

KIM KARDASHIAN SETTLEMENT BRINGS TO LIGHT A PROBLEM IN SOCIAL MEDIA

Social PayMe, Inc™ plans to address this problem using blockchain technology & NFTs

MIAMI, FL, USA, October 4, 2022

[/EINPresswire.com/](https://EINPresswire.com/) -- On October 3, 2022, the SEC fined Kim Kardashian a record-setting \$1.3 million for non-disclosure of a paid endorsement of a crypto token, which the SEC deemed to be a "security" (SEC Order File # 3-21197).

Today's case against Kim Kardashian by the SEC illustrates an even bigger and more common problem, facing brands and social media influencers – non-disclosure of paid endorsements and material relationships with brands in social media posts. In fact, 86% of all paid posts by influencers fail to disclose the paid nature of the endorsement, whether that includes

monetary payment or discounted/free products and services. Otherwise, they could be in violation of "Payola", which is the practice of "pay-to-play" in the form of influencers being paid by companies and brands. Likewise, influencers are required to disclose any "material relationship" with brands (including personal, family, or employment).

Dr. Ravi Singh, founder of Social PayMe with a PhD specializing in social media and technology, says that Kardashian's case is high profile for a reason – to remind every day influencers that getting paid by brands and not disclosing payment is actually a violation of the law. "Payola is a problem," explained Dr. Singh. "Kim Kardashian is setting the stage for more oversight to come in the era of influencer marketing 'pay to play'."



Photo licensed by:

<https://www.dreamstime.com/editorial-photography-kim-kardashian-west-los-angeles-premiere-promise-held-tcl-chinese-theatre-hollywood-usa-april-image90652162>

Many brands and influencers are not even aware of the regulations, but the penalties for both are stiff (each infraction can result in daily penalties of \$43,792 per violation). Last year in 2021, the USA Federal Trade Commission (FTC) sent over 700 letters notifying brands both large and small of their infractions and potential penalties. And we see this trend increasing, not decreasing, as the government looks to further crack down on violations.

Dr. Singh added, "We strive to provide technology to create transparency and accountability for both brands and influencers in this regard". "And we believe that our technology is a game changer for millions of influencers from the 16-year-old lifestyle expert to the future Kardashians of the world."

Dr. Singh is a world-recognized expert on blockchain, NFTs, as well as social media voice, engagement, and tone. He holds multiple patents, in addition to two master's degrees, a PhD in social media and technology, and honorary alumni status at Massachusetts Institute of Technology. For more information, please visit <https://www.socialpayme.co/>

Resources:

- 1 <https://influencermarketinghub.com/influencer-marketing-benchmark-report-2020/>
- 2 <https://www.ftc.gov/news-events/news/press-releases/2021/10/ftc-puts-hundreds-businesses-notice-about-fake-reviews-other-misleading-endorsements>
- 3 <https://www.sec.gov/litigation/admin/2022/33-11116.pdf>

#SocialPayMe #NFT #NFTsales #Blockchain #SocialMedia #Influencers #FrancisSuarez #OpenSea #CryptoConnectExpo #Charities #nft #blockchain #crypto #nondisclosure

Jenny C Kefauver

SocialPayMe

+1 7038503533

[email us here](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/594036741>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 Newsmatics Inc. All Right Reserved.