CREATOR RISK INTELLIGENCE

The Signal

Monthly intelligence on Creator Risk, regulatory change, and brand safety incidents. Issue 16 · April 2025

The EU AI Act's transparency requirements for AI-generated content are now in force. What does that mean for brands running campaigns with synthetic influencers, AI-edited imagery, or AI-generated testimonials? This month we examine the new liability landscape — and who it falls on.

IN THIS ISSUE

01 — THE AI INFLUENCER PROBLEM

Synthetic creators · EU AI Act · April 2025

The influencer marketing industry's relationship with AI-generated content has moved from novelty to mainstream in under two years. Synthetic influencers — fully AI-generated personas with constructed backstories, manufactured aesthetics, and simulated personalities — are now used in brand campaigns across beauty, fashion, gaming, and technology. AI-edited human creator content — where real creators' appearances are altered using generative tools — is ubiquitous. AI-generated testimonials and reviews are a growing fraud category.

The EU AI Act's transparency requirements, which began phasing in during late 2024 and 2025, require that AI-generated content used in commercial contexts be clearly labelled as artificially created. The standard applies to synthetic influencers, AI-edited imagery in advertising contexts, and AI-generated audio used in brand promotions. It does not apply to editing tools that correct lighting or remove blemishes — the threshold is whether the AI system has materially altered or generated the content.

The disclosure gap

Signal Intelligence has reviewed the disclosure practices of twenty brands currently running campaigns featuring AI-generated creator content in European markets. Of those twenty, fewer than half are applying the EU AI Act's labelling requirements consistently. The gap is not primarily ignorance — most brand teams are aware of the requirements. It is implementation: the labelling obligation sits between the brand's legal team and its influencer marketing team, and neither has taken clear ownership of it.

The practical difficulty is that AI-generated content does not always look obviously artificial. A synthetic influencer with a high-quality render is visually indistinguishable from a human creator to most audiences. The EU AI Act does not excuse non-disclosure on the grounds that the content looks real — it requires disclosure precisely because audiences cannot tell the difference.

THE SIGNAL

The EU AI Act's labelling requirement is active and applies to brand campaigns featuring AI-generated content in European markets. The obligation sits with the brand, not the technology provider. Brands that are using synthetic influencer content or AI-generated imagery in commercial contexts without appropriate labelling are in breach — regardless of whether they created the AI content themselves or commissioned it from a third party.

RECOMMENDED ACTION

Audit your current and planned creator campaigns for AI-generated content. Then ask: which team owns the EU AI Act labelling obligation? If the answer is unclear, the obligation is unowned — and unowned compliance obligations are the ones that generate enforcement actions.

02 — WHO IS LIABLE WHEN AI CONTENT MISLEADS

Liability framework · Synthetic influencers · April 2025

The liability question for AI influencer content is not yet settled by case law — no major enforcement action has been brought specifically against a brand for an AI influencer's content. But the regulatory frameworks that govern traditional influencer marketing apply to AI-generated content without modification.

The brand commissioned it	Under FTC and ASA frameworks, the brand that commissions content is responsible for its compliance. A synthetic influencer is not an independent creator — it is a marketing asset. The brand owns the liability.
The content makes claims	AI-generated testimonials and endorsements that make product performance claims are subject to the same substantiation requirements as human-created content. The FTC's prohibition on fake testimonials applies to AI-generated testimonials explicitly under the Consumer Reviews Rule.
The audience was misled	The EU AI Act's labelling requirement exists precisely because undisclosed AI content can mislead audiences about the authenticity of the endorsement. Where the audience is misled, consumer protection law applies — regardless of the content's origin.
The platform amplified it	DSA obligations on platforms include removing misleading AI content within 24 hours of notification. Where a platform amplifies AI content that a brand failed to label, the liability framework involves both the brand and the platform.

THE SIGNAL

AI-generated creator content does not create a liability-free zone. It creates a liability gap — between the brand's existing compliance processes, which were built for human creators, and the AI-specific obligations that now apply. That gap needs to be closed.

RECOMMENDED ACTION

Update your creator compliance framework to cover AI-generated content explicitly. The FTC's prohibition on fake testimonials applies to AI-generated testimonials. The EU AI Act's labelling requirement applies to AI-generated influencer content. Check whether your current framework addresses either.

03 — WHAT WE'RE WATCHING

Forward signals · April 2025

EU Digital Fairness Act	Legislative proposal expected any time. The Act will introduce EU-wide influencer marketing obligations across all 27 member states. Signal Intelligence is tracking the draft closely and will cover it in full when published.
First AI influencer enforcement	No major enforcement action has yet been brought specifically against AI influencer content. The regulatory framework exists — the first case is a matter of when, not if. The brand caught in that first action will set the precedent.
Ferragni verdict	Still expected H1 2025. Now the most closely watched creator legal proceeding in the world. A conviction could trigger similar prosecutions in other European jurisdictions.

04 — REGULATORY NOTE

EU · UK · USA · April 2025

EU	EU AI Act transparency requirements active — AI-generated content in commercial contexts must be labelled. DSA 24-hour removal obligation active. UCPD trader classification applies to all influencers in 27 member states. Digital Fairness Act proposal imminent.
UK	DMCCA unfair commercial practices provisions now in force (April 2025). CMA 10% global turnover penalty ceiling. ASA AI content guidance updated — AI-generated influencer imagery in advertising contexts requires disclosure. FCA finfluencer enforcement expected H1.
USA	FTC Consumer Reviews Rule — AI-generated fake testimonials explicitly prohibited. FTC has opened investigations into multiple companies using AI-generated celebrity endorsements without consent. The intersection of AI, creator marketing, and consumer protection law is the FTC's most active current enforcement area.
FRANCE	ARPP guidance updated April 2025 to clarify AI-generated influencer content disclosure requirements ahead of EU AI Act full implementation. Maximum fine €300,000. Speech-to-text monitoring active.

The AI Act, the DSA, and the anticipated Digital Fairness Act are three separate EU legislative instruments that together create a comprehensive regulatory architecture for AI-generated content in commercial contexts. Brands that are navigating each instrument in isolation — treating them as separate compliance tasks — are missing the cumulative effect. They operate together and the obligations overlap.

STAY AHEAD OF THE SIGNAL

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.