

ASCI places additional responsibility on health and financial influencers, extends influencer guidelines

- Health and financial influencers must disclose qualifications and registration details on relevant endorsements

Mumbai, August 17, 2023: The Advertising Standards Council of India (ASCI) has revised its influencer advertising guidelines to place additional responsibility on advertising content of health and finance influencers. The guidelines, introduced initially in May 2021, aim to help consumers identify promotional content and make informed decisions on products or services. The guidelines have been amended in keeping with the rapidly evolving nature and extensive impact of digital platforms. Inaccurate and deceptive advertising content in categories such as banking, financial services and insurance (BFSI), and health and nutrition products and services, could significantly impact consumer well-being and financial security.

In light of these updates, financial influencers, commonly referred to as 'finfluencers', operating within the BFSI realm, can now offer investment-related advice only after being registered with the Securities and Exchange Board of India (SEBI). Their registration number must be prominently displayed alongside their name and qualifications. For other financial advice, influencers must possess appropriate credentials such as a license from the Insurance Regulatory and Development Authority of India (IRDAI), be qualified as a chartered accountant, holds a company secretaryship, etc. Moreover, they are expected to adhere to all disclosure prerequisites as stipulated by financial sector regulators from time to time.

Similarly, influencers that endorse products that make claims on health and nutrition must hold relevant qualifications such as medical degrees or certification in nursing, nutrition, dietetics, physiotherapy, psychology, etc., depending on the nature of the advice provided. Such qualifications must be disclosed prominently.

Disclaimer requirements for health and finance influencers

The influencer must disclose their qualifications and registration/certification details prominently in all types of promotional material:

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

It may be noted that on August 11, 2023, the Department of Consumer Affairs also extended its influencer guidelines to mandate additional disclosures while endorsing health and wellness products and services. Influencers found to be in violation of the guidelines could face penalties under the Consumer Protection Act (2019).

ASCI's guidelines pertain to advertising content, where a brand or product or service is being promoted directly or indirectly, and there is a material connection between the brand and the influencer.

Manisha Kapoor, CEO and Secretary General, ASCI, stated: “As losses to consumers could be substantial and serious due to improper advice in the categories of health and finance, it is necessary that influencers in these two critical categories are qualified to provide advice and that these qualifications are stated upfront, whenever they put out such advertising posts. A “one size fits all” approach can be dangerous in these areas and consumers should only follow the advice of qualified experts when engaging with brands or products in these categories. Unlike celebrities whom consumers clearly know the fields they belong to, they may not necessarily know which influencers have the necessary qualification and expertise to provide the right advice and also inform them of any associated risks. To safeguard consumers from the consequences of advice from non-experts, these additional requirements should now be followed by health and financial influencers”.

For the updated guidelines, please visit the link: <https://www.ascionline.in/wp-content/uploads/2023/08/GUIDELINES-FOR-INFLUENCER-ADVERTISING-IN-DIGITAL-MEDIA.pdf>

About the Advertising Standards Council of India (ASCI)

The Advertising Standards Council of India (ASCI), established in 1985, is committed to the cause of self-regulation in advertising, ensuring the protection of consumer interests. ASCI seeks to ensure that advertisements conform to its Code for Self-Regulation, which requires advertisements to be legal, decent, honest, and truthful and not hazardous or harmful while observing fairness in competition. ASCI looks into complaints across ALL MEDIA such as Print, TV, Radio, hoardings, SMS, Emailers, Internet/website, product packaging, brochures, promotional material and point of sale material etc. In January 2017, the Supreme Court of India in its judgement affirmed and recognised the self-regulatory mechanism as an effective pre-emptive step to statutory provisions in the sphere of advertising content regulation for television and radio in India. ASCI’s role has been acclaimed by various Government bodies including The Department of Consumer Affairs (DoCA), the Food Safety and Standards Authority of India (FSSAI), the Ministry of AYUSH as well as the Ministry of Information and Broadcasting (MIB). MIB issued an advisory for a scroller providing ASCI’s WhatsApp for Business number 77100 12345, to be carried by all TV broadcasters for consumers to register their grievances against objectionable advertisements. On the international front, in 2023, ASCI CEO and Secretary General, Ms Manisha Kapoor was re-elected as one of the four Vice-Presidents on the Executive Committee of the International Council on Ad Self-Regulation (ICAS). Among several awards bestowed by the European Advertising Standards Alliance (EASA), ASCI bagged a Gold Global Best Practice Award for the Mobile App “ASCI online” (2016), special recognition for its “Guidelines for Celebrities in Advertising”; at the first-ever ‘Global Awards for Effective Advertising Self-Regulation’ hosted by the ICAS (2019). In 2021, ASCI also won two ICAS awards, one for the ASCI scroll telecast across television in the ‘Best Awareness Raising Initiative’ and for its extensive digital suo-moto monitoring through the NAMS initiative, in the ‘Special Category’. It also got a special mention in the ‘Best Sectoral Initiative’ category for its efforts and regulatory recognition of its Gaming

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Guidelines. ASCI received the ICAS Global "Inspiration Award" in April 2023 for successfully promoting ASCI as a thought leader and developing impactful engagement with various stakeholders.

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