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THE SIGNAL PAPERS

Essays on the Creator Governance Gap

No. 2

Brands Spend Years Building Their Reputation.
Creators Can Borrow It For A Month.

Creators Borrow Brands. Lenders Do Checks.

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Modern organisations devote significant resources to understanding reputational risk.

When a company appoints a new CEO, launches a major advertising campaign, enters a controversial market, announces a sponsorship, makes a sustainability claim or prepares a senior executive for a media appearance, reputational risk is normally examined carefully.

Communications teams become involved, legal teams review materials, agencies provide advice and multiple stakeholders may spend weeks or even months assessing how a decision might be perceived by customers, investors, regulators, employees and the wider public.

Entire frameworks have been built around this process. Risk registers are maintained, escalation procedures are documented, approval processes are established and external advisers are retained. Nobody considers this excessive because reputational damage can be extraordinarily expensive and, in some cases, can take years to repair.

Many other corporate activities receive the same level of scrutiny. Product claims are reviewed before launch, sponsorship agreements are assessed before they are signed and public statements are carefully prepared. Executive spokespeople are often given extensive media training before they represent the organisation publicly.

Most people never see this work taking place, but it happens every day inside large organisations because they understand a simple reality: reputations are valuable assets and valuable assets require protection.

> *Yet creator marketing often operates according to a remarkably different standard.*

A creator may be entrusted with access to a company's brand, reputation and commercial objectives after a review process that largely focuses on audience demographics, engagement rates, recent content and whether the creator appears to be a good fit. A contract is signed, a briefing document is issued and the partnership begins.

The same organisation that spent three months reviewing a sponsorship agreement may approve a creator partnership after reviewing a handful of social media posts. The same organisation that subjected an advertising campaign to multiple rounds of legal and communications review may rely on a content scroll and a vibe check before placing its reputation in the hands of an individual with an audience larger than many national newspapers.

The contrast is difficult to ignore.

This is not because creator marketing is unimportant to brands. If anything, the opposite is true. Creator partnerships have become strategically important to some of the world's largest brands and larger creators now reach audiences that traditional media organisations would envy.

> *The issue is that creator marketing developed faster than the governance structures surrounding it.*

The influencer industry became sophisticated at measuring reach, engagement and performance, but far less sophisticated at considering exposure. As a result, many organisations know more about a creator's audience than they do about the creator themselves. They can describe demographic breakdowns, engagement rates and platform performance in remarkable detail, yet possess only a limited understanding of the broader risks associated with the relationship.

That imbalance is becoming increasingly difficult to justify.

The creator economy has matured, budgets have increased and regulatory scrutiny has expanded. Creator partnerships have become strategically important to some of the world's largest brands, yet the governance processes surrounding those partnerships have not evolved at the same pace.

This is not an argument for treating creators with suspicion, nor is it an argument that every creator should be subjected to invasive investigation.

It is an argument for consistency.

Most organisations already have established frameworks for assessing reputational risk. They apply them to executives, spokespeople, advertising campaigns, sponsorships, product claims, ESG commitments and corporate communications.

The question is why creators are so often excluded from them.

> *Creators are not simply media channels. They are individuals trusted to represent brands publicly, influence consumer behaviour and shape public perception. In effect, they are borrowing something that may have taken years, even decades, to build: the trust, credibility and reputation associated with the brand itself.*

Most organisations perform due diligence before lending money, extending credit or granting access to valuable assets. They understand that trust should be earned and that exposure should be understood before it is accepted.

> *The more interesting question is why the same principle is so rarely applied when lending a brand.*

That responsibility deserves governance equal to its significance.

The objective is not to eliminate risk. No assessment process can do that.

The objective is to understand potential risk before exposure occurs.

We believe creator due diligence will become a standard business function for organisations that work with creators at scale, in much the same way supplier due diligence, cybersecurity assessments and privacy reviews became standard business functions before it.

The organisations that recognise that shift early will be better positioned than those that wait for regulation, litigation or public controversy to force the issue.

Modern organisations have invested heavily in understanding reputational risk.

Increasingly, they will need to apply that same discipline to creators.

Creators borrow brands. Lenders do checks.

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