

## The Hungarian Competition Authority takes actions to protect consumers following by popular influencers

*The competition authority launched proceedings against six Hungarian influencers and several advertising companies.*

**Budapest, 21 May 2024 – It is in the best interest of consumers following popular domestic influencers to be clearly informed about the advertising nature of certain content. The Hungarian Competition Authority (GVH) has been warning about the importance of this for years and uses educational methods to draw attention to legal compliance and possible legal consequences. According to the GVH’s recent “sweep”, domestic influencers mostly indicate the advertising nature of their content incompletely or not at all. Therefore, in order to promote consumers following influencers and fair competition in the market, the GVH has launched competition proceedings against six domestic influencers, several advertising companies and advertising agencies for alleged violations of the prohibition of unfair commercial practices.**

The Hungarian Competition Authority is paying more and more attention to advertisements appearing on social media platforms, including the advertising activities of influencers. In [November 2023, the GVH conducted an online inspection \(sweep\)](#) in order to review the advertising practice of Hungarian influencers, during which it examined 28 Hungarian influencers on various social media platforms (Instagram, YouTube, Facebook, TikTok). During the sweep, the GVH revealed that only 20% of influencers follow the rules regarding the indication of advertising in all cases, the majority (54%) usually indicate the fact of promoted content, while about quarter of influencers never, or only very rarely publish any information. The GVH also found shortcomings in the way the paid nature of the content under investigation was indicated.

Based on the experiences of the quick analysis, the additional data, and due to the detected commercial practices, that are likely to infringe, the GVH selected **six domestic influencers** (Péter Dancsó –“Videómánia”; Csenge Forstner, Zoltán Fördös –“Fördös Zé”, Bence Halmi, Roland Kása –“Rolix”, Antal Strenner –“Whisper Ton”) and initiated competition supervision proceedings.

The national competition authority noticed that content promoting the products, services or brands of certain advertising companies appeared on the social media platforms of influencers, for which the companies probably provided compensation to the company acting as an agency and to the influencer. However, the fact of compensation is not clearly noticeable to consumers from the visuals of the analysed content, from the information given during the videos, or from descriptions attached to the content.

As a result of the so-called “interest-based” responsibility, the responsibility of several enterprises can be established for the same conduct. Therefore, in addition to influencers, the GVH launched proceedings against **advertising agencies**, as well as several clients, **advertising companies** involved, for their probable role. Among the latter, based on efficiency

aspects, the competition authority included the most typical, most frequently advertising, and highest revenue companies in the investigation.

**The initiation of competition supervision proceedings does not mean that the persons and businesses involved in the procedures have committed violation of the law.** The proceeding is aimed at clarifying the facts and responsibility and thereby proving the alleged violation(s). The period for conducting the proceedings is three months, which can be extended twice, each time by a maximum of two months in justified cases.

**In connection with its previous practice in this matter, the GVH repeatedly draws the attention of influencers, the relevant agencies, and advertisers** to the importance of law-abiding behaviour, including the indication of the advertising nature of paid promotional content.

Content publishers must, among other things, indicate in a **visible, prominent, obvious, simple, clear and understandable way** that they have received remuneration for the content they have published. They can do this with the tagging option offered by the platform or (instead of tagging) in the text description, with the reference in Hungarian at the beginning of the text. It is important that these rules also apply if the **influencer promotes his own business, products, or services.**

**In recent years the GVH has placed great emphasis on helping market participants to develop their law-abiding behaviour with up-to-date practical advice.** In this context, the national competition authority recommends to the attention of influencers its [briefing on influencer marketing](#), which was last updated at the end of 2022, which demonstrates in a practice-oriented way, by illustrating positive and negative examples, how it is possible to legally meet the expectations of providing information to consumers.

In a [discussion](#) available on the [GVH Podcast channel](#), businesses and influencers receive useful advice on how to legally advertise on social media platforms. In the second [episode](#), the experiences of the competition supervision proceedings conducted in connection with the advertising activity and issues of responsibility are discussed, as well as the special sectors where the advertising by influencers is not allowed at all. At the beginning of 2024, GVH also organized [a professional workshop](#) to discuss the most current issues of consumer protection responsibilities.

In addition, in recent years, the competition authority has closed several cases in which influencer agencies and independent influencers were also involved. [Renáta Berki](#), the distributor of [Brightwhite teeth whitening](#), and the operator of a game for children called [Bongó](#) were fined for covert advertising. It also turned out that a [sports betting advisory site](#) and a [consumer goods dealer](#) also deceived consumers through influencers

The cases' reference numbers are: **VJ/14/2024., VJ/15/2024., VJ/16/2024., VJ/17/2024., VJ/18/2024., VJ/19/2024.**

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