

# Instagram to tackle hidden advertising after CMA action

Press release

Following CMA action, Instagram will do more to prevent hidden advertising on its app and website, signalling an important behaviour shift by a major platform.



Facebook Ireland Ltd, which operates Instagram in the UK, has [committed to a package of changes to tackle hidden advertising](#) on the photo and video sharing platform. This will make it much harder for people to post an advert on Instagram without labelling it as such. Clear labelling of incentivised posts is required under consumer protection law so that people are not misled.

The Competition and Markets Authority (CMA) has been investigating hidden advertising on Instagram over concerns that too many social media influencers are posting content about businesses without making clear where they have been paid or incentivised to do so, and that the platform was not doing enough to tackle the problem.

Instagram will now make it easier for all users – and the businesses they promote – to comply with consumer protection law when posting content.

Instagram will:

- prompt users to confirm if they have been incentivised in any way to promote a product or service and, if so, require them to disclose this fact clearly
- extend its 'paid partnership' tool to all users. This enables people easily to display a clear label at the top of a post
- use technology and algorithms designed to spot when users might not have disclosed clearly that their post is an advert and report those users to the businesses being promoted

Under the commitments, Instagram is also required to involve businesses in

the changes by creating a tool to help them monitor how their products are being promoted. As a result, businesses should do their part to comply with consumer protection law and take action where appropriate, including asking the platform to remove posts if necessary.

Instagram will report its progress against all commitments to the CMA regularly.

Today's announcement applies to all users in the UK as well as anyone globally who directs their posts towards Instagram users in the UK. It is part of a wider investigation into misleading online endorsements; last year, [16 celebrities pledged to clean up their act on social media](#) following CMA action.

Andrea Coscelli, Chief Executive of the CMA, said:

For too long, major platforms have shied away from taking responsibility for hidden advertising on their site. So, this commitment to tackle hidden adverts and overhaul the way people post on Instagram – making it difficult for users to ignore the law – is a welcome step forward.

These changes mean there will be no excuse for businesses to overlook how their brands are being advertised either – making life a lot harder for those who are not upfront and honest with their followers.

All updates on the CMA's work in this area can be found on the [Social Media Endorsements case page](#).

1. The key piece of consumer protection legislation relevant to the CMA's investigation is the Consumer Protection from Unfair Trading Regulations 2008 (CPRs). Amongst other requirements, it is a banned practice falsely to claim or create the impression that a trader is not acting for purposes relating to his trade, business, craft or profession, or falsely representing oneself as a consumer. All parties – businesses, users and social media platforms – are responsible for ensuring that the posts concerned contain clear disclosures in accordance with UK consumer protection law.
2. The full undertakings signed by Facebook Ireland limited can be found on the [Social Media Endorsements case page](#).
3. The CMA has not made a finding on whether Instagram's practices have breached consumer protection law. The provision of undertakings is not an admission of a breach of the law. As an enforcer under Part 8 of the Enterprise Act 2002, the CMA can enforce the above legislation through the courts. Ultimately, only a court can decide whether a particular practice infringes the law.
4. Incentivised endorsements are defined by [CMA guidelines](#) as any situation where a user posting has received any payment or gift from the brand in

the past year (irrespective of whether this was “in exchange for” the post). This includes any type of financial or non-financial benefit, as this could influence their opinion of the product.

5. The CMA is working closely with the Advertising Standards Authority (ASA) in this area. The ASA is the UK’s independent regulator of advertising across all media.
6. Media enquiries should be directed to [press@cma.gov.uk](mailto:press@cma.gov.uk) or 020 3738 6460.

Published 16 October 2020