

Ethical Challenges in Influencer Marketing: Safeguarding Youth and Vulnerable Audiences

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Abstract- Influencer marketing has become a dominant force within the digital economy, blurring the boundaries between content creation, commercial persuasion, and personal communication. This review critically examines the ethical and regulatory challenges posed by influencer marketing, particularly as they pertain to children and adolescent audiences. Through a comprehensive analysis of stealth advertising practices, inadequate age-gating mechanisms, and the proliferation of “kidfluencers,” the study exposes a digital space in which commercial interests frequently override safeguards for young users. Case studies of regulatory approaches to transparency initiatives illustrate the tangible consequences of unregulated influencer behavior and highlight the need for coherent policy action. In response to these challenges, the paper proposes an ethical framework centered on transparency, disclosure, audience protection, and informed consent. It outlines best practices for influencers and brands, with emphasis on ethical partnership vetting, consistent labeling of promotional content, and heightened protection in child-focused environments. The review advocates for the role of interdisciplinary collaboration, including law, media ethics, education, and technology design, in creating adaptable, enforceable regulations. It concludes with policy recommendations aimed at empowering regulatory bodies, enhancing platform accountability, and ensuring digital literacy among users, particularly minors and their guardians. Lastly, the paper argues that the path to a socially responsible and ethically grounded influencer ecosystem must be collective. It requires influencers, brands, platforms, educators, regulators, and civil society to commit to ethical integrity, shared accountability, and structural reform.

Keywords: *Influencer Marketing, Digital Ethics, Youth Protection, Stealth Advertising, Child Influencers, Transparency, Regulatory Frameworks, Digital Literacy, Interdisciplinary Regulation, Social Responsibility.*

I. INTRODUCTION

The past decade has witnessed an exponential rise in influencer marketing, fueled by the ubiquity of social media platforms such as Instagram, TikTok, YouTube, and Snapchat. Influencer marketing, embodying the strategic collaboration between brands and influential individuals to cultivate authentic connections and enhance engagement, has

evolved from a budding marketing supplement into a dominant force within the digital marketing environment (Manzoor et al., 2023). What started as a niche marketing tactic has transformed into a powerful commercial strategy, with global spending on influencer campaigns tripling since 2020 and reaching an estimated record of approximately 33 billion U.S. dollars in 2025 (Statista, 2024). Influencers, many of whom are self-made content creators with massive followings, have become powerful brand partners and are acting as informal role models, particularly among youth and digitally native populations (Kühn & Riesmeyer, 2021). Their ability to shape attitudes, behaviors, and purchasing decisions through structured and authentic content has placed them at the center of contemporary consumer culture.

The rapid growth of influencer marketing has sparked significant ethical concerns, as young people and other vulnerable audiences with limited media literacy or cognitive maturity are particularly susceptible to the subtle persuasive tactics embedded in influencer content (Castonguay, 2021). Unlike traditional advertising, influencer promotions with conventional advertising often blur the lines between personal opinion and paid endorsement, enabling an environment where transparency and accountability are not always assured (Javakhishvili, 2023). This dynamic creates fertile ground for exploitation, misinformation, and psychological manipulation, especially when disclosures are absent, misleading, or deliberately obscured.

The purpose of this article is to critically examine the ethical shortcomings of current influencer marketing practices, with a particular focus on their impact on impressionable audiences. Drawing on scholarly articles, regulatory discourse, and relevant case studies, the paper aims to identify key gaps in oversight and propose a framework for ethical safeguards. At the critical point of this investigation is the research question: How can influencer marketing be ethically regulated to protect youth and vulnerable populations from undue influence and

harm? Addressing this question requires a comprehensive understanding of digital influence, the psychology of persuasion, and the socio-commercial architecture of social media ecosystems.

II. THE MECHANICS AND INFLUENCE OF INFLUENCER MARKETING

Influencer marketing is broadly understood as a strategic collaboration between individuals with substantial social media presence and brands seeking to reach targeted audiences. McKinsey (2023) frames it as a marketing approach that leverages the digital credibility and reach of popular content creators to drive engagement and sales. Similarly, Shahzad et al. (2023) emphasize the role of the influencer's personal brand in enhancing promotional effectiveness, noting that such partnerships rely heavily on the influencer's perceived authenticity and influence within specific audience niches. Unlike traditional advertising, which typically relies on explicit and easily identifiable promotional formats, influencer marketing embeds brand messaging within content that feels organic and relatable. As Baghel (2024) argues, its persuasive strength lies in the illusion of transparency and genuineness, enabling influencers to serve as intermediaries who bridge the trust gap between consumers and commercial entities. This is further reinforced by the influencer's perceived approachability, which allows them to shape consumer behavior in ways that are often subtle but highly effective (Jagrit et al., 2024). Influencers commonly operate within specialized sectors such as fashion, fitness, gaming, parenting, and lifestyle, creating planned content that aligns with distinct audience segments' preferences, values, and consumption patterns. Their strategic positioning and ability to humanize brand messaging make them powerful actors in the contemporary marketing ecosystem.

The Evolution from Celebrity Endorsements to Peer-like Influencers

Influencer marketing has evolved significantly from the era of conventional celebrity endorsements, where famous figures served as distant, aspirational representatives of brands. In earlier models, companies partnered with celebrities to amplify visibility through mass media channels. Karamoy (2022) argues that celebrity endorsers include television stars, film actors, athletes, politicians, and other famous individuals, sometimes even deceased

celebrities, who are prominently featured in magazines, radio, and television advertisements to enhance product appeal and credibility. Nasywa and Radita (2024) note that while traditional influence was primarily one-directional with limited audience interaction, the rise of social media has reshaped this dynamic, expanding influence beyond celebrities to include bloggers, content creators, and everyday individuals with niche followings. This shift reflects a deeper change in how trust and authority are constructed in digital spaces. Shahifol and Mudzamir (2024) note that influencers today are often perceived as trusted peers or relatable figures within specific communities, making their endorsements more persuasive than traditional celebrities. Rather than projecting unattainable lifestyles, influencers present themselves as authentic and accessible, fostering deeper emotional connections with their audiences.

Trust within influencer marketing is inherently multidimensional, involving perceptions of authenticity, transparency, and consistency. As Jagrit et al. (2024) argue, authenticity remains the cornerstone of effective campaigns, audiences are quick to detect insincerity, which can significantly undermine both trust and marketing outcomes. To maintain credibility, influencers must ensure alignment between the brands they promote and the values or interests of their followers. Influencers are also categorized by audience size and engagement levels. Shahifol and Mudzamir (2024) distinguish between macro-influencers - those with over 100,000 followers who offer wide reach, and micro-influencers, who typically engage communities ranging from 1,000 to 100,000 followers. While macro-influencers are effective for brand visibility and large-scale campaigns, micro-influencers are often seen as more approachable and trustworthy, resulting in higher engagement and deeper audience loyalty.

The Role of Parasocial Relationships in Influencer Marketing

A central psychological mechanism that enhances the effectiveness of influencer marketing is the concept of parasocial relationships - one-sided emotional bonds formed by audiences with media figures who are largely unaware of their individual existence. These relationships are particularly prevalent on social media, where the illusion of intimacy and accessibility is heightened. Josephine Yi (2023) finds that parasocial interactions significantly influence

consumer trust, brand evaluations, and purchase intentions, particularly when audiences perceive influencers as friends, mentors, or relatable figures rather than commercial actors.

This perceived closeness contributes to a reduction in critical scrutiny, especially among adolescents and digitally active youth, who often lack the cognitive maturity or media literacy to distinguish between authentic personal endorsements and sponsored content. As Damani (2025) notes, the persuasive power of parasocial bonds is magnified in these younger demographics, increasing their susceptibility to subtle promotional tactics. Consequently, parasocial relationships amplify marketing efficacy and raise ethical concerns about exploitation and informed consumer consent in digital spaces (Chang & Zhang, 2022).

Monetization Structures and Ethical Tensions in Influencer Marketing

The monetization mechanisms relating to influencer marketing are diverse and, in many cases, lacking in transparency. One of the most common revenue models is affiliate marketing, where influencers earn commissions based on sales generated through customized links shared with their followers. As Holly et al. (2023) explain, engagement metrics such as clicks, shares, and comments serve as key performance indicators (KPIs) in affiliate campaigns, measuring the resonance of promotional content and its ability to foster meaningful interactions between brands and target audiences. Both influencers and advertisers closely monitor engagement, as it reflects not only the campaign's reach but also its persuasive power.

Sponsored content is another dominant strategy, involving direct payment from brands to influencers for promotional posts, stories, or videos. According to Pitafi and Tahir (2024), the success of sponsored content relies on its seamless integration into an influencer's regular output, preserving the tone and authenticity of their digital persona while adhering to regulatory guidelines on advertising disclosure. The Federal Trade Commission (FTC) in the U.S., for example, mandates clear labeling of sponsored posts, though compliance remains inconsistent (Native Advertising Institute, 2021). More than these short-term campaigns, influencers increasingly engage in long-term collaborations such as brand ambassadorships, exclusive product placements, and

strategic partnerships to generate stable revenue but also reinforce the influencer's credibility and association with the brand. Importantly, the commercialization of influencer content introduces ethical tensions around creative freedom and authenticity. Hofstetter et al. (2023) find that influencers frequently resist rigid contractual constraints due to the relational costs involved, such as diminished personal voice or reduced engagement. From the audience's perspective, content perceived as overly scripted or brand-driven tends to elicit less favorable responses, emphasising what scholars refer to as a "creativity suppression cost," which is a trade-off between brand control and organic appeal.

Platform-Specific Dynamics in Influencer Marketing

Influencer marketing operates across a range of digital platforms, including Instagram, TikTok, YouTube, Snapchat, and others, each with unique affordances and constraints that shape promotional strategies and audience engagement. Instagram, with its strong emphasis on visual aesthetics, lends itself well to image-driven branding. As Siregar et al. (2023) observe, brands that effectively harness Instagram's visual tools can enhance recognition and foster positive brand associations, particularly among younger consumers. This makes strategic visual storytelling central to influencer success on the platform. TikTok, by contrast, is characterized by short-form, algorithmically amplified content that thrives on virality and spontaneity. Advertising on TikTok often adopts subtle, native formats such as challenges, trends, or skits that integrate promotional messages without disrupting the entertainment value of the content (Wahid et al., 2024). This subtlety can blur the line between organic and paid content, increasing the likelihood of undisclosed advertising exposure, particularly for less discerning audiences. YouTube offers a distinct model, privileging long-form, narrative content that allows for deeper brand integration. Influencers on YouTube can embed sponsorships within tutorials, reviews, or vlogs in ways that appear more natural and contextually relevant. As reported by CKP Group (2024), this format enables more elaborate storytelling and refined brand positioning, but also poses challenges for disclosure clarity and audience perception. These platform-specific dynamics complicate the ethical and regulatory landscape of influencer marketing. Differences in content length, format, algorithmic visibility, and user expectations mean that standardized rules for advertising disclosures and

targeting practices often fall short. Consequently, regulators face significant hurdles in developing frameworks that ensure transparency, accountability, and audience protection across these diverse digital ecosystems (Friday et al., 2022).

III. VULNERABILITY OF YOUTH AND AT-RISK AUDIENCES

The persuasive power of influencer marketing is particularly potent among youth, whose psychological and developmental characteristics make them especially vulnerable to advertising masked as authentic content. During adolescence, key cognitive functions such as critical thinking, impulse regulation, and long-term consequence evaluation remain underdeveloped (Cerniglia & Pomponio, 2024). As a result, adolescents tend to rely on heuristic cues such as an influencer's attractiveness, popularity, or relatability, rather than engaging in systematic evaluation of the content itself (Pouyan et al., 2024). This cognitive immaturity renders them more susceptible to subtle persuasive techniques that adults might scrutinize more critically. The peer-like positioning of influencers, often reinforced by parasocial relationships (PSRs), further encourages uncritical acceptance of branded messages that resemble personal endorsements or lifestyle advice rather than obvious commercial promotion. Su et al. (2021) found that informational influence and perceived credibility strengthen the link between PSRs and purchase intentions. Similarly, Yuan and Lou (2020) demonstrated that perceived influencer attractiveness, similarity, and fairness perceptions all enhance the quality of PSRs, which in turn mediate consumer responsiveness to influencer-promoted products. These psychological mechanisms combine to create an influential marketing environment where youth are emotionally engaged but cognitively unprotected.

Algorithmic content delivery systems further worsen youth vulnerability by curating content based on users' behavioral data, thereby amplifying exposure to emotionally resonant or identity-affirming influencer content. Platforms such as YouTube, TikTok, and Instagram employ engagement-driven algorithms that prioritize content likely to maximize user attention, often reinforcing consumption patterns and aspirational ideals. Gaurav (2025) characterizes these dynamics as creating "echo chambers of influence," wherein users are repeatedly

exposed to narrow representations of beauty standards, consumer behavior, and lifestyle norms. This continuous reinforcement not only restricts the diversity of digital experiences but also fosters internalization of unrealistic ideals. The consequences are particularly acute for children and adolescents, who often lack the media literacy skills necessary to identify commercial intent and are more inclined to emulate influencer behaviors due to aspirational identification. Gupta and Bansal (2024) note that although algorithmic personalization is designed to enhance user engagement, it inadvertently fosters digital polarization, curtails access to divergent viewpoints, and facilitates the unchecked spread of promotional content and misinformation. These algorithmic biases, coupled with developmental vulnerabilities, create a digital environment where impressionable users are disproportionately exposed to persuasive messaging without adequate cognitive safeguards.

Prolonged exposure to influencer content has been consistently linked to adverse psychological and behavioral outcomes among young audiences, including increased body dissatisfaction, reduced self-esteem, and the development of unhealthy consumption patterns. Suhag and Rauniyar (2024) report that adolescent girls who frequently engage with beauty and fitness influencers exhibit elevated levels of appearance anxiety, body comparison, dissatisfaction with weight, and symptoms associated with disordered eating. Similarly, Smit et al. (2020) found that influencer-driven promotion of junk food and sugary beverages contributes to the normalization of poor dietary habits in children, reinforcing cravings and fostering excessive consumption. Powell and Pring (2024) underscore that while influencers can shape health behaviors positively, their impact often skews negative, especially in the context of body image dissatisfaction. The cumulative effect of such exposure is far-reaching, influencing both psychological well-being and self-perception. Merino et al. (2024) further demonstrate that increased social media engagement correlates with intensified body dissatisfaction, lower self-esteem, and heightened anxiety regarding physical appearance. These outcomes are particularly concerning among adolescents and young adults, who are in critical stages of identity formation and are especially susceptible to idealized representations perpetuated by influencers.

Beyond food and beauty products, there is increasing concern about influencers promoting age-inappropriate or harmful products to impressionable audiences. A recent study by the University of Portsmouth identifies several negative consequences of social media influencer (SMI) activity, including the spread of misinformation, the endorsement of hazardous or unregulated products, and the cultivation of unrealistic beauty ideals and deceptive consumer practices. These issues are compounded by privacy risks and the lack of transparency around paid promotions. To address such harms, organizations like ISBA, in collaboration with the Influencer Marketing Trade Body (IMTB), have emphasized the need to prevent the exposure of age-restricted content to minors and ensure ethical ad placement (ISBA & IMTB, 2025). López-Martínez et al. (2024) argue that enhancing advertising literacy among youth is critical to developing the analytical skills needed to engage responsibly with commercial content. Nonetheless, documented cases persist in which influencers promote gambling apps, “buy now, pay later” financial services, and unregulated detox supplements without appropriate warnings or age gating, often failing to disclose financial relationships. In 2025, the Australian Communications and Media Authority issued formal warnings to TikTok influencers for targeting underage users without applying age filters or disclosing sponsorships (TikTok Australia, 2025). Such incidents describe the urgent need for stricter ethical standards and greater accountability among both influencers and platforms to safeguard vulnerable users from manipulative or harmful content.

IV. ETHICAL ISSUES AND REGULATORY GAPS

A. Stealth Advertising and Blurred Lines

One of the most pressing ethical challenges in influencer marketing is stealth advertising, where paid promotions are subtly embedded within personal content or communications, making it difficult for audiences to distinguish between authentic recommendations and sponsored messages. According to FastCapital (2025), while covert marketing can appear ethically questionable and manipulative, it is sometimes defended as a legitimate strategy if implemented transparently and responsibly to preserve consumer trust and

engagement. Influencers often interweave promotional content into personal narratives, creating ambiguity about whether their endorsements arise from genuine affinity or financial compensation. Despite existing regulations requiring disclosure, compliance remains inconsistent. Many influencers either omit clear markers such as “#ad” or “#sponsored” or place them inconspicuously in a way that reduces their effectiveness, particularly among younger users who may lack the media literacy to recognize commercial intent. Waltenrath (2024) found that disclosed advertising fosters sustained positive engagement, whereas undisclosed promotions harm future user interactions with the same influencer. The study concludes that source credibility drives long-term trust, while the Persuasion Knowledge Model explains how awareness of persuasive intent affects audience reception in the short term. Similarly, Giuffredi-Kähr et al. (2022) demonstrate that undisclosed posts from mega influencers increase consumer skepticism by heightening persuasion knowledge, diminishing both brand and influencer credibility. Notably, when sponsorships are transparently declared, these negative effects are mitigated, underscoring the value of honest disclosure in influencer marketing. Regulatory authorities such as the U.S. Federal Trade Commission (FTC) and the UK’s Advertising Standards Authority (ASA) have issued guidance to enforce transparency, including the FTC’s “Disclosures 101 for Social Media Influencers” and the ASA’s codes on influencer content (FTC, 2023; ASA, 2023). However, enforcement remains a significant limitation. The FTC relies on issuing warnings and levying fines, but struggles to monitor the vast expanse of online content. The ASA, on the other hand, primarily acts on consumer complaints, adopting a reactive posture that permits stealth advertising to persist and further obscure the line between authentic content and commercial messaging.

B. Lack of Age-Appropriate Safeguards

The absence of standard age-appropriate protections is particularly concerning given the vulnerability of child and adolescent audiences. Platform age-gating mechanisms are often rudimentary, relying on self-reported age data that can be easily circumvented. A study examining age verification procedures across ten popular social media and communication apps, including Snapchat, Instagram, TikTok, Facebook, WhatsApp, Messenger, Skype, and Discord, found

that these platforms primarily depend on self-declared age during sign-up (Lero Research Centre, 2023). As a result, children can easily bypass age restrictions by entering a false birthdate (CDE Almería, 2021). The study concluded that such mechanisms are ineffective in preventing underage users from accessing these platforms, exposing them to potential privacy and safety threats such as cyberbullying and exposure to inappropriate content (Lero, 2023).

Consequently, underage users frequently gain unrestricted access to content promoting adult-oriented products, from alcohol and gambling apps to fast fashion and debt-fueled consumption models. The American Psychological Association (2024) emphasizes that the lack of clear and transparent procedures for addressing reports of harmful content undermines young users' ability to feel protected or seek help when confronted with such material. Amnesty International (2023) reported that within 3 to 20 minutes of manual research, more than half of the videos in the "For You" feed on TikTok were related to mental health struggles, with several recommended videos in a single hour romanticizing, normalizing, or encouraging suicide. These platforms have done little to restrict such exposure meaningfully, despite mounting evidence of psychological and financial harm to minors.

Another contentious area is the rise of child influencers, or kidfluencers, who create monetized content while often lacking the legal protections afforded to traditional child performers. Children face significant risks of exploitation, as they often lack legal rights to their earnings and are not adequately protected by labor laws, leaving them vulnerable to unsafe working conditions and financial exploitation (Vennessa, 2021). Strengthening regulations and enforcement mechanisms is crucial to ensuring their safety and well-being in commercial spaces. In many jurisdictions, these children are not protected by child labor laws or financial safeguards such as the Coogan Law, which requires earnings to be set aside in trust (Langford, 2020). Many kidfluencers operate in a legal grey zone, exposing them to exploitation, overwork, and the commodification of childhood. According to Masterson (2020), due to the absence of federal child labor laws covering child actors, regulations vary by state, creating inconsistent protections. While proposed state legislation aims to

secure financial safeguards for kidfluencers, challenges remain in applying traditional child actor regulations, such as work permits and workplace conditions, to the digital landscape.

Compounding this is the aggressive collection of personal data from minors, often in violation of privacy laws. Although the U.S. Children's Online Privacy Protection Act (COPPA) sets constraints on data collection from users under 13, enforcement has been weak, and many influencers and brands continue to target children with tailored advertising without proper consent (Columbia Undergraduate Law Review, 2024).

C. Global Disparities in Regulation

The regulation of influencer marketing varies significantly across jurisdictions, creating fragmented standards and complicating enforcement in digital spaces that transcend national borders. In the United States, regulatory oversight is led by the FTC, which offers guidance but lacks the infrastructure for proactive enforcement (FTC, 2023). The United Kingdom, through the ASA and the Competition and Markets Authority (CMA), has taken a more active stance, including naming and shaming influencers who repeatedly flout disclosure rules (ASA, 2024).

The European Union has introduced the Digital Services Act (DSA), which enhances platform accountability and mandates transparency in online advertising, including influencer content (European Commission, 2024). However, implementation and enforcement vary across member states. In contrast, Asian regulatory approaches are uneven. South Korea has established clear influencer disclosure laws, the Korea Fair Trade Commission (KFTC), and levied significant fines against violators, whereas countries like Japan regulate stealth marketing through the Consumer Affairs Agency (CAA), India, and Indonesia are still developing coherent frameworks (CreatorDB, 2023). These global disparities create challenges for cross-border enforcement. Influencers often operate on international platforms with audiences spanning multiple countries, making it difficult for any single regulatory authority to hold them accountable.

V. CASE STUDIES AND CONSEQUENCES

The 2020 Korean YouTube Backdoor Advertising Controversy

In 2020, several prominent South Korean YouTubers, including Han Hea-youn and Kang Min-kyung, were found to have engaged in undisclosed or “backdoor” advertising, promoting products without revealing paid partnerships (Lee, J., & Abidin, 2021). This practice led to widespread public backlash and scrutiny from the South Korean Fair Trade Commission (KFTC). The FTC implemented stricter regulations requiring influencers to disclose paid promotions. Violations could result in significant legal and financial penalties, including fines up to 150 million won and imprisonment for up to two years. This regulatory action prompted similar discussions in other countries about the need for transparency in influencer marketing.

The Liver King Scandal and Health Misinformation

Brian Johnson, known as the “Liver King,” gained fame by promoting an “ancestral” lifestyle, claiming his muscular physique was achieved naturally through consuming raw organ meats (Hines, 2025). In 2022, leaked emails revealed he was spending approximately \$11,000 monthly on steroids and human growth hormone (Snape, 2025). He initially denied the allegations but later confessed in a video. Johnson faced a \$25 million lawsuit, which was later dropped, but his reputation was irreparably damaged (Roxy, 2025). Despite the controversy, he continued to promote his lifestyle brand, raising concerns about the spread of health misinformation and the accountability of influencers.

Italy’s Ferragni Law – Regulating Influencer Marketing

According to Paladini (2025), Chiara Ferragni, who was once a leading social trendsetter, has found herself at the heart of a commercial scandal known as “Pandoro-Gate.” The Italian influencer was fined by the Antitrust authority for her promotional campaign during Pink Christmas 2022 and is currently under investigation for alleged unfair business practices that may have misled consumers. The repercussions have been substantial, with Ferragni losing 157,000 followers in the first two weeks following the scandal’s emergence. In response to the scandal involving influencer Chiara Ferragni, who falsely claimed that proceeds from a product would go to charity, Italy enacted the “Ferragni Law” in 2024. Chiara Ferragni was fined over 1 million euros (\$1.10 million) by Italy’s antitrust agency due to a lack of

transparency in a Christmas charity initiative, raising concerns about influencer accountability and ethical advertising practices (Reuters, 2024). The law aims to regulate influencer marketing, especially concerning charitable promotions. The law mandates clear disclosures about charitable contributions in product promotions and imposes fines ranging from €5,000 to €50,000 for violations. It also designates the Italian Competition Authority (AGCM) as the regulator for monitoring compliance.

VI. CASES EXAMINED

The examination of these three prominent influencer controversies shows the critical need for transparency, accountability, and regulatory oversight in digital marketing. In South Korea’s 2020 YouTube backdoor advertising scandal, influencers faced public backlash for promoting products without disclosing paid partnerships. This led to significant losses in viewership and prompted the South Korean Fair Trade Commission to implement stricter disclosure regulations, highlighting the importance of clear sponsorship identification to maintain consumer trust. The case of Brian Johnson also highlights the dangers of misinformation. Johnson built a substantial following by promoting a natural lifestyle, only to be exposed for using performance-enhancing drugs. This revelation damaged his credibility, showing the ethical responsibility influencers have in providing truthful information, especially concerning health and wellness. Italy’s “Pandorogate” involving Chiara Ferragni demonstrates the consequences of misleading charitable promotions. Ferragni and the confectionery company Balocco were fined over €1 million for falsely suggesting that proceeds from a branded cake would benefit a children’s hospital. The scandal led to the enactment of the “Ferragni Law,” mandating clearer disclosures in influencer marketing, particularly regarding charitable contributions.

VII. PROPOSAL ON ETHICAL FRAMEWORK AND GUIDELINES

According to Niko (2023), brands can ensure ethical practices in influencer partnerships by setting clear and transparent guidelines and expectations. An ethical approach to influencer marketing must be grounded in four core principles: transparency, disclosure, audience protection, and informed

consent. Transparency requires that all promotional content is clearly distinguishable from organic content, eliminating ambiguity for viewers. Disclosure involves informing audiences about material connections, such as financial compensation or gifted products, clearly and conspicuously that does not mislead or obscure the nature of the endorsement. Protecting audiences, especially vulnerable groups like minors, is paramount. Influencers and brands must ensure that the content aligns with appropriate age and ethical standards. Lastly, informed consent is very important where data collection is concerned, particularly in compliance with privacy laws such as the Children's Online Privacy Protection Act (COPPA) and the General Data Protection Regulation (GDPR), ensuring that users are aware of how their information is collected and used.

For influencers, best practices include the consistent and visible labeling of sponsored content. Disclosures should not be buried in hashtags or hidden in lengthy captions and must be clearly marked, ideally at the beginning of posts, using recognizable tags such as "#ad" or "#sponsored." Also, influencers must only partner with brands whose products or values align with ethical standards and personal integrity, avoiding the promotion of misleading, exploitative, or harmful content. Authenticity is essential, as audiences demand honest reviews and genuine experiences, making exaggerated claims or deceptive scripted endorsements detrimental to trust and credibility.

Brands also have a responsibility to uphold ethical standards by implementing strong internal review protocols. This includes thoroughly vetting influencers for credibility, integrity, and audience alignment before engagement. Brand-influencer partnerships should be governed by contracts that define expectations, legal obligations, and disclosure requirements. For content aimed at children or families, brands must enforce strict standards to prevent psychological manipulation, safeguard minors' data, and promote healthy consumption habits. Ethical marketing must sell products and preserve consumer trust and social accountability.

Also, influencer education and self-regulation contribute to sustaining an ethical ecosystem. Voluntary certifications in ethical digital marketing can help influencers demonstrate professionalism

and a commitment to best practices. The establishment of industry-wide voluntary codes of conduct would offer guidance, unify standards across platforms, and promote accountability. Continuous training, especially as legal requirements and digital tools evolve, is essential for both influencers and brands. Additionally, ensuring a collaborative community where ethical challenges and solutions are openly discussed can further reinforce positive norms and deter malpractice.

VIII. POLICY RECOMMENDATIONS

To strengthen ethical standards and manage the harms associated with influencer marketing, regulatory bodies such as the Federal Trade Commission (FTC), Federal Communications Commission (FCC), and enforcers of the Children's Online Privacy Protection Act (COPPA) must adopt stronger and harmonized approaches. Saroja (2025) emphasized the need for clearer enforcement of existing policies to eliminate ambiguity while ensuring influencers and brands receive proper compliance education. Regulators should consider establishing a unified framework of minimum disclosure requirements that apply uniformly across all digital platforms. This includes mandating conspicuous labeling of sponsored content, such as through the use of standardized tags or warning labels, and requiring disclosures to be placed prominently at the beginning of posts or videos rather than buried in descriptions or hidden among unrelated hashtags. Such measures would reduce ambiguity for audiences and increase compliance across diverse influencer communities.

Platforms must be held more accountable for facilitating transparency. Apps with pre-defined functional views offer quick insights but may limit transparency, whereas opening raw data through portals enhances transparency while requiring more time and effort for analysis (Ricardo et al., 2023). One viable policy direction is the development of built-in disclosure tools that flag and label commercial content automatically based on metadata or keywords (Gorwa et al., 2020). These tools could employ artificial intelligence to detect undisclosed sponsorships or deviations from platform policies and prompt creators to rectify non-compliant posts. Additionally, platforms should invest in stronger age verification systems to support existing legal frameworks like COPPA and ensure that content

targeting or accessible to minors adheres to stricter ethical standards (Kotkas, 2023). Without active platform-level enforcement, even the most comprehensive policies risk remaining performative or underenforced.

Another key recommendation is the launch of widespread digital literacy initiatives aimed at both young users and their guardians. Empowering youth with critical thinking skills and awareness of digital persuasion techniques will help limit the psychological and behavioral effects of undisclosed advertising (MHFA England, 2025). Parents, too, should be equipped to guide children's media consumption, recognizing and responding to influencer marketing dynamics that may not be immediately obvious. Public institutions and private organizations should collaborate to integrate digital literacy into school curricula and community education programs.

Addressing the multifaceted nature of digital marketing ethics requires interdisciplinary collaboration. Goanta et al. (2022) emphasize that regulating influencer marketing effectively requires a multidisciplinary approach, drawing from law, communication studies, and media ethics to develop adaptable policies suited to the evolving digital environment. Regulators must collaborate with educators, psychologists, technologists, civil society organizations, and the private sector to develop and implement policies. Using shared expertise and stakeholder input, they can craft adaptive solutions.

IX. CONCLUSION

The unchecked proliferation of influencer marketing, particularly in its engagement with youth audiences, has shown the need for an urgent ethical imperative that can no longer be ignored. In a digital ecosystem where content and commerce increasingly blur, young users are uniquely vulnerable to persuasive tactics that exploit their cognitive immaturity and emotional susceptibility. From stealth advertising to manipulative product endorsements and inadequate age protections, the cumulative impact of unregulated commercial influence extends beyond financial harm. It endangers the psychological well-being, autonomy, and digital rights of a generation growing up online. As influencers continue to shape consumer behavior, identities, and aspirations, the need to embed ethical safeguards within the influencer

economy becomes more than just a question of regulation but a matter of social justice and intergenerational equity. The responsibility to limit these harms is inherently collective. Influencers must acknowledge their role as powerful communicators and commit to practices that prioritize truthfulness, transparency, and accountability. Brands, in turn, must engage in due diligence when selecting partnerships, ensuring that their marketing strategies uphold child-centered ethical standards and do not incentivize exploitative behavior. Regulators must move beyond reactive measures and adopt proactive, cross-sectoral strategies that embed clear guidelines and enforcement mechanisms into digital spaces. Lastly, platforms must perform operational procedures in their ethical commitments by building automated tools that flag violations, enhancing age-gating protocols, and ensuring user safety through design.

The call to action is unequivocal: safeguarding youth in the digital age requires a shared, sustained commitment to building a media environment grounded in responsibility and human dignity. A future defined by transparent, ethical, and socially conscious influencer marketing is both necessary and achievable. These can only be achieved if regulators, platforms, educators, civil society, brands, and creators move in together. This transformation will not be realized through uneven efforts or symbolic compliance but through systemic change that recognizes and respects the evolving dynamics of power, persuasion, and protection in the digital public sphere.

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