Influencers and brands behaving badly: How governments and organisations are reacting to and regulating for the cross-cultural challenges of working with social media influencers

The explosion of social media influencers across the globe has become both a cross-cultural challenge and an opportunity for brands, consumers and governments. The impact of this relatively new cultural phenomenon can be illustrated by the recent (December 2018) Arab Social Media Influencers Summit, organised in Dubai by the Dubai Press Club working with the UAE Government, which saw more than 1000 influencers and government officials attend and included the Queen of Jordan, Her Majesty Queen Rania Al-Abdullah (Tashkandi, 2018). Social media influencers (SMIs) are defined by Freberg et al. (2011: 90) as "a new type of independent third party endorser who shape audience attitudes through blogs, tweets, and the use of other social media." SMIs are painted as powerful and empowered in marketing literature (see, for example, Hamelin, 2011; Kerr et al., 2011; Kucuk, 2009; Weber, 2009) The ability of influencers to influence consumers' behaviour, including purchasing decisions, is increasing (Sepp et al., 2011). Abidin (2015) defines SMIs as "everyday, ordinary Internet users who accumulate a relatively large following on blogs and social media through the textual and visual narration of their personal lives and lifestyles, engage with their following in digital and physical spaces, and monetise their following by integrating 'advertorials' into their blog or social media posts." Abidin's definition points to one of the key concerns around influencers – the problem of monetisation and resulting ethical and legal issues around payment for opinion.

SMIs were initially courted by brand representatives because of their perceived authenticity, and their ability to reach customers who are increasingly turning away from mainstream media towards user-generated contacted (Audrezet et al., 2018). Influencers, as individuals, were viewed as being in a grey area between amateur and professional and were seen as useful for brands keen to connect with customers in the new 'web 2.0' era of marketing, advertising and public relations (Boerman et al, 2017). However, the very traits which made influencers attractive to strategic communicators have also brought challenges that have required Governments and brands to introduce new guidelines and laws for this ever-evolving space (Gürkaynak et al., 2017). Simultaneously, as influencers' power has grown, many have been able to demand increasingly large sums for endorsement, through paid 'advertorial' on their blogs, Instagram, YouTube, Facebook and other social media channels (Abidin and

Gwynne, 2017; Archer and Harrigan, 2016). With the increase in payment for promotion through SMIs' social media channels, new terms have arisen, including 'native advertising', 'covert marketing' and the current buzzword of 'influencer marketing' (Audrezet et al., 2018). The terms themselves give an indication of the grey area of communication and commodification for social media influencers, who traverse marketing, public relations, advertising and strategic communication within both the digital and physical space.

This paper discusses the attempts by Governments, industry bodies and brands in key regions of the world, to meet the challenges. It answers the research question: How are Governments and brands adapting to the rise of social media influencers and the cross-cultural issues arising from working with them? Focusing on case studies from three key geographical areas – the UAE, Australia and Singapore – the paper examines some high-profile cases of cross-cultural communication, ethical and legal challenges related to influencers and subsequent reactions by both Government and organisations. The current laws and/or guidelines within these countries will also be examined. For example, the UAE was the first country to regulate the influencer market. In March 2018, social media influencers were instructed to get licensed by June 2018 in a major step to 'regulate e-commerce and publishing' (Dajani, 2018). Australia and Singapore, in contrast, have self-regulating guidelines from industry bodies, with some consumer laws also applicable. The laws, regulations and guidelines will be examined and ramifications for cross-cultural communication practice discussed.

Abidin, C. (2015). Communicative intimacies: Influencers and perceived interconnectedness. *Ada: A Journal of Gender, New Media, and Technology*, (8).

Abidin C and Gwynne J (2017). Entrepreneurial Selves, Feminine Corporeality and Lifestyle Blogging in Singapore. *Asian Journal of Social Science*, 45(4-5): 385-408.

Archer, C and Harrigan, P (2016b). Show me the money: how bloggers as stakeholders are challenging theories of relationship building in public relations. *Media International Australia*, 160(1): 67-77.

Audrezet, A., De Kerviler, G. and Moulard, J.G., 2018. Authenticity under threat: When social media influencers need to go beyond self-presentation. *Journal of Business Research*.

Boerman, S.C., Willemsen, L.M. and Van Der Aa, E.P., 2017. "This Post Is Sponsored": Effects of Sponsorship Disclosure on Persuasion Knowledge and Electronic Word of Mouth in the Context of Facebook. *Journal of Interactive Marketing* 38: 82-92.

Dajani, H. (2018, March 6). UAE's paid social media influencers will need licence under new media rules. Available at The National: https://www.thenational.ae/uae/uae-s-paid-social-media-influencers-will-need-licence-under-new-media-rules-1.710664 (accessed December 12 2018).

Freberg, K., Grahamb, K., McGaughey, K., & Freberg, L. A. (2011). Who are the social media influencers? A study of public perceptions of personality. *Public Relations Review*. 37(1), 90–92.

Gürkaynak, G., Kama, Ç.O. and Ergün, B., 2018. Navigating the uncharted risks of covert advertising in influencer marketing. *Business Law Review* 39(1): 17-19.

Hamelin, G. (2011). Consumers power transformational marketing: Engaging customers in personalized dialogue replaces pushing messages through mass media. *Customer Relationship Management, September.*

Kerr, G. F., Mortimera, K., Dickinson-Delaporte, S. J., & Waller, D. (2011). Buy, boycott or blog: Exploring online consumer power to share, discuss and distribute controversial advertising messages. *European Journal of Marketing*, 46(3/4): 4-4.

Kucuk, S. U. (2009). Consumer empowerment model: from unspeakable to undeniable. Direct Marketing: An International Journal 3(4): 327-342.

Sepp, M., Liljander, V., & Gummerus, J. (2011). Private bloggers' motivations to produce content - a gratifications theory perspective. *Journal of Marketing Management* 27(13-14): 1479-1503.

Tashkandi H. (2018) Arab Social Media Influencer Summit kicks off in Dubai with star-studded lineup. Arab News. Available at: http://www.arabnews.com/node/1418371/media (accessed 14 December 2018).

Weber, L. (2009). *Sticks & Stones: How Digital Business Reputations are Created over Time and Lost in a Click*. Hoboken, NJ: John Wiley & Sons, Inc.