

# **How Fair Trade Law be Applied on and In Response to New Types of Endorsements and Testimonials Advertising**

Keywords : Emerging endorsement and testimonial advertisements, Internet celebrities, negative recommendation advertisements, social media, disclosure of interests, Non-general public can reasonably expect, false advertisements, deceptive

Nowadays, people spend more and more time online, and there are various social media and audio-visual sharing platforms, so so-called internet celebrities have emerged. These Internet celebrities have a large number of followers and have a great influence on fan behavior. Internet celebrities will accept the interests of advertisers and recommend their products or services. In addition, the advertisers may also pay ordinary netizens to leave a message on the product message board to give positive or negative reviews of the product. Recommendations from Internet celebrities and comments from netizens have become a new form of recommendation advertising. However, for these two emerging forms of recommendation advertising, how to regulate their due standards has become a new topic.

This research mainly uses comparative law research, literature collection and case studies. This research mainly compares the relevant regulations and legal documents of the United States, Canada, the European Union, the United Kingdom, Japan for this emerging recommendation advertisement, and sorts out and handles cases to understand the practices of various countries. It then analyzes and reviews relevant domestic regulations and cases, and makes recommendations on regulations or enforcement methods. In the United States, Canada, and the United Kingdom, for online influencer marketing, it is required to clearly and conspicuously disclose the interests that the general public cannot reasonably expect in the postings. In those countries, there are clear regulations or clear case guidelines on which interests should be disclosed, whether the disclosure be clear and obvious, and which methods of disclosure. Japan is currently considering whether to include this new type of recommendation advertisement into the norm.

In The U.S., Canada, and the U.K., there have been several cases about internet celebrities who undisclosed their interests with advertiser, also some cases in which ordinary people have left messages with negative comments on products, but have not disclosed their interests.

The following are specific recommendations for this study:

- (1) Suggestions that are immediately feasible

In the "Fair Trade Commission's Specification of Recommended Advertising",

the relevant provisions of undisclosed interests can be revised with reference to foreign laws and regulations. The interest relationship of the disclosure should be clearly defined, the method of disclosure should also be specified in words, and the cases described in the specification should be adjusted and revised.

In addition, Fair Trade Commission can refer to the "Internet Influencer Marketing Guidelines" issued by law enforcement agencies such as the United States, Canada, and the United Kingdom, and formulate the domestic version of the "Internet Influencer Marketing Guidelines" so that let advertising agencies and Internet celebrity could follow.

(2) Long-term recommendations

Regarding the relationship between Article 21 and Article 25 of the Fair Trade Law, it remains to be carefully considered whether it should be adjusted. Regardless of whether Fair Trade Commission wants to attribute the undisclosed interests of influencer marketing to Article 21 or Article 25, it should consider whether the law should be revised and how to directly punish advertising agencies and testimonials.