



Monitoring Transparency and Influencer Marketing: beauty, fashion, family and finance

IAP Almed 2024

INTRODUCTION

For 2024, **Iap** in collaboration with **Almed** (Alta Scuola in media Comunicazione e Spettacolo) of the Università Cattolica del Sacro Cuore conducted a five-monthly monitoring of the activities of more than 300 Italian creators with the aim of verifying the level of transparency of influencer communication in Italy.

The data collected made it possible to identify the presence of widespread transparency of *influencer* communication, but also the existence of incorrect or not completely correct forms of communication (when the presence of advertising is communicated, but in a way that does not comply with the IAP Digital Chart Regulations). It was also possible to identify some significant differences between *influencers* who deal with different topics or between *influencers* who have quantitatively different audiences.

Against the steady growth in importance of industry influencers and a decline in importance of *generalist* influencers the 2024 monitoring focused on 4 *industries*.

Fashion and **Beauty** were chosen because they represent the two sectors responsible for 25 % of influencer marketing investments in Italy.

The **Family** and **Finance** sectors were chosen because these are types of influencers that are emerging and may have specific critical issues.

Family influencers place the family at the center of their storytelling, especially defined by the presence of minors (in several cases these are also single-parent families). The type of products promoted by *family influencers* is diverse, although it includes a wide range of products aimed at minors. A potential critical element of this sector is precisely the visibility of minors and the possible inappropriateness of the forms of exposure to which they are subjected.

Finance influencers are characterized by specific expertise in financial economics and carry out outreach activities accompanied by the promotion of investment products. A potential



critical element of this sector is compliance with specific rules related to the promotion of financial products.

METHODOLOGY

The monitoring took place between March and July 2024 through the Deus platform, which acquired 144,831 pieces of content.

Influencers were selected by integrating different industry databases, which were then vetted through the platforms' internal search engines.

As for the **Fashion and Beauty** sectors, **258 influencers with more than 50,000 followers** were monitored, and as for the **Family and Finance 75 influencers**, it was not deemed necessary to define a minimum number of followers because in the latter two sectors there is a greater presence of micro-influencers.

A total of 333 influencers were monitored.

The platforms monitored were **Instagram, TikTok, and Youtube.**

The choice of content to be monitored was made **by selecting from the 144,831 pieces of content published** in the months considered in the monitoring those **containing explicit references to brands**. A **keyword dataset** was defined for each sector to identify potentially promotional content. The keyword datasets included promotion-related terms, industry brand names, expressions used in promotional content and typical of each industry (e.g., *beautyroutine*; *outfit* and many others) identified on the basis of a qualitative analysis of promotional content.

As a result, it was possible to identify **23,552 pieces of potentially promotional content** that were analyzed by the researchers and divided into organic content and promotional content.

This process identified **8,120 pieces of advertising content whose transparency and fairness was verified.**

The transparency check was done by researchers at both institutions using a qualitative methodology. Each piece of content analyzed was tagged as correct (content correctly displaying the wording stipulated by the Digital Regulations and in the appropriate positions); partially correct (content displaying the stipulated wording, but in incorrect and not obvious positions or not correctly informing about the products, e.g., in the beauty sector); incorrect (content not displaying the stipulated wording).

The final analysis was carried out on the dataset released by the Deus platform that reported: content; formats; tags; industry; type of influencer (number of followers).



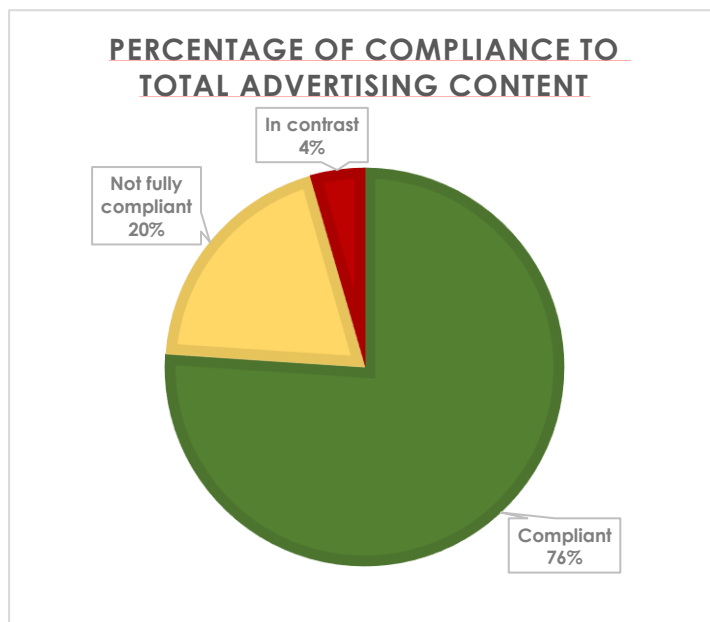
THE "STATE OF TRANSPARENCY" OF INFLUENCER MARKETING IN ITALY

The monitoring results make it possible to describe, in overall terms, a situation of substantial transparency of influencer communication.

Beauty, Fashion, Family, and Finance influencers seem to have grasped the need for communication that complies with industry rules and regulations.

- **Only 4% of promotional content is not communicated as such.**

It emerges, however conspicuously that there is a "gray area"-just under a quarter of the content (20 %)-in which the presence of advertising is communicated in a way that is not fully compliant.

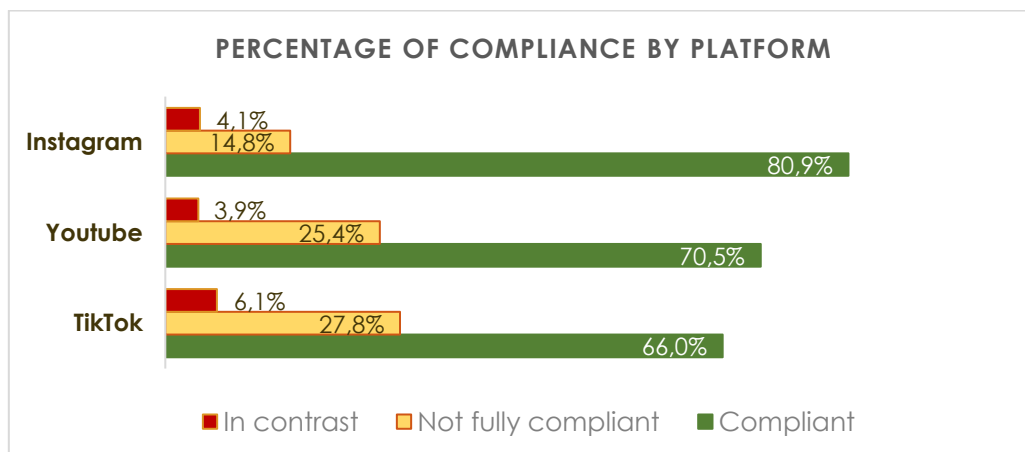


These are all those cases where the signs are placed in defiladed positions and not immediately recognizable.

Some variables provide a better understanding of what influences the level of transparency of influencer communication.

Platforms

A first variable is platforms. Content posted on *Youtube*, *Instagram*, and *TikTok*, in fact does not have the same rates of communication compliance.





The highest percentage of compliant content is recorded on **Instagram**, which we can define as a platform characterized by "**mature transparency**" confirmed by 80.9 % of content with correct and clear identification of the presence of adv and a lower percentage than other content platforms where the indications are not very evident or barely legible.

The centrality of Instagram as a platform for Influencer Marketing and the presence of differentiated formats: posts and stories in addition to reels (as we will see, format is also a variable that influences transparency) means that the practices of using tags and reports of advertising presence are more established and easier to use for example in posts.

The lowest percentage of non-compliant content is recorded on **Youtube**, which we can define as a platform characterized by "**established transparency**" confirmed by 3.9% of non-compliant content. Again, *influencers* can rely on established practices of using markers related to advertising. However, the centrality of video and, above all, the emergence of new "formats" means the percentage of content that is not fully compliant is higher than that of Instagram (25.4%)

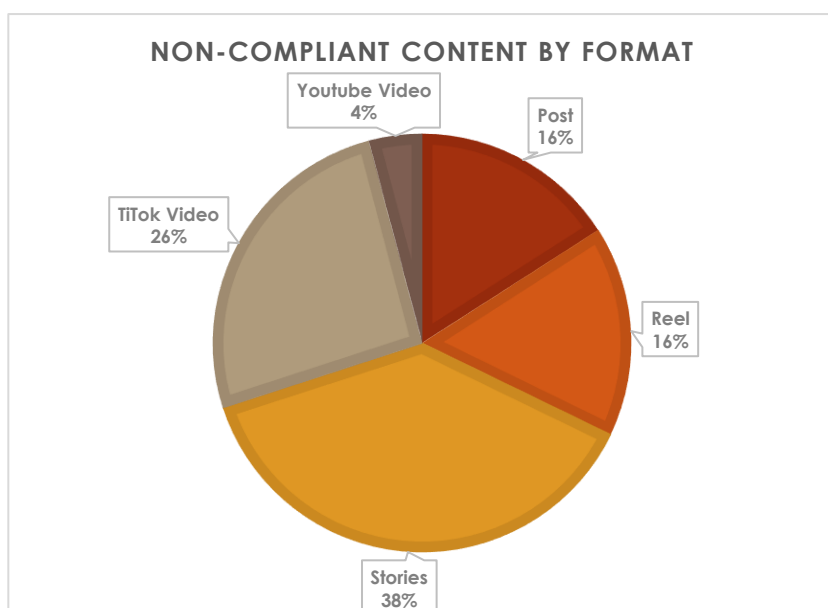
Influencer communication on **TikTok**, on the other hand, shows "**still uncertain transparency**" characterized by higher percentages than other platforms of both non-compliant (6.1 %) and fully compliant content (27.8 %). Again, we have the video format at the center of communication and, at the same time, this is a platform that has seen the emergence of new influencers who communicate predominantly on TikTok and have begun to establish themselves in recent years. Younger and early-stage influencers and a platform with a new language may be factors influencing the presence of communication that is not fully compliant.

The formats

With respect to the formats used by influencers to communicate or promote products and services, the monitoring allows us to highlight that **there are formats with respect to which it is more difficult to properly explicate the presence of advertising**.

Looking at the percentage distribution of formats where there are more **violations** of transparency rules, it emerges that **the most problematic format is Stories**, which account for nearly 40 % of the content posted without any indication that it is advertising.

The qualitative analysis showed that **these are mainly stories hosting videos**. Alongside them is the **problematic nature of Videos for Tiktok**. Another video format that accounts for 26 % of content published in open



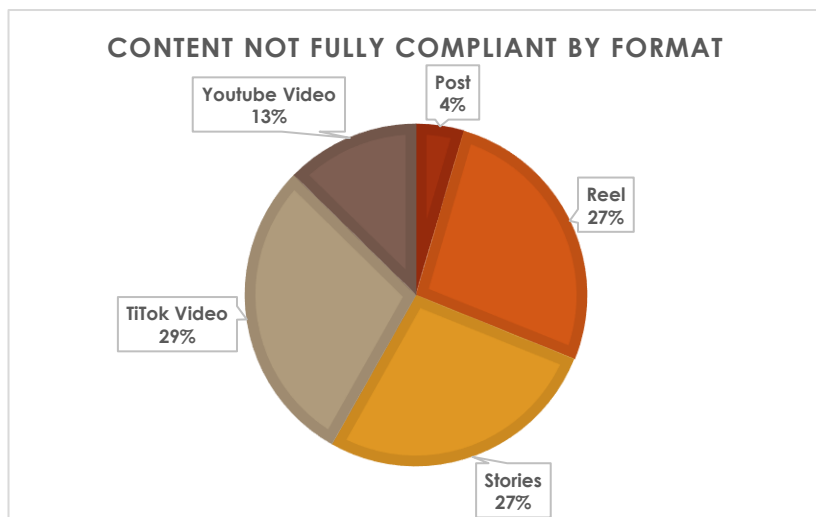


violation of regulation. Such high percentages are certainly also related to the fact that Stories on Instagram are one of the most used formats by influencers, as are Videos for TikTok. However, it is also possible to consider that there is some technical or expressive difficulty in adapting these formats to current regulation.

If we consider **content** that is **not fully compliant**, i.e., content in which the indication of the presence of advertising is not properly highlighted (because hashtags for example are not clearly visible or appear at the end of videos or at the end of long copy that you need to

scroll through in full by clicking even several times) the difference between formats is confirmed.

Alongside Stories, which still remain a problematic format with respect to the transparency of advertising communication by influencers, Videos made for TikTok and Reels emerge while the problematic nature of Posts remains marginal.



Thus, the short video format appears to be the most difficult for influencers to manage in terms of transparency. In fact, more than 50 % of content that is not fully compliant is Reel and Tiktok video.

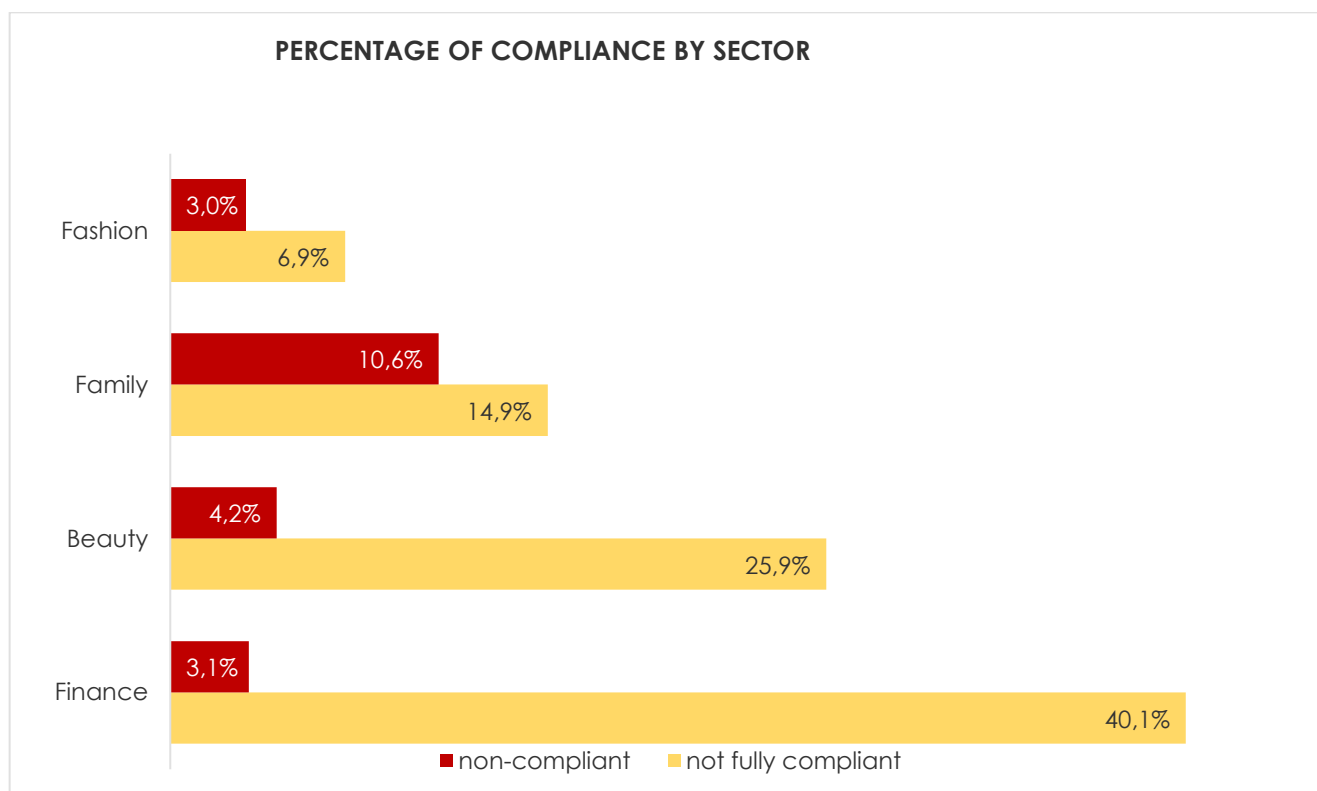


THE DIFFERENT SECTORS MONITORED

The different sectors that were monitored have significant differences between them that are worth highlighting.

First of all, the percentage of content published without any explicit statement that it is paid advertising is very different from industry to industry.

The Fashion sector is the most transparent in that it has the lowest percentages of posts published in violation of the rules (3 %) and posts that are not fully compliant (6.9 %). It is therefore possible to say that communication **in the Fashion sector** is characterized by a **"communication expertise"** acquired over time by influencers in the sector that makes **advertising particularly transparent**.



A **"not too obvious transparency"** characterizes **Beauty** Influencers and **Finance** Influencers. **26 % of the content published by Beauty Influencers and 40 % of the content published by Finance Influencers contain references to adv in defiladed and unrecognizable positions.** Qualitative content analysis does not reveal a specific desire to conceal the commercial dynamics underlying influencers' promotion of products. Rather, there emerges **an uncertainty or difficulty in highlighting the fact that the presentation of a product does not depend solely on influencers' ratings, even on having received compensation** or free products from brands. This is a question of **the dynamics of trust** and the communication styles used



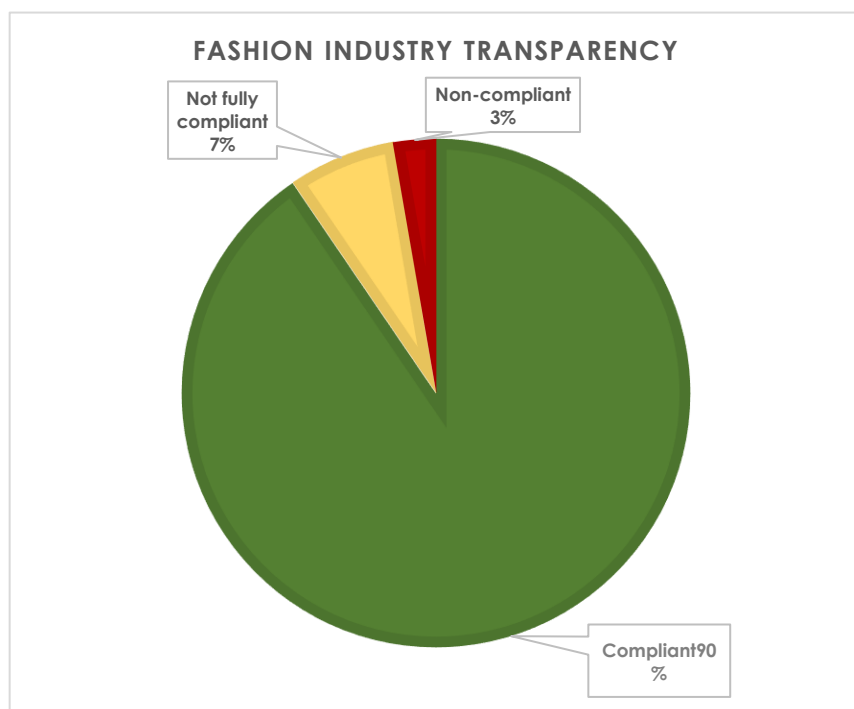
in product promotion, which will be discussed in more detail in the sections devoted to individual sectors.

A **"transparency to conquer"** characterizes **Family** industry influencers for whom more than 10 % of advertising posts do not contain references to Adv.

Assuming that Family Influencers started later than other vertical influencers to interact with brands and products, we can speculate that they have not yet incorporated the concept of transparency as part of building a trusting relationship with their followers and fear, instead, undermining their own credibility and trustworthiness. **Sectors in which the figure of the influencer has more recently entered into synergy with companies' marketing strategies (Family, Finance) seem, in fact, still searching for a balance between trust and transparency.**

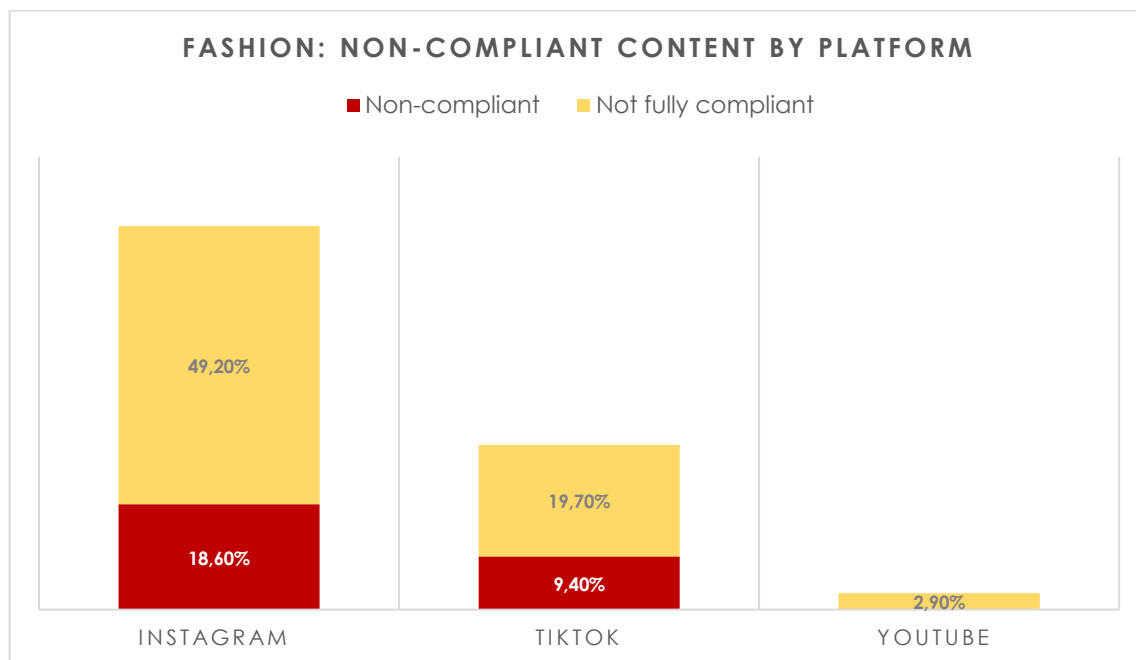
FASHION

For the Fashion sector, 129 influencers were monitored who, during the months of monitoring, published 1 123 pieces of advertising content.



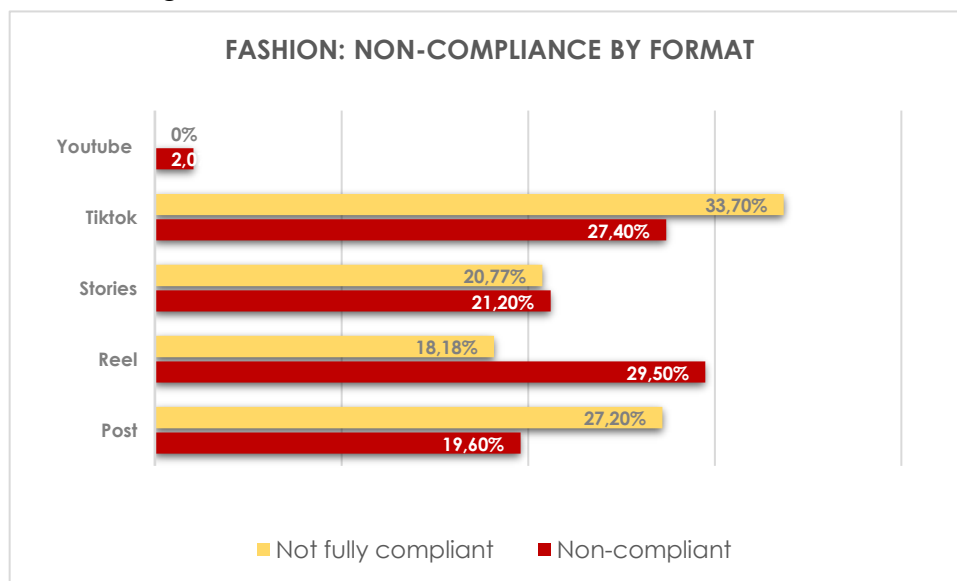
As mentioned above, **the compliance rate in this area is very high. Ninety percent of published content is found to be in compliance with existing regulations**

With respect to platforms, it should be indicated that **most of the monitored fashion influencers' content was posted on Instagram** (in the different formats available), and the graph regarding the distribution of non-compliant content among the different platforms should be read in light of this consideration.



It is Instagram that is the most problematic platform in the fashion industry with 18.6 % of non-transparent content and 49.2 % of only partially compliant content.

Considering how the different formats are distributed for the Fashion sector in the total of



non-compliant and not fully compliant posts shows that the **highest percentage of non-compliant content is in the short video format** of Reels (29.5 %) and TikTok Videos (27.4 %).

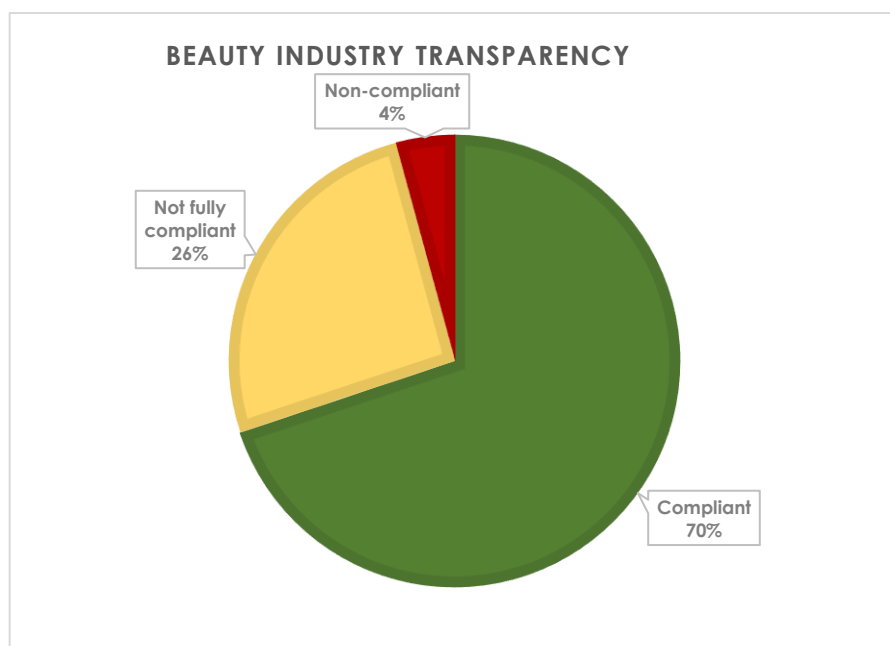
However, there also emerges a substantial **transparency of communication through Youtube as**

well as an uncertainty in communication even in posts where the hashtag #adv and the other expected ones often appear at the end of long caption and difficult to see especially from mobile.



BEAUTY

For the Beauty sector, 131 influencers were monitored who, during the months of monitoring, published 3258 pieces of advertising content

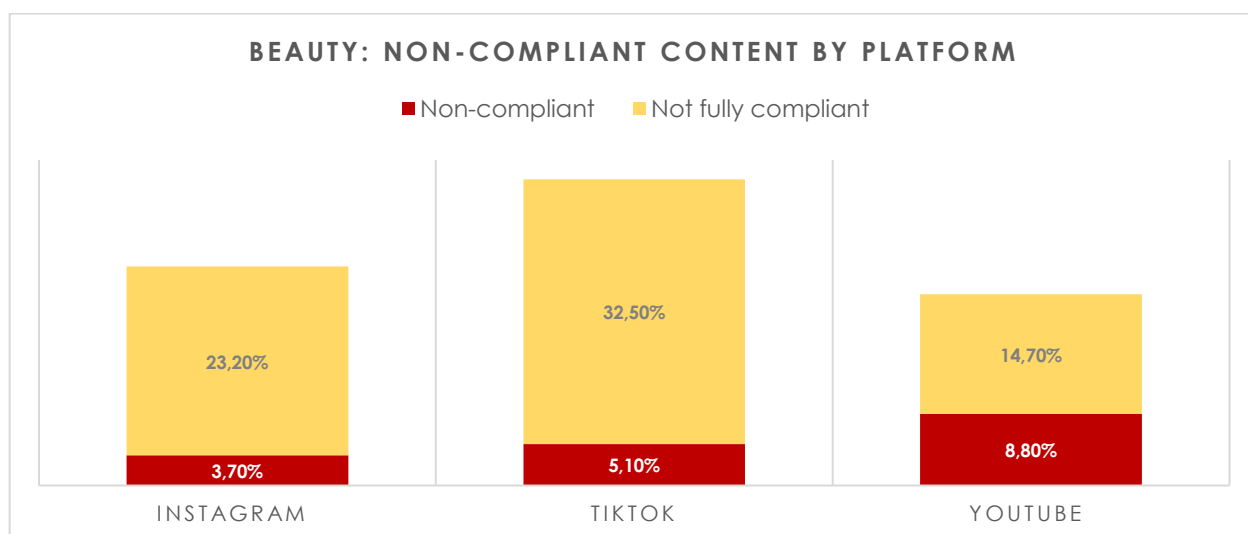


The aspect that characterizes transparency in the beauty sector is the **presence of a high percentage of content that is not fully compliant (26 %)**.

This is content that is **equally distributed between Tiktok and Instagram** with a smaller percentage of content posted on Youtube.

Considering the totality of non-compliant and not

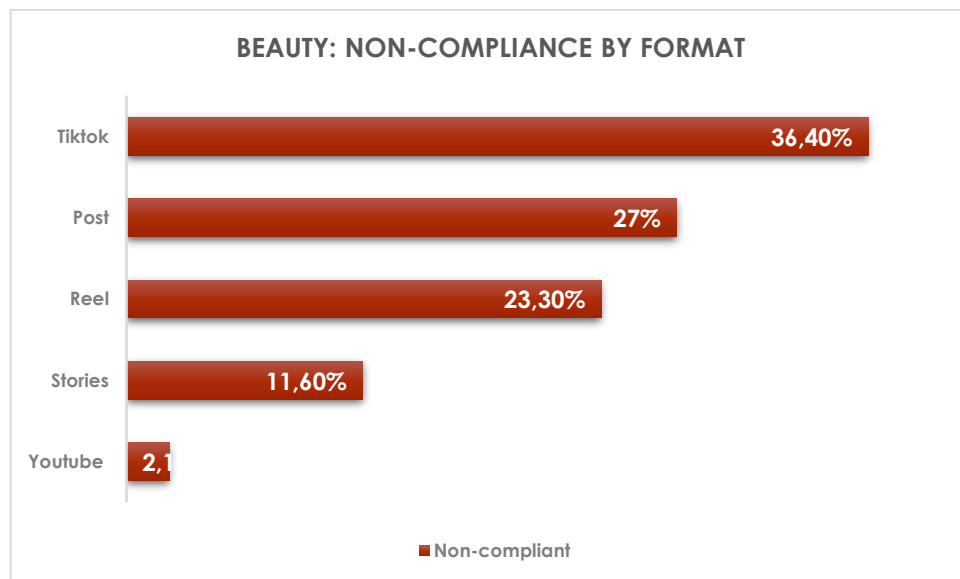
fully compliant content on the different platforms, it emerges that there is **a segment of youtubers who do not communicate fully correctly in the Beauty sector** (although only 8.8% of the content posted on this platform is found to be not correct). **Only partially transparent communication is widespread on Tiktok** with 32.5% of the content posted by Beauty influencers on this platform being found to be not fully compliant.



The following will describe in more detail how the "gray zone" of the Beauty sector is configured where all posts that are not fully compliant are located. With regard to published posts

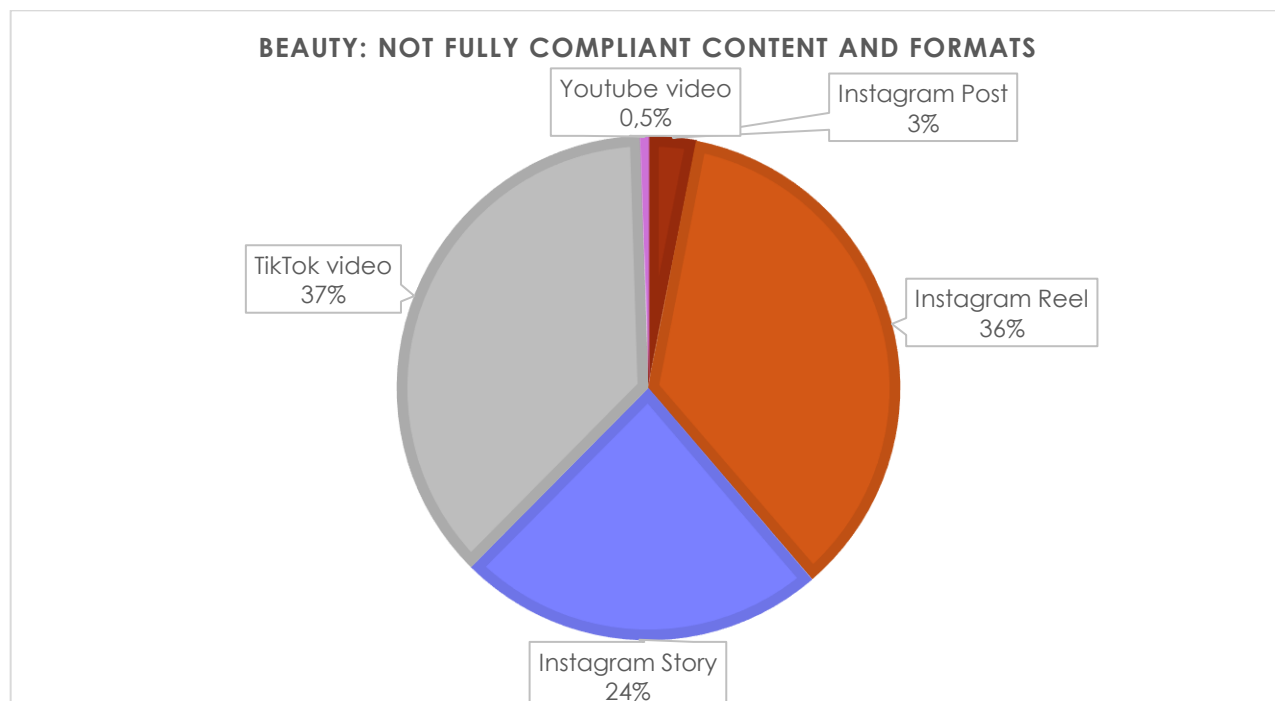


without any transparency in relation to advertising we can still say who it is about



The grey area of the beauty industry

Beauty influencers make their content transparent in ways that are often not fully compliant. This "grey area" represents a vantage point for better understanding the phenomenon.

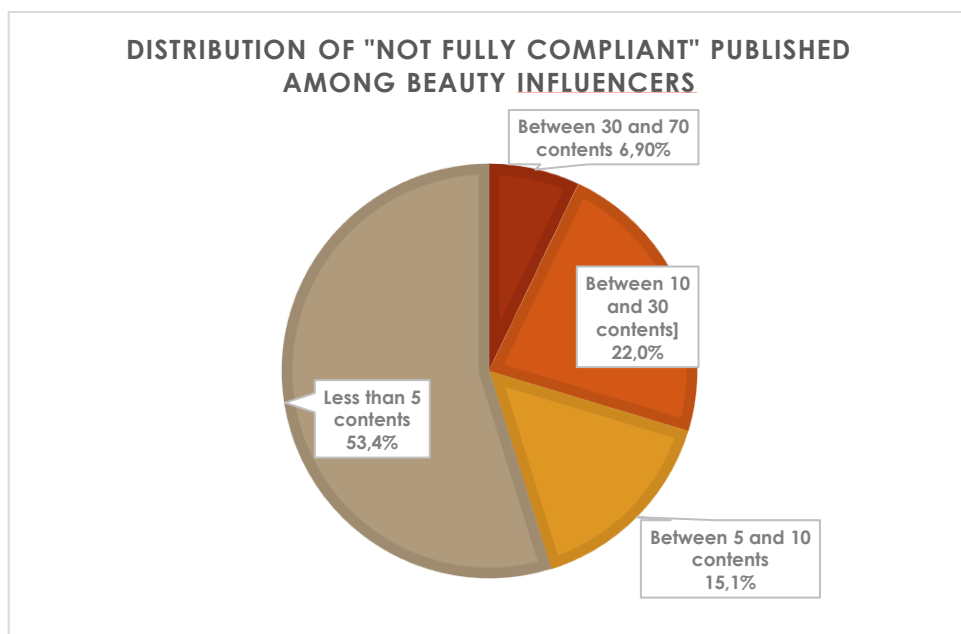




The formats

Instagram Posts and **Youtube Videos** are largely compliant. In contrast, it is the short video format that has the most critical issues with regard to both **Instagram** and **TikTok**. Qualitative analysis shows that in these formats the element that appears most problematic is that the #adv wording is not properly highlighted.

Monitoring allows us to highlight how the publication of content that is not fully compliant is



distributed among influencers. Is it a small group that does not use the available tools properly, or is it a widespread practice? Regarding the Beauty sector, **66 %** of Influencers published at least one piece of content that was not fully compliant in the monitored months.

However, **half of** these influencers (53.4 %)

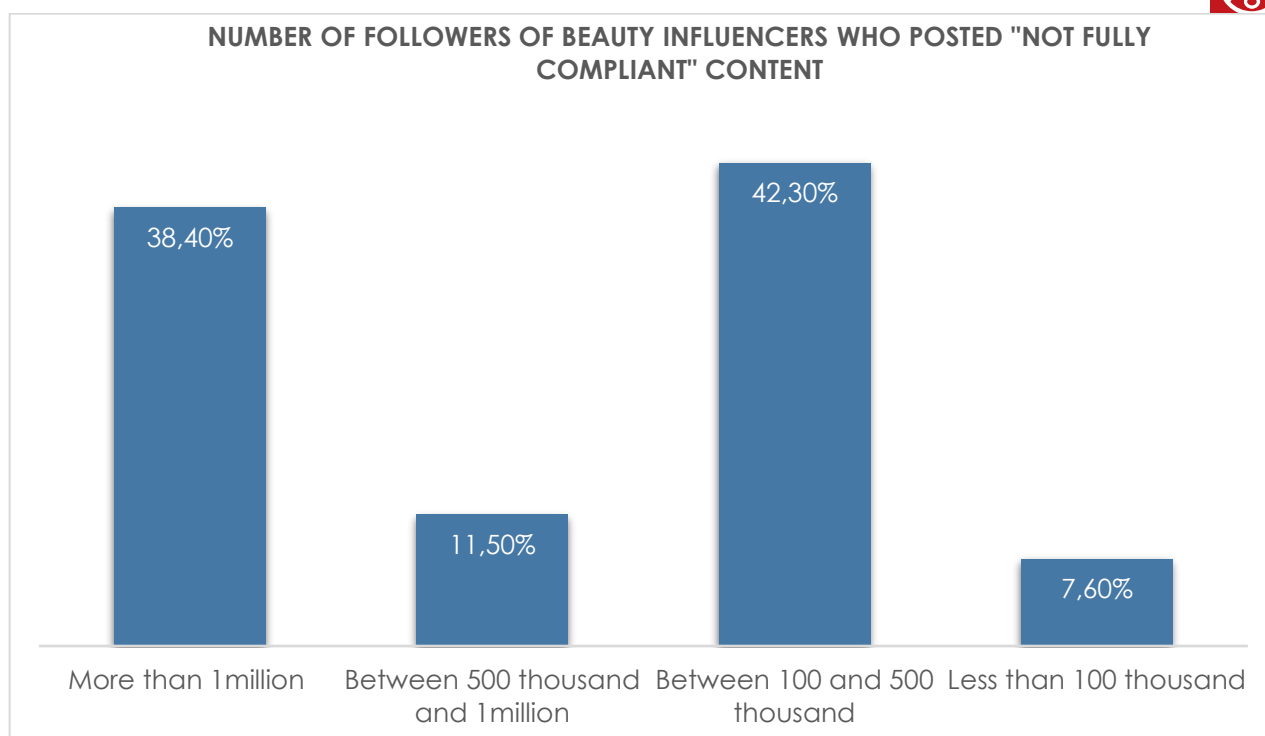
posted less than five pieces of content and an additional 15 % between five and ten pieces of content that were not fully compliant and could be interpreted as "occasional errors" in #adv reporting.

28.9% of Beauty Influencers are responsible for publishing most of the content that is not fully compliant.

Thus, more than a quarter of influencers in the industry publish content that is not fully transparent on a frequent basis. In particular, there is a niche of influencers representing 6.05 % of the sample, who published 31.2 % of all content that was not fully compliant and therefore habitually did not use the tools available to them in a correct way.

Considering the 28.9% of Beauty Influencers who posted the most problematic content, we can say that:

- **Noncompliance is not a problem for micro-influencers**
- Influencers who post content that is not fully compliant **are active on both Instagram and Tik tok** (in 14% of cases only on TikTok).



Qualitative analysis allows us to state that for influencers with **more than 1 million** followers, opaque communication is related **to the use of visual formats and expressive forms typical of promotional communication**. typical example sample *Unpackaging*

In the case of **influencers between 500 and 1 million followers**, opaque communication is related to other factors

- The adoption of communication strategies based on the sharing of experiences, experiences and issues related to, for example, facial skin.
- The young age of

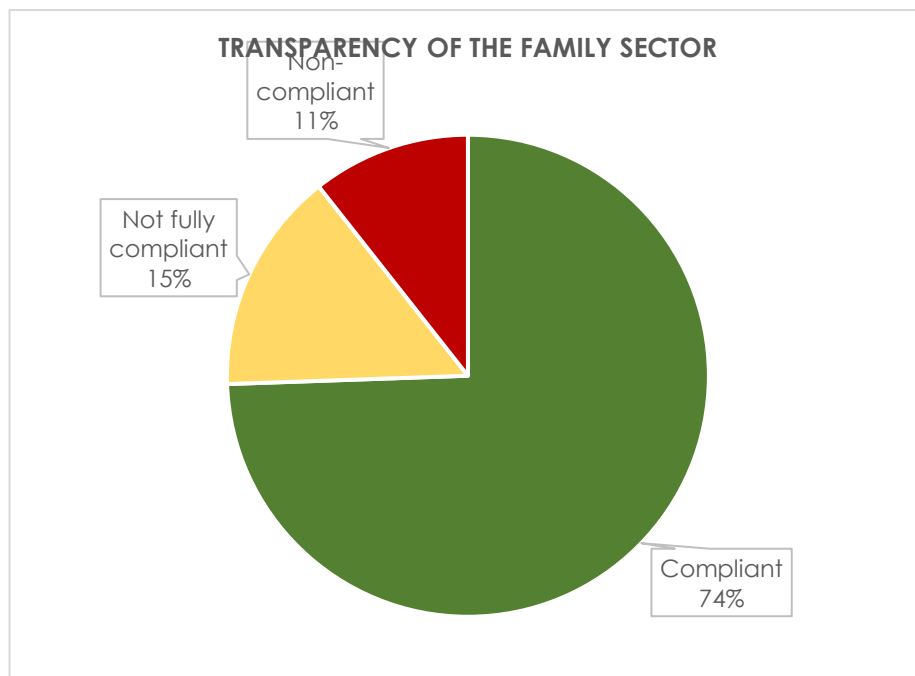
In the case of **influencers between 100 and 500 thousand followers**, opaque communication is linked to an additional set of factors:

- The need to accredit oneself as an "expert" in the field leading to a focus on direct product testing as a "guarantee of authenticity" or an almost "medical" communication with the staging of locations and clothing reminiscent of health professionals.



FAMILY

For the Family sector, 41 influencers were monitored who, during the months of monitoring, published 2785 pieces of advertising content



The defining aspect of transparency in the Family sector is the **presence of a high percentage of non-compliant content (11%)**.

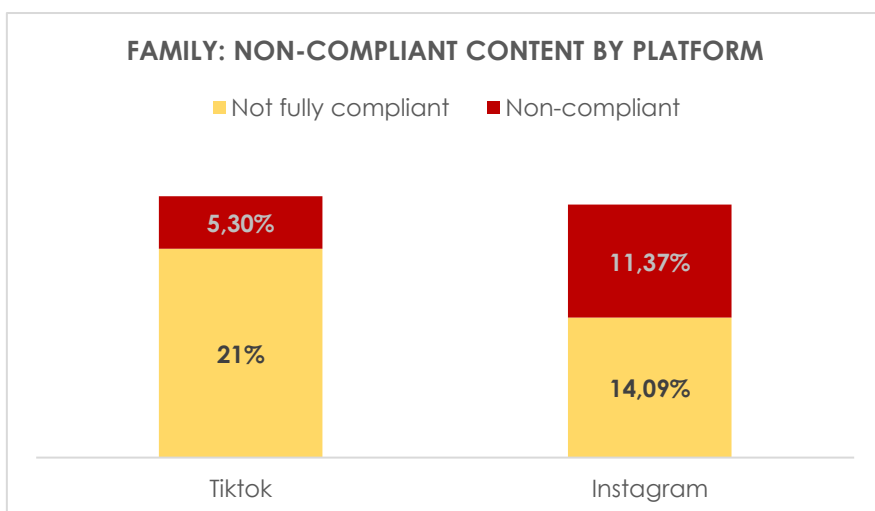
Compared to the total amount of noncompliant and not fully compliant **content** on the different platforms, **the platform with the highest level of noncompliant content is Instagram**.

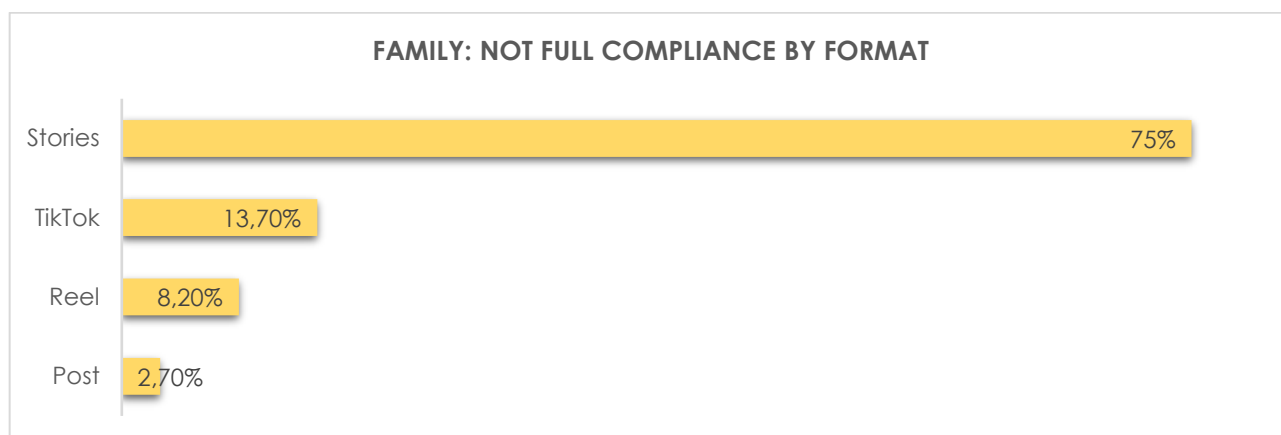
On **TikTok**, the percentage of **content that is not fully compliant** is high (21%). As already noted for the Beauty sector. In cases where the tool provided by the platforms is not used, there still does not appear to be full and certain competence in the use of proper advertising reporting practices.

The situation is different for **Instagram**, which has the **highest percentage of non-compliant content** (11.3 %).

That is, of posts, reels and stories in which the presence of paid advertising activity is evident, but not declared. The formats and types of influencers who adopt this behavior, which we can call the "red zone" of the family sector, will be explored in more detail below.

On the other hand, with regard to content that is not fully compliant, it clearly emerges that Instagram Stories are the most problematic format. In fact, 75 % of the instances of not fully compliant content are Stories and less than 20 % are other formats.

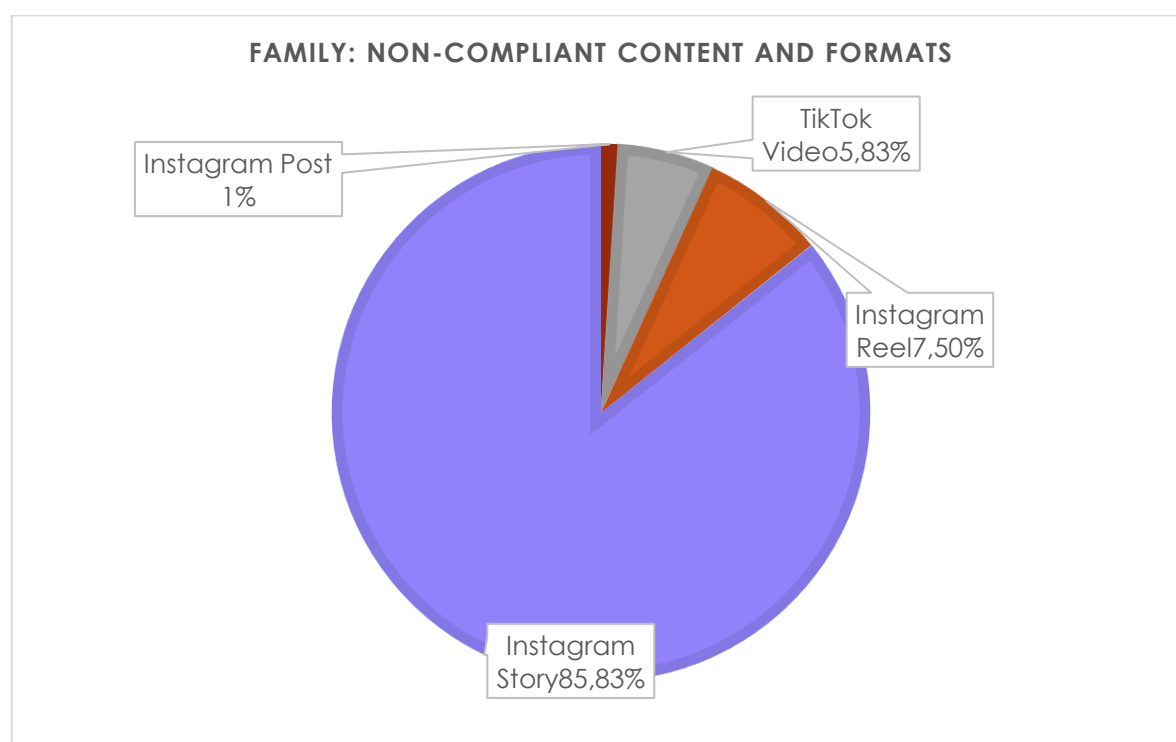




The red zone of the Family sector

More than 10 % of promotional content published by family influencers **is not transparent** because it has no explicit indication of the presence of advertising. It is, therefore, content published in open violation of the regulations governing the industry.

The data collected in the monitoring allow us to highlight that the distribution of this content is uneven across formats. **In fact, 85.83% of non-compliant content is published in the form of Instagram Stories**, while a little over 13% is published in the form of Instagram Reels or TikTok Videos, and only 1% of non-compliant content is published in the form of the Post.

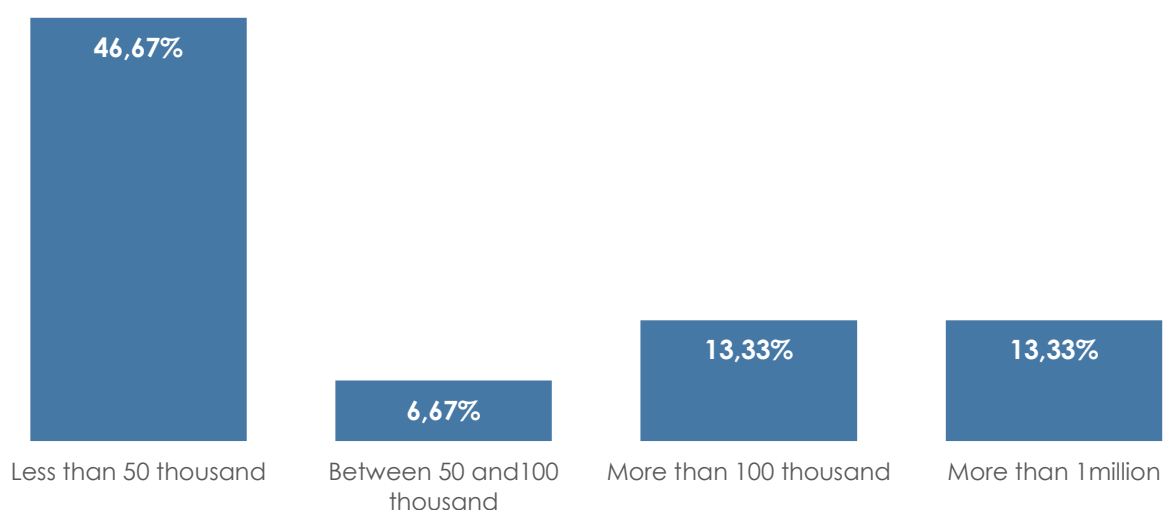




Considering that content that was not fully compliant was also posted by Family influencers during the months of monitoring, especially in the format of Instagram Stories, it is possible to say that **there is a specific difficulty in complying with the current regulations in case the content format is different from the post format.**

An additional element that can contribute to the understanding of the phenomenon is the type of influencers who publish this type of content. These are, in fact predominantly **creators who do not exceed 50million followers and are, therefore, aimed at a niche audience.** The data collected in the monitoring allows us to hypothesize that, in addition to the difficulty of making communication transparent in some formats, it is also **the particular relationship of trust that is established between micro-influencers and their audience** that motivates the publication of content in violation of transparency rules. In addition to a possible **lesser experience of family influencers** who are representatives of a still developing sector compared to the fashion or beauty influencer categories.

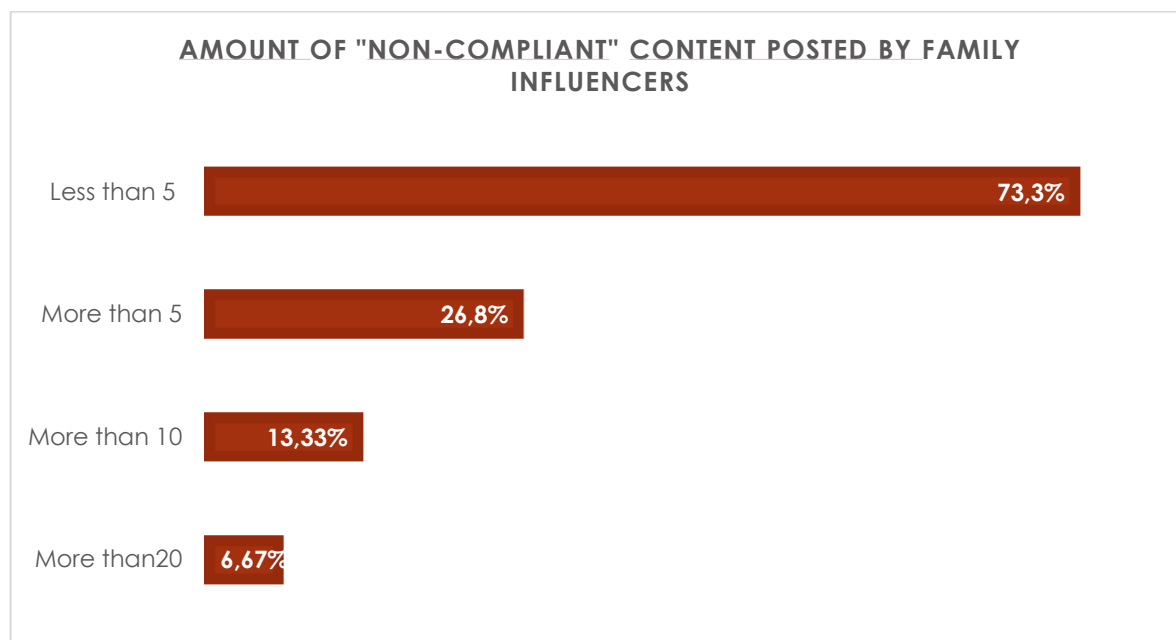
NUMBER OF FOLLOWERS OF FAMILY INFLUENCERS WHO POSTED NON-COMPLIANT CONTENT



It is then possible to observe that 11% of content published in open violation of the transparency rule was **published by 36.59% of the influencers.** Thus, we can speak of a **"widespread non-transparency" among family influencers** considering that almost 40% published at least one non-transparent content.



The data analysis also highlights that **"non-transparency" in the family sector is a pulverized phenomenon. Only 6.67 % of influencers** who published "non-compliant" content **do so systematically** (publishing more than 20 pieces of content in violation of transparency rules in the observed period). The largest proportion, **73.3% only occasionally publish content in open violation of transparency rules** (publishing less than 5 non-compliant contents in the observed period).



These data make it possible to confirm that, although widespread, **violation of transparency rules by Family Influencers is mostly occasional, related to certain formats** (especially video) **and to the**, possible **inexperience** of some creators.

It is then possible to identify the types of influencers most "at risk" of violation by considering the percentage of incorrect content compared to the total content posted.

It is clear from this analysis that the most "at-risk" family influencers belong to two types:

- 1) **Influencers who build their relationship of trust with followers based on the principle of identification and emotional connection.** They therefore favor, even in communication style, content similar to that published (or that their fans might publish). In this case, explicitly stating #adv, and declaring a commercial component in the communication, could be perceived by the influencer as dystonic to this identification process.
- 2) **Influencers who build their relationship of trust with followers based on a mechanism that is also aspirational** (they propose themselves as ideal subjects/families) but who **are in the process of transitioning to a broader and more professional collaborative activity.** These are individuals who are starting stable collaborations with brands or incorporating more structured promotions into their communication. This transition is peppered with errors, even if not just occasional, that are characteristic of a skill acquisition phase.