

FTC Announces Settlement Over Fake Followers

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In the world of social media, a person's power is often measured in terms of followers. Because more followers generally means more reach, companies who engage influencers often base their compensation on this metric. But follower counts may not always be what they seem. According to a *New York Times* [report](#) last year, influencers can buy fake followers from companies like Devumi.



Earlier today, the FTC announced a settlement with Devumi and its CEO over these practices. For example, the FTC alleges that the company sold more than 58,000 Twitter followers, 4,000 YouTube subscribers, 32,000 YouTube views, and 800 LinkedIn followers. The company's clients included not only influencers and celebrities, but also various professionals. By selling and distributing fake indicators of social media influence, the FTC alleged that the defendants provided customers with the means and instrumentalities to commit deceptive acts or practices.

The proposed court order settling the FTC's charges bans the defendants from selling (or assisting others in selling) social media influence to users of social media platforms and from making misrepresentations about social media influence. Although Devumi is reportedly out of business, the order imposes a partially suspended \$2.5 million judgment against the company's CEO. (If the FTC later learns that he misrepresented his financial condition, the FTC can ask the court to impose the full amount.)

What you should take away from these cases depends on your place in the industry. If you help companies boost their social media presence, take a close look at this settlement and make sure you're not engaging in the practices that were challenged. If you're hiring a company to boost your presence, ask that company some questions about how they plan to achieve results. And if you pay influencers based on the number of followers they have, investigate whether those followers are real people. Bots can lead to [all sorts of trouble](#).