



CREATOR RISK INTELLIGENCE

The Signal

Monthly intelligence on Creator Risk, regulatory change, and brand safety incidents. Issue 09 · September 2024

Chiara Ferragni's criminal trial opens in Milan this month. We have covered this story since Issue 01. In this edition we step back and show the full arc — using the TRACE framework to map how the risk profile evolved from the day the AGCM announced its investigation to the day prosecutors sought an indictment.

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01 — THE FERRAGNI ARC: A TRACE TIMELINE

Chiara Ferragni · Italy · December 2023 – September 2024

This is the third time The Signal has covered Chiara Ferragni. Issue 01 (January 2024) reported the AGCM fine and the beginning of the collapse. Issue 04 (April 2024) covered the draft legislation her case had prompted. Now, in September 2024, Milan prosecutors have opened criminal proceedings. The case has moved from regulatory enforcement to criminal law.

Rather than report the September 2024 development in isolation, this edition uses the TRACE framework to show how the risk profile evolved across the nine-month arc. This is the kind of assessment that ongoing monitoring produces — not a one-time verdict but a changing picture tracked over time.

The timeline

AGCM fines Ferragni €1.075 million for unfair commercial practices — Pandoro Pink Christmas. Ferragni posts video apology. Public response overwhelmingly negative. Balocco fined €420,000 separately.

Dec 2023

Signal: Risk becomes visible. Reputation and Exposure dimensions move to amber immediately.



Jan 2024	Ferragni agrees to pay €150 compensation per affected consumer via Codacons and a €200,000 charitable donation. Milan prosecutors open criminal fraud investigation. Easter egg promotion enters scope. <i>Signal: Exposure dimension moves to RED. Legal proceeding now active, not anticipated.</i>
Jan 2024	Italy's Council of Ministers approves DDL Beneficenza — draft legislation directly prompted by the case. AGCOM places Ferragni under enhanced monitoring framework. <i>Signal: Regulatory Exposure expands. The state apparatus is now engaged at multiple levels simultaneously.</i>
Feb 2024	Ferragni and husband Fedez publicly separate, adding personal relationship crisis to business and legal pressures. Several brand partnerships report they are reviewing their positions. <i>Signal: Trajectory dimension begins declining. The commercial empire is visibly under sustained stress.</i>
Apr 2024	DDL Beneficenza continues through parliamentary process. AGCM maintains enforcement position. Criminal investigation progressing. No resolution in any of the three concurrent tracks. <i>Signal: Three simultaneous open risks: civil regulatory, criminal, and legislative. No closure on any front.</i>
Sep 2024	Milan prosecutors formally open criminal proceedings against Ferragni for aggravated fraud in connection with the Pandoro and Easter egg promotions. Fast-track trial procedure requested. Prosecutors seek 20-month prison sentence. <i>Signal: Exposure moves to maximum. Criminal conviction now a live possibility, not a theoretical risk.</i>

What the pattern shows

Looking at the nine months of the Ferragni arc as a single sequence, one dimension has remained consistent throughout: her published content. The quality and compliance of what she actually posts has not materially changed. What has changed — dramatically — is everything surrounding it. The legal exposure, the regulatory engagement, the reputational standing, the commercial trajectory.

Content remains the one dimension that has held. Ferragni's actual published content — her posts, her brand partnerships, her visual editorial — has remained largely consistent in quality and compliance throughout. The risk is not in what she posts. It is in the legal, regulatory, and reputational exposure that surrounds her. That is exactly the distinction that standard content-based vetting misses.



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A creator can have clean content and a catastrophic risk profile simultaneously. Ferragni's Content dimension has not moved significantly across nine months of crisis. Her Exposure dimension has moved from amber to a score of 8/100. Content vetting sees one picture. TRACE sees another.

RECOMMENDED ACTION

For any creator with active legal proceedings, regulatory investigations, or significant public controversy — regardless of their content quality — pause before activation or renewal and ask: what does the public record say beyond the content feed? The risk is rarely where the standard vetting process looks.



02 — WHAT THE ARPP NOW SEES

France · ARPP AI monitoring expansion · September 2024

France's ARPP (Autorité de Régulation Professionnelle de la Publicité) published its first report on AI-assisted influencer content monitoring in September 2024. The results are a preview of what AI-powered enforcement looks like at scale — and what it means for brands running creator programmes in France.

The ARPP's system had analysed content across Instagram, TikTok, and YouTube. It identified non-compliant advertising content — primarily undisclosed paid partnerships and gifted product promotions — at a rate significantly higher than complaint-driven monitoring had previously suggested. The gap between actual non-compliance and detected non-compliance turned out to be large.

The ARPP has confirmed it will expand the system's coverage and increase the volume of content reviewed. The direction of travel is clear: AI monitoring will become the default enforcement mechanism in France, and the assumption that non-disclosure is unlikely to be caught should no longer form any part of a brand's compliance calculus.

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The ARPP's AI monitoring changes the enforcement probability from low to near-certain for brands running non-compliant French creator programmes. The era of relying on complaint-driven enforcement as the primary risk model is ending. Proactive compliance review is now the only defensible approach.

RECOMMENDED ACTION

Any brand running paid or gifting programmes with French creators should audit disclosure practices against ARPP standards before the next campaign activation. The ARPP's guidelines are publicly available — map your current disclosure process against them now, not when an enforcement action arrives.



03 — REGULATORY NOTE

France · Italy · UK · USA · September 2024

FRANCE	ARPP AI monitoring operational and expanding. First full report published September 2024 confirming scale of non-compliant content identified. Maximum fine €300,000. Brand liability joint and several with creator under French law.
ITALY	Ferragni criminal trial opens September 2024 under fast-track procedure. DDL Beneficenza still in parliamentary process — not yet enacted. AGCOM Code of Conduct consultation ongoing. Italy now has three concurrent regulatory mechanisms active in the creator marketing space.
UK	ASA Active Ad Monitoring continues proactive sweeps. The ASA confirmed in September 2024 that it is tracking repeat offenders for enhanced sanctions — including public naming on the ASA website. Brands named alongside non-compliant creators face reputational as well as regulatory exposure.
USA	FTC enforcement pace maintained. The proposed fake review and fake social media indicators rule remains under active consideration. No final rule yet — enforcement continues under existing Endorsement Guides.

The Ferragni criminal trial is the most significant individual creator legal proceeding in European history. Whatever its outcome — and no verdict is expected before 2025 — the fact of the prosecution establishes that the conduct at issue in Pandorogate was not merely a regulatory compliance failure. Prosecutors regard it as fraud. That precedent will shape how Italian regulators and prosecutors approach future creator marketing cases for years.

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The Signal is published monthly by Signal Intelligence. Each issue covers real Creator Risk incidents, regulatory developments, and the intelligence that brand-side teams need before they need it. Subscribe at signalintelligence.consulting — and if this issue was forwarded to you, make sure you're on the list for the next one.