in the control of the online content as well<sup>12</sup>. These regulations obligate the online platforms to be responsible and take down illegal or harmful materials as needed.

Even though these regulations are not directly related to influencer marketing, they help to control manipulative online content as well.

### **(e) Shortcomings of the Existing Framework.**

Regardless of these laws and guidelines, it has a number of limitations:

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<sup>12</sup> Advertising Standards Council of India (2021).

- There is no special legislation towards influencer marketing which brings about confusion.
- Such guidelines as ASCI are not very strict or mandatory.
- Being unaware of the legal requirements by influencers.
- Poor monitoring and enforcement, which leaves the violations going.

**Example of Limitation:** Even nowadays, a lot of influencers advertise such products as weight-loss teas or trading applications without disclosure and verification. Even with the rules that exist, such contents persist since there is no strict implementation of the rules.

Thus, the current legal system in India provides a basic framework to deal with issues related to influencer marketing and aims to protect consumers from misleading advertisements. It recognizes the role of both corporations and influencers in digital promotions and sets certain rules for transparency. However, influencer marketing is growing very fast, and it is important to ensure that these rules are properly followed. A clear and effective system can help maintain fairness, build consumer trust, and promote responsible advertising practices in the digital space.

### **Comparative Analysis: International Approaches to Influencer Marketing Regulation**

In order to see how influencer marketing could be successfully regulated, it can be effective to consider how other nations tackle the similar problems. Most jurisdictions have come up with more precise rules and effective enforcement mechanisms than India particularly with regard to transparency, disclosure and accountability. This part examines the strategies adopted in the European Union, the United States, and the United Kingdom which can be said to be among the most advanced systems in the regulation of digital advertising.

#### **(a) European Union (EU)**

EU has a systematically organized and rigorous method of digital advertising control, and it pays much attention to consumer protection and transparency<sup>13</sup>. The law system does not allow

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<sup>13</sup> European Commission.

such legal misguidance to the consumers through misleading or obscure advertisements<sup>14</sup>.

By the EU law, any type of hidden advertisement is not allowed and the influencer must be able to report sponsored content in a manner that most consumers can comprehend. This is also ruled by the law since first sight advertisement must not create any confusion in the audience. Noteworthy, the EU does not permit companies to avoid responsibility by stating that influencers are independent parties<sup>15</sup>. A business can be held liable even when its gain is brought about due to a misleading promotion.

To illustrate, in case a fashion brand cooperates with an influencer who advertises a product without due disclosure, the administrators have the power to prosecute the influencer and the business. This makes sure that the responsibility is not distributed in an unjust manner.

**Key Strength:** EU is powerful as it balances rigidity with the emphasis on transparency and consumer rights. It strongly proves that there is a shared responsibility of advertisements between an influencer and a company<sup>16</sup>.

#### **(b) United States**

In the United States, the Federal Trade Commission (FTC) controls the nature of influencer marketing and has come out with various precise and realistic recommendations on endorsements and online promotions. The FTC framework is ranked among the most powerful because of its conciseness and rigidity<sup>17</sup>.

The guidelines of FTC suggest that an influencer should specify any form of material relationship with a brand, i.e., payments, gifts, or sponsorships. These revelations need to be transparent, noticeable, and comprehensible, and they should not be concealed in the extensive captions and undecipherable hashtags. Brand and the influencer can be legally liable over misleading statements or non-disclosure<sup>18</sup>.

The FTC is regarded to be active in the implementation of these rules and addressing the infractions. It has already sent warnings, fines and open notices in various occasions, which

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<sup>14</sup> Id.

<sup>15</sup> Id.

<sup>16</sup> European Commission, *supra* note 2.

<sup>17</sup> Federal Trade Commission.

<sup>18</sup> Id.

has a high deterring effect.

As an illustration, in cases where the influencers marketed the products without due disclosure, the FTC took action and clarified that both the influencers and the companies concerned were guilty of the infraction.

**Key Strength:** The US strategy is unique due to its enforcement, clear guidelines, and punishment in the actual sense, which helps in enforcing and making people responsible<sup>19</sup>.

### **(c) United Kingdom (UK)**

The Advertising Standards Authority (ASA) is the authority that regulates influencer marketing in the United Kingdom to make sure that the advertisements are truthful, transparent, and not deceptive. The UK system is highly concerned with the disclosure being instant and apparent to the consumers<sup>20</sup>.

The influencers are also expected to indicate sponsored content clearly, and failure to do so would lead to the ASA taking action. The active surveillance of social media is one of the peculiarities of the UK system. ASA actively monitors online content and promptly makes some intervention in case violations are detected<sup>21</sup>.

As an illustration, when an influencer advertises a product and he/she does not label it as such, the ASA may direct the content to be taken down. It can also publicly identify the influencer or the brand in certain instances which can hurt their reputation and serve as a good lesson to other people<sup>22</sup>.

**Key Strength:** The UK system has been helpful due to active monitoring, fast enforcement and application of public accountability to enforce compliance.

### **Comparative Insights**

The comparison of these jurisdictions makes some significant points which can be used to make

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<sup>19</sup> Id.

<sup>20</sup> Advertising Standards Authority, *CAP Code & Influencer Guidance* (2020).

<sup>21</sup> Id.

<sup>22</sup> Id.

improvements to the Indian framework.

Firstly, there are countries with high enforcement systems such as the United States and the United Kingdom which have rules in place which are enforced and offences seen seriously. By comparison, the enforcement in India is not particularly strong and, as a result, numerous false claims about the promotion are left unpunished<sup>23</sup>.

Secondly, the disclosure standards in these countries are very clear and detailed and therefore cannot be misunderstood. It is well known that influencers are advised on the way and location of making disclosure<sup>24</sup>. In India, there are guidelines but they are not always followed or appropriately enforced<sup>25</sup>.

Thirdly, the concept of shared responsibility is greatly accepted in all three jurisdictions, in which the corporation and the person who made the false advertisement are both responsible. This eliminates chances of passing of the buck by companies<sup>26</sup>.

Finally, active monitoring is also important in efficient control. In some countries such as the UK, regulatory agencies are constantly checking on digital material, and in India it is not possible to monitor as the social media is huge and rapidly expanding.

Overall, the international approaches clearly show that effective regulation of influencer marketing requires not only clear rules but also strict enforcement and active monitoring. These systems provide useful models for India to strengthen its legal framework and ensure better accountability in digital advertising.

### **Suggestions and Legal Reforms.**

All these trends of influencer marketing increase the necessity of creating a complete and more efficient legal framework in India. Although the laws are there to offer an outline, they are insufficient to address the dynamics of online advertising. The recommendations presented below are meant to enhance transparency, accountability and consumer protection.

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<sup>23</sup> FTC, *supra* note 13.

<sup>24</sup> European Commission, *supra* note 2.

<sup>25</sup> Advertising Standards Council of India, *Influencer Guidelines* (2021).

<sup>26</sup> European Commission, *supra* note 2.

### **(a) Need for a Specific Law on Influencer Marketing**

At present, India does not have a dedicated law that deals only with influencer marketing. Different laws and guidelines are applied, which creates confusion and inconsistency.

There is a need to introduce a **specific legal framework** that:

- Clearly defines influencer marketing
- Sets rules for advertisements on social media
- Establishes clear responsibilities for both influencers and corporations

A dedicated law will remove ambiguity and make regulation more effective.

### **(b) There should be explicit directives of Shared Liability.**

The greatest problem is the confusion in terms of people on who misleads in promotions. The way of solving this would be to explicitly define the notion of shared liability in the law.

This means:

- The claims they are about their products should be accredited by corporations.
- It is upon the influencers to be accountable to how they make those claims and market them.
- The strict rules will ensure that both sides do not blame each other.

### **(c) More Disclosure Requirement.**

Even though the guidelines now mandate paid promotions disclosure, it is not well observed. Tighter and more elaborate rules are required.

For example:

- The disclosures must be standardised and mandatory.
- He or she should be mentioned at the start of the text, not in captions.

- Instead of vague hashtags, simple words, such as Advertisement, need to be used.
- This will make consumers find promotional content easy.

**(d) Stringent Implementation and fines.**

Rules can only be viable when enforced. The enforcement in India is at present weak, and this means that many violations are still going on.

Authorities should:

- Be an active social media follower.
- Strict penalty, fines on violations.
- Crack down on habitual offenders.

The tight monitored enforcement will bring about an element of fear of consequences and lead to compliance.

**(e) Awareness and Education**

Most influencers, particularly the smaller ones, are not well informed on the legal requirements. This results in inadvertent offenses.

Steps should be taken to:

- Train influencers on disclosure regulations and liability.
- Give clear instructions that are not difficult to learn.
- Promote digital marketing ethics.

Violation will be minimized and there will be increased transparency.

**(f) Responsibility of Social Media Platforms**

Social media platforms also play an important role in influencer marketing. They can help

regulate content by:

- Providing built-in tools for **mandatory disclosure**
- Monitoring misleading or harmful promotions
- Taking down content that violates rules

Platforms should act as intermediaries that support regulation rather than just hosting content.

### **(g) Safeguarding of Vulnerable Consumers.**

Consideration to vulnerable groups like: should be given special attention.

- Children and teenagers
- Individuals with medical or economic issues.

Adverts that target such groups must be highly controlled particularly in regions such as:

- Health products
- Financial investments

This will eliminate exploitation and bring about fairness.

### **Conclusion**

Influencer marketing has become a powerful tool in the digital age, changing how companies promote their products and connect with consumers. While it offers many advantages, it also creates serious concerns such as misleading advertisements, lack of transparency, and difficulty in fixing responsibility. This paper has shown that issues like non-disclosure of paid promotions, exaggerated claims, and hidden advertising practices can harm consumers and reduce trust in the market. One of the biggest challenges is determining liability, as corporations often shift blame onto influencers, while influencers claim they are only following brand instructions. However, since both parties benefit from these promotions, it is important to recognize that responsibility should not fall on one side alone.

The analysis of the Indian legal framework reveals that although some laws and guidelines exist, they are not strong enough to deal with the growing influence of digital advertising<sup>27</sup>. Compared to countries like the United States, the United Kingdom, and the European Union, India lacks strict enforcement and clear rules<sup>28</sup>. Therefore, there is a need for a more structured legal approach that includes a specific law for influencer marketing, stronger disclosure requirements, and clear recognition of shared liability. By improving regulation and increasing awareness, it is possible to create a system that protects consumers while still allowing businesses to grow. In the end, a balance between innovation and accountability is essential to ensure fairness and trust in the digital marketplace.

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<sup>27</sup> Consumer Protection Act, 2019.

<sup>28</sup> European Commission, *Unfair Commercial Practices Directive Guidance* (2021); Advertising Standards Authority, *CAP Code & Influencer Guidance* (2020); Federal Trade Commission

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