E-Commerce and Live Stream Slip-Ups: *Sic Transit Gloria*
Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

Piermauro Catarinella¹, Suhardi Kram², Aziz Bin Hashim³
¹Academy of Language Studies, UiTM Shah Alam, Malaysia
²Faculty of Sports Science & Recreation, Samarahan, UiTM Sarawak, Malaysia
³Education Department, Federal Territory of Kuala Lumpur, Malaysia

ABSTRACT: For those unacquainted with Latin brocards, the title alludes to the downfall of the Italian influencer Chiara Ferragni, currently embroiled in a significant scandal. In contemporary times, numerous international brands resort to influencers to endorse and bolster the sales of their products. Among the various prominent figures, such as footballers, singers, and actors, the 36-year-old Chiara Ferragni distinctly stands out as one of the most renowned fashion bloggers, a designated celebrity, and an influential opinion leader on the global stage. In a span of just a few years, Ferragni successfully established an extensive economic and commercial empire, facilitating the launch and sale of products bearing her name. Moreover, she became a pivotal figure for numerous luxury companies, leveraging her media influence to enhance their profitability, constituting the foundational underpinning of social influencer marketing. Over time, Ferragni endorsed a myriad of products from renowned brands, spanning clothing, female beauty accessories, and food products, amassing a current fortune of 45 million euros. However, on December 15, 2023, the Italian Antitrust Authority (AGCM) imposed a fine of over 1 million euros on Ferragni for deceptive advertising practices and consumer deception. According to the AGCM, the influencer omitted pertinent information in her online advertisements, disseminated false information, and employed forms of undue influence. Subsequently, Ferragni also faced suspicions of alleged criminal fraud. This qualitative research paper aims to explore the ongoing investigations, Ferragni’s defense strategies, and the reactions of her followers and clients. The findings reveal a trend where numerous significant brands are severing ties with Ferragni as sponsors, leading to an erosion of consumer trust in the influencer category, and prompting a shift towards a more discerning consumer attitude.

KEYWORDS: Chiara Ferragni, Consumer’s attitude, Frauds, Influencers

1.0 INTRODUCTION
In the contemporary digital landscape, influencer marketing assumes a pivotal role in the commercial strategies of numerous companies. Brands engage in collaborations with influencers, and prominent creators on social media, leveraging their popularity to endorse products and services across social network platforms. In return for compensation, influencers disseminate photos, videos, and comments on their social media channels, serving as powerful advocates for their clients. Given their extensive follower bases, influencers yield a significant advertising impact, capable of influencing the commercial behavior of their followers. The magnitude of this impact correlates directly with the size of their follower base. For an extended period, Western European influencers operated without constraints, as they were not subject to any regulations or oversight. This scenario underwent a transformation when, on July 5th, 2022, the European Parliament ratified the Digital Services Act. This legislative measure is grounded in the principle that activities deemed illegal offline should also be regulated online (Condemi, 2022). The Digital Services Act (DSA) mandates transparency in the profiling and operations of online platforms, compelling suppliers to collaborate with authorities and undergo independent audits. Moreover, the DSA introduces a new paradigm of systemic risk prevention, incorporating a framework of interstate governance and imposing fines of up to 6% of the annual turnover of the platforms. The legislation extends to various digital services, encompassing online marketplaces, social networks, content-sharing platforms, online travel and accommodation services, app stores, intermediation services (e.g., Internet providers and domain registers), cloud and web hosting services, and collaborative economy platforms. Its overarching objective is to foster a secure and dependable digital environment, concretely safeguarding consumer rights while concurrently fostering innovation and competitiveness. The DSA expedites procedures for the removal of illegal content and enhances public oversight of online platforms, particularly those that reach more than 10% of the European population.
In granular detail, the Digital Services Act (DSA) is designed to achieve the following objectives:

1) **Consumer Protection**: Ensuring enhanced safety for consumers and safeguarding their rights.

2) **Combatting Illegal Content and Disinformation**: Counteracting the dissemination of illegal content, addressing information manipulation, and combating online disinformation.

3) **Choice and Cost Benefits**: Providing consumers and business users of digital services with increased choices and reduced costs.

4) **Regulatory Framework**: Establishing a clear, effective, and immediately applicable regulatory framework concerning the transparency and responsibility of online platforms.

5) **Promotion of Innovation and Competitiveness**: Fostering innovation and competitiveness in the market, facilitating the establishment of startups, and supporting the development of Small and Medium-sized Enterprises (SMEs).

6) **Access to European Markets**: Facilitating access to European markets for business users of digital services.

7) **Democratic Control and Supervision**: Promoting greater democratic control and improved supervision of platforms.

8) **Traceability and Controls**: Strengthening traceability and controls on commercial operators in online markets.

To ensure compliance, all online platforms, including intermediary and cloud services, are mandated to:

- Clearly indicate the terms of service and related requirements.
- Provide explicit information on content moderation and the use of algorithms in content recommendation systems, allowing users to contest such mechanisms.
- Embrace transparency in recommendation systems and online advertising directed at users.
- Refrain from targeted advertising aimed at children or based on sensitive user data, as well as deceptive practices designed to manipulate user choices.
- Collaborate with national authorities upon request, report crimes, and establish a complaints and redress mechanism for out-of-court dispute resolution.
- Implement measures against abusive reports and replies.

Of particular note, the European DSA places special emphasis on the protection of underage individuals by prohibiting the disclosure of personal data related to minors in any form. It also upholds their rights to private and family life, freedom of expression, and access to information. In the European Union, each member state designates its internal Digital Services Coordinator, responsible for overseeing the implementation of the regulation with a commitment to transparency and impartiality. As stipulated by Article 38, this coordinator is tasked with handling complaints against service providers and conducting investigations into potential offenses, wielding the authority to conduct inspections. Upon confirming an offense, the coordinator possesses the authority to impose fines and mandate the cessation of the violation (Zorloni 2024).

Notably, Chiara Ferragni operated for many years as a fashion blogger initially and later as an influencer, exempt from these regulations. This exemption was due to the unregulated nature of the internet, which, until July 5th, 2022, was considered a “wild land” where virtually anything was permissible. She demonstrated exceptional acumen in creating a multi-million-dollar empire, elevating herself from being solely a web star to a notable figure in the film industry. The Venice International Film Festival, in 2019, featured “Chiara Ferragni – Unposted”, a film chronicling her remarkable ascent in the realm of luxury fashion (Righini, 2019). Ferragni adeptly crafted an empathetic persona, sharing the struggles of the LGBTQIA+ community and aligning with the political party associated with the radical left. Positioned as a symbol of political correctness, her influence extended to some Italian voters during the September 2022 elections, according to certain perspectives (Venturini, 2022). A fixture at Milan Fashion Week events, Ferragni is consistently courted by renowned brands such as Fendi, Roberto Cavalli, Gucci, Prada, Versace, Giorgio Armani, Ralph Lauren, and Michael Kors. These brands are willing to invest substantial sums, up to 90 thousand euros, to secure one of her Instagram posts featuring their products (Gaggino, 2023). However, this idyllic narrative suffered a significant setback on December 15, 2023, following Ferragni’s involvement in the so-called “Pandoro Gate”. The influential figure was subsequently fined 1.075 million euros by the Italian Antitrust Authority (AGCM), acting as the Digital Services Coordinator (Ferragamo, 2024). Moreover, Ferragni currently faces criminal investigations for alleged instances of aggravated fraud. These developments are thoroughly examined in the Results and Discussion section.

### 1.1 Research Aims And Questions

This research scrutinizes the news surrounding Chiara Ferragni, as reported by various international media, intending to explore the potential repercussions – and their nature – on the domains of E-commerce and live-stream shopping. The ongoing investigations by Italian Public Prosecutors and Antitrust authorities form the backdrop for this examination. The principal aims of this study encompass addressing key research inquiries related to the allegations against the prominent Italian influencer. The focus lies on investigating her responses to these accusations, gauging the reactions of her followers and longstanding clients, as well as evaluating the broader public sentiment. The specific questions to be answered are as follows:

1) Has Ferragni engaged in deceptive practices and misinformation to accrue financial gains?

2) Following the emergence of news implicating her in cases of aggravated fraud, what was Ferragni’s response?
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

3) How did her followers and the general public respond to Ferragni’s conduct?
4) Why did her longstanding clients promptly terminate collaboration with Chiara Ferragni, opting not to await the outcomes of the investigations?
5) Will Ferragni be able to sustain her career as an influencer?
6) Can it be posited that Chiara Ferragni’s experiences have initiated a lasting transformation in the ostensibly glamorous world of influencers?

2.0 LITERATURE REVIEW
The exploration undertaken in this research paper is unprecedented for two primary reasons. Historically, top-skilled and renowned influencers have been consistently portrayed in a positive light, often depicted as inhabitants of a magical realm characterized by affluence, contentment, and a high societal class. The unique case of Chiara Ferragni stands out as the first instance where a prominent influencer is entangled in criminal proceedings. Among the antecedent studies on social network marketing and the role of influencers in Western societies, the work of Lilian Suter et al. in 2023 titled Influencer e la vita perfetta delle altre persone (Influencers and the perfect lives of other people), published in the James Focus Journal, is noteworthy. These researchers scrutinized the backgrounds of global influencers and the strategic steps they undertook to amass followers exceeding ten million. The investigation identified four prevalent elements common among top influencers:

1) Sex: Influencers are predominantly male or female, with rare representation of different gender identities.
2) Age: The majority of top social network accounts are administered by individuals aged between 18 and 39, with only 20% belonging to the 31 to 40 age group. Minors (13-17 years old) constitute a mere 3%, while those aged between 40 and 55 are just 2%.
3) Language: The distribution of shares is relatively even across four languages: German (28%), French (20%), Italian (23%), and English (24%).
4) Notoriety beyond Social Media: A significant quarter (25%) of influencers did not primarily gain notoriety from social media. Recognition emanated from other domains such as show business (11%), including actresses, actors, TV personalities, models, and comedians; sports (9%); or music (4%).

The authors also delved into the minds of followers to comprehend their profound interest and loyalty to these digital luminaries. It was observed that individuals with vulnerable mental states and low self-esteem often seek posts embodying a “positivity bias” (i.e., portraying unrealistic and unattainable aspects of life). Paradoxically, this pursuit negatively impacts the well-being of those who consume these idealized models.

Martina Di Meo's 2022 work, Come si è evoluta la comunicazione del marketing nell’era dei social media (How marketing communication has evolved in the era of social media), centers on influencers’ transparency and ethics, two pivotal qualities that Chiara Ferragni recently forfeited. The cardinal principle of marketing posits: “Present yourself to your customers as you would like them to present themselves to you”. For a renowned influencer seeking a sustained following, maintaining an un tarnished reputation is imperative. Integrity, both intellectually and in business dealings, is a quality that demands constant recognition and appreciation. In the realm of digital marketing, the foundation of relationships between influencers and followers must invariably rest on respect for this fundamental quality. Should the trust of followers or brands be compromised for any reason, the influencer faces the risk of fading into obscurity. Followers exhibit acute attentiveness and rightful sensitivity towards influencers, in whom they vest their trust. While individual influencers may adhere to their own ethical principles, these must align with the brand’s philosophy when deciding to collaborate. Some contend that to enhance an influencer’s efficacy on social media, it is more expedient to artificially construct their persona using computer-generated methods. This approach endows individuals with the ability to control and govern their attitudes and style.

Robert Kozinets, Ulrike Gretzel, and Rossella Gambetti authored the book Influencers and Creators: Business, Culture and Practice in 2023. In their work, influencers are not merely individuals with millions of social media followers posting snapshots. True influencers are those recognized for their credibility and the ability to be perceived as authentic by the public. Their authority and trustworthiness render them a unique resource for capturing attention and engaging users who have become increasingly skeptical of traditional advertising messages. Reputation serves as the cornerstone of effective communication, and it becomes compromised when the communicator lacks personal and solid credibility. Online reputation is primarily shaped through the perception and assessment of both online and offline behaviors of those who directly or indirectly influence an individual’s activities. In the digital realm, the public is no longer a passive user but actively engages in seeking information and sharing opinions. Credibility, derived from reliability, competence, and consistency, represents an indispensable value that demands time and dedication to establish. The concepts articulated in this book prove highly beneficial for this research paper, particularly in addressing the personal and legal challenges that Chiara Ferragni currently faces. This is especially relevant given the initiation of preliminary investigations by some Italian prosecutors into her situation.
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

On the 15th of December 2023, Chiara Ferragni, an internationally acclaimed fashion blogger and digital entrepreneur at the pinnacle of her success, faced penalties from the Antitrust for deceptive promotional practices. The allegation pertained to her portrayal of a commercial venture as a philanthropic endeavor ostensibly directed towards aiding children afflicted with cancer. This precipitous descent from her zenith proved catastrophic, heralding the crisis of an empire that had appeared resplendent and unassailable. In an instant, the once-revered web sensation Ferragni, boasting 29 million followers lionized by the media, ceased to hold sway. Nevertheless, precursory indications of an impending downfall had already manifested. From the excessive exposure of minors to ostentatious displays of affluence, from superficial activism to murky philanthropic ventures, Selvaggia Lucarelli, the author of 2024 Il Vaso di Pandoro (Pandoro’s Box), elucidates the recent chronicles of the nation’s most debated media phenomenon. Pandoro’s Box stands as an exposé that irrevocably altered the landscape of influencer culture, prompting profound introspection on the perils inherent in wielding a success so ethereal that it evaporates with a mere click. It leads to a disconcerting realization: whether sealed or recklessly opened, Pandora’s Box implicates us all.

3.0 METHODOLOGY
This paper adopts a qualitative research approach, involving the observation and interpretation of the following key elements:

1) The fine imposed on Chiara Ferragni and her client - Balocco Cake Enterprises - by the Italian authority AGCM.
2) Preliminary investigations initiated by numerous Italian public prosecutors to determine whether the actions allegedly committed by Ferragni hold criminal relevance.
3) Contemporary newspaper articles, primarily from Italy, covering the period from 2019 to 2024. These articles serve as the primary data source for delving into the “Ferragni cases” and addressing the questions outlined in the Research Aims and Questions section.

Table 1: Newspapers employed in this paper

<table>
<thead>
<tr>
<th>Names</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panorama</td>
<td><a href="https://www.panorama.it/">https://www.panorama.it/</a></td>
</tr>
<tr>
<td>Il Giornale</td>
<td><a href="https://www.ilgiornale.it">https://www.ilgiornale.it</a></td>
</tr>
<tr>
<td>Il Fatto Quotidiano</td>
<td><a href="https://www.ilfattoquotidiano.it">https://www.ilfattoquotidiano.it</a></td>
</tr>
<tr>
<td>Mediaset</td>
<td><a href="https://mediasetinfinity.mediaset.it">https://mediasetinfinity.mediaset.it</a></td>
</tr>
<tr>
<td>Creatore di Futuro</td>
<td><a href="https://creatoridifuturo.it">https://creatoridifuturo.it</a></td>
</tr>
<tr>
<td>La Repubblica</td>
<td><a href="https://www.repubblica.it">https://www.repubblica.it</a></td>
</tr>
<tr>
<td>Il Gazzettino</td>
<td><a href="https://www.ilgazzettino.it">https://www.ilgazzettino.it</a></td>
</tr>
<tr>
<td>Smart world</td>
<td><a href="https://www.smartworld.it">https://www.smartworld.it</a></td>
</tr>
<tr>
<td>Nicola Porro</td>
<td><a href="https://www.nicolaporro.it">https://www.nicolaporro.it</a></td>
</tr>
<tr>
<td>New York Post</td>
<td><a href="https://nypost.com/">https://nypost.com/</a></td>
</tr>
<tr>
<td>Daily Sabah</td>
<td><a href="https://www.dailysabah.com/">https://www.dailysabah.com/</a></td>
</tr>
<tr>
<td>Today</td>
<td><a href="https://www.today.it/">https://www.today.it/</a></td>
</tr>
<tr>
<td>WIRED</td>
<td><a href="https://www.wired.it/">https://www.wired.it/</a></td>
</tr>
<tr>
<td>Qui Finanza</td>
<td><a href="https://quifinanzaita/">https://quifinanzaita/</a></td>
</tr>
<tr>
<td>Cosmopolitan</td>
<td><a href="https://www.cosmopolitan.com/it/">https://www.cosmopolitan.com/it/</a></td>
</tr>
<tr>
<td>Money</td>
<td><a href="https://www.money.it/">https://www.money.it/</a></td>
</tr>
<tr>
<td>Agenda Digitale</td>
<td><a href="https://www.agendadigitale.eu/">https://www.agendadigitale.eu/</a></td>
</tr>
<tr>
<td>Il fatto alimentare</td>
<td><a href="https://ilfattoalimentare.it">https://ilfattoalimentare.it</a></td>
</tr>
<tr>
<td>Fanpage</td>
<td><a href="https://www.fanpage.it/">https://www.fanpage.it/</a></td>
</tr>
<tr>
<td>Gambero Rosso</td>
<td><a href="https://www.gamberorosso.it">https://www.gamberorosso.it</a></td>
</tr>
<tr>
<td>BBC</td>
<td><a href="https://www.bbc.com/">https://www.bbc.com/</a></td>
</tr>
<tr>
<td>La Voce di New York</td>
<td><a href="https://lavocedinewyork.com/">https://lavocedinewyork.com/</a></td>
</tr>
<tr>
<td>AGI</td>
<td><a href="https://www.agi.it/">https://www.agi.it/</a></td>
</tr>
<tr>
<td>Donna glamour</td>
<td><a href="https://www.donnaglamour.it">https://www.donnaglamour.it</a></td>
</tr>
<tr>
<td>Io Donna</td>
<td><a href="https://www.ioldonna.it">https://www.ioldonna.it</a></td>
</tr>
<tr>
<td>Vanity Fair</td>
<td><a href="https://www.vanityfair.it">https://www.vanityfair.it</a></td>
</tr>
<tr>
<td>Il Sole 24 ore</td>
<td><a href="https://www.ilsole24ore.com">https://www.ilsole24ore.com</a></td>
</tr>
<tr>
<td>Matrice Digitale</td>
<td><a href="https://www.matricedigitale.it">https://www.matricedigitale.it</a></td>
</tr>
<tr>
<td>Di Lei</td>
<td><a href="https://dilei.it/">https://dilei.it/</a></td>
</tr>
<tr>
<td>Decrypto</td>
<td><a href="https://decripto.org/">https://decripto.org/</a></td>
</tr>
</tbody>
</table>
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

The references in the Literature Review section provide readers with an opportunity to deepen their understanding and knowledge of the specific domains within the realm of social network influencers. The literature review includes two research papers and one book, notably the 2023 *Influencers and Creators: Business, Culture, and Practice*, which plays a pivotal role in exploring the most important quality an influencer must possess: honesty.

4.0 RESULTS AND DISCUSSION

This section encompasses five distinct subchapters, aligning with the order outlined in the Research Aims and Questions.

The Pink Christmas pandoro case

In November 2022, Chiara Ferragni collaborated with Italian pastry brand Balocco, operating through two of her companies, to introduce the Pink Christmas pandoro. This Christmas cake featured Ferragni’s unique design, incorporating the influencer’s name and logo. The partnership was promoted as a charitable initiative aimed at funding a new therapeutic treatment machine for children battling bone cancer at Regina Margherita Hospital in Turin. However, the hospital clarified that it had received only a one-time donation of €50,000 from Balocco before the campaign with Ferragni. This meant that the sales of the Christmas cakes had no impact on the donation received, and Ferragni had not made any contributions. Following complaints lodged by consumer associations, Italy’s Autorità Garante della Concorrenza e del Mercato (AGCM) initiated an investigation into the campaign in June 2023. On December 14, 2023, AGCM concluded that the campaign was deceptive, as it misled consumers into believing that purchasing the “design” pandoro would contribute to a donation to Regina Margherita Hospital - a claim AGCM found to be untrue (Di Berardino, 2024).

Figure 1: It depicts the label of the Pink Christmas pandoro, explicitly stating that “Chiara Ferragni and Balocco support the Turin Regina Margherita hospital, financing the purchase of a new machine useful for the therapeutic treatment of children suffering from Osteosarcoma and Ewing's Sarcoma”. (Source: [https://www.leggo.it/gossip/fedez_ferragni/pandoro_balocco_chiara_ferragni_mail_pubblicita_ingannevole_cachet_ultime_notizie-7818515.html](https://www.leggo.it/gossip/fedez_ferragni/pandoro_balocco_chiara_ferragni_mail_pubblicita_ingannevole_cachet_ultime_notizie-7818515.html))

AGCM found that the packaging and labeling of the “design” pandoro, along with the social media posts and stories on Chiara Ferragni’s Instagram profile, created a misleading impression among consumers. This portrayal led individuals to believe that the elevated cost of the pandoro (priced at more than €9, instead of the standard €3.70 for a regular Balocco pandoro) would contribute to a donation to the hospital, and that Chiara Ferragni herself would directly make a donation. Balocco’s website emphasized that “Chiara Ferragni’s pandoro sales will help the Regina Margherita Hospital purchase a new machine for the treatment of children suffering from bone tumors”. Ferragni’s Instagram posts also stated, “The historic brand Balocco, recognized and appreciated throughout the world for the excellence of its Christmas offer, presents an exclusive novelty: the Chiara Ferragni pandoro, the sales of which will serve to finance the Regina Margherita Hospital in Turin to buy new machinery to save children’s lives”.

AGCM concluded that “the evidence acquired within the procedure proves that the commercial practice implemented by Balocco and Ferragni is unlawful regarding the initiative called Pink Christmas pandoro. The messages released to the public implied that, contrary to the truth, by purchasing the design pandoro, the consumer could have contributed to the charity initiative in favor of the Turin hospital, and that Mrs. Ferragni would also have contributed directly, despite earning over €1 million from the campaign”. Consequently, rejecting the arguments of Ferragni and Balocco’s lawyers, the company was fined €420,000, and the influencer’s companies were fined €1.075 million (Carboni, 2023).
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

In its ruling, the AGCM emphasized that digital entrepreneurs are bound by the provisions outlined in the Testo unico sui servizi di media audiovisivi (Consolidated Law on Audiovisual Media Services). Similar to other media entities, they engage in the creation, production, and dissemination of audiovisual content to the public, wielding editorial responsibility over such content across video-sharing platforms and social media (see Suter et al., 2023). Influencers are mandated to transparently disclose the advertising nature of the products they endorse online (Vadala, 2024). Following the imposition of the fine, Codacons, the Italian consumer association that initially reported the Pink Christmas pandoro case to the AGCM, initiated a class action against Chiara Ferragni and Balocco on behalf of all parties affected by the alleged offense, seeking reimbursement for consumers who purchased the Balocco Pink Christmas pandoro. Codacons aims to secure refunds amounting to 1.65 million euros for purchasers of the Ferragni pandoro. This calculation is based on the sale of over 290,000 pandoros in 2022, with a price discrepancy of €5.69 between the “normal” Balocco pandoro and the Ferragni-designed one (Galici, 2024).

The Pink Christmas pandoro case garnered significant attention as it marked the first instance of a top influencer facing sanctions, even though the AGCM has previously pursued investigations into influencers without imposing fines. This incident stands out among a series of cases where the Italian authority scrutinized influencers, their agencies, and sponsored brands for engaging in covert advertising practices. Notable cases include:

1) In 2019, another investigation focused on Alitalia Airline, a luxury fashion brand, and thirteen celebrities. The influencers posted pictures on social media showcasing themselves wearing garments designed by the fashion brand, with the airline’s logo framed, all without disclosing or labeling that the content served an advertising purpose (Formica, 2019).

2) In 2020, an investigation implicated the prominent Italian food company Barilla and ten Italian influencers who uploaded posts on their Instagram profiles, promoting a new product line without adequately disclosing the advertising purpose of such content (Crepaldi, 2020).

Investigations into Alleged Criminal Activities Involving Ferragni

The Pandoro Pink Christmas case is resonating internationally, drawing attention from media outlets such as the BBC (Fasano, 2024), The New York Post (O’Neill, 2023), The New York Times (Trebay, 2024), and various Asian media sources (Anadolu, 2024). Speculation abounds regarding the potential outcomes of Ferragni’s legal issues, particularly whether she will face criminal charges following investigations into alleged aggravated fraud. Notably, the Pink Christmas pandoro case is not the sole instance implicating the top influencer. Public Prosecutor offices in Milan, Cuneo, and Prato are scrutinizing Ferragni’s behavior to determine potential criminal liability in two additional cases that exhibit a similar modus operandi.

In 2022, the influencer received a payment of one million and two hundred thousand euros from Dolci Preziosi Company. This remuneration was intended to prompt and encourage consumers to purchase Easter eggs, conveying the impression that the proceeds from such sales would be donated to the I Bambini delle Fate Association, a non-profit organization supporting children and young people affected by autism and disabilities. Contrary to the promoted narrative, the actual donation made by Dolci Preziosi to I Bambini delle Fate amounted to €24,000, and this contribution was made before the Easter eggs, associated with Ferragni’s promotion, were even available for sale. This discrepancy suggests that the campaign was more of a commercial stratagem veiled as a charitable initiative. Ferragni promptly removed all her prior posts related to this operation, but traces persisted on the web (Cecchi, 2023).

Figure 2: It portrays Chiara Ferragni holding an Easter egg, produced by Dolci Preziosi. The prominent tag attached to the egg reads: “Let us bolster I Bambini delle Fate Association”. (Source: https://www.lapresse.it/economia/2023/12/19/chiara-ferragni-dopo-balocco-le-uova-di-pasqua-laccusa-di-lucarelli-sul-fatto/)
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

Following the Pink Pandoro and Easter eggs cases, the Ferragni doll, created in collaboration with the Trudi brand, has come under scrutiny from investigators. Introduced in 2019, the doll was promoted and sold by Ferragni as a limited edition. On her Instagram profile, she asserted that all profits derived from the doll’s sales would be directed to Stomp out Bullying, a non-profit organization dedicated to combating cyberbullying (Rossi, 2024). Contrary to these claims, the organization has consistently denied receiving any donation from Ferragni or the Trudi brand.

Additional investigations involving Ferragni are underway, focusing on the purported agreement between the influencer and Oreo biscuits, as well as the Soleterre NGO. Both Oreo and Soleterre have publicly stated that they never entered into a “commercial agreement with Mrs. Ferragni or any of her companies”. The judicial authority aims to scrutinize all pertinent details, including potential donations and their veracity, comprehending the scope of Ferragni’s sales, the amounts designated for charitable purposes, and the dates and methods of such donations (Carollo, 2024, and Verrillo, 2024).

Responses from Chiara Ferragni, her followers, and the general population

Under the strain of numerous legal cases, Chiara Ferragni attempted to mount a defense. Following the €1.075 million fine, she posted a video on her Instagram profile, attributing the issue to a communication error and expressing her intention to appeal the fine. Additionally, she asserted her confidence in the dismissal of all other ongoing criminal investigations (Lodige, 2024). In her videos and stories, she appeared defiant, unwilling to acknowledge wrongdoing, and adopted a victim narrative. Contrary to the advice of leading crisis management experts, who suggested maintaining silence until the situation cooled down, Ferragni opted for a different approach. She invoked her good faith, while public prosecutors hypothesized a fraud aggravated by an impaired defense, indicative of a criminal plan specifically devised and executed on multiple occasions. Her involvement in charity initiatives for oncological children, from which she profited, incited anger among her followers, resulting in a barrage of insults. In response, she chose to block all comments on her Instagram profile, allowing only those she follows, presumably to ensure positive feedback (see Di Meo, 2022). Since last December, Ferragni has experienced a loss of over five hundred thousand followers, and according to Bonusfinder Italia, an online platform dedicated to providing valuable information to web users, she is currently shedding an average
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

of almost six thousand followers per day. While some initially held out hope for her potential recovery, the prevailing sentiment now is that her resurgence is an unlikely bet (Giordano, 2024). Experts in digital strategy and crisis communication, including Luca Poma, Professor of Reputation Management at Rome LUMSA University, contend that Ferragni has forfeited her status as an honest influencer. Her reputation has suffered irreversible harm, jeopardizing the trustworthiness she once enjoyed. Building and maintaining credibility is an intricate process, and it requires only a small misstep to erode it. Despite the possibility of emerging unscathed from the prolonged criminal investigations, experts suggest that the stain on Ferragni’s reputation might persist. The timeline for a return to normalcy remains uncertain, signifying that Ferragni is undoubtedly confronting a challenging path ahead (Goj, 2023). Italians do not perceive the media storm surrounding Chiara Ferragni as a mere misunderstanding or communication error. A survey conducted between December 19 and 21, 2023, using the Cawi method (questionnaire-based), and encompassing opinions from 3,800 interviews, reveals a predominantly negative public sentiment. The findings indicate that 44% of respondents doubt the influencer’s good faith, viewing the charitable initiatives as “merely expedients to generate profit”. Additionally, 24.4% believe Ferragni has “deceived many naïve Italians” who were easily misled. Consequently, 68.4% of the sample holds a rather critical view of the influencer, with only 25.3% coming to her defense (Anto, 2023).

Figure 5: It illustrates the results of a survey conducted in Italy between 19 and 21 December 2023. (Source: https://www.today.it/attualita/chiara-ferragni-sondaggio.html)

A subsequent survey, conducted in January 2024, reveals an even higher percentage of Italians who express disbelief in the influencer. According to 78% of respondents, Chiara Ferragni deceived consumers, while only 13% believed there was a media conspiracy against her (Cipolla, 2024).

Figure 6: It presents the results of another survey conducted in Italy in January 2024, following Ferragni’s announcement of her intention to appeal the 1.075 million euros fine. (Source: https://www.money.it/beneficenza-chiara-ferragni-ingannato-consomatori-risultati-sondaggio)

It is noteworthy to highlight an ongoing malicious campaign directed against her. One of her physical stores, situated in Rome, recently fell victim to vandalism with derogatory writings such as “scammer” and “criminal” (Coviello, 2024).
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies

Figure 7: It displays the words *Bandita* (Criminal) and *Truffatrice* (Scammer) written on the window and store sign of Chiara Ferragni’s shop in Rome, Italy. (Source: [https://www.leggo.it/gossip/fedez_ferragni/chiara_ferragni_vandali_negozio_roma_truffatrice_foto_oggi_1_1_2024-7846405.html](https://www.leggo.it/gossip/fedez_ferragni/chiara_ferragni_vandali_negozio_roma_truffatrice_foto_oggi_1_1_2024-7846405.html))

A mural has surfaced in the town of Padova, featuring Chiara Ferragni and her husband, accompanied by the inscription “Attention pickpocket” (Moranduzzo, 2023).

Figure 8: It depicts a mural in Padova, Italy, featuring Chiara Ferragni and her husband. Above them, it reads *Attenzione Pick Pocket* (Attention Pick Pocket). (Source: [https://www.rainews.it/articoli/2023/12/unopera-di-evyrein-su-ferragni-fedez-compare-su-un-muro-di-padovaattenzione-borseggiatori-c7f467f5-428f-4287-a2ea-83b830b253af.html](https://www.rainews.it/articoli/2023/12/unopera-di-evyrein-su-ferragni-fedez-compare-su-un-muro-di-padovaattenzione-borseggiatori-c7f467f5-428f-4287-a2ea-83b830b253af.html))

Brands terminate their professional relationship with the influencer

The multitude of cases involving Chiara Ferragni, such as the Christmas pandoro, the Easter eggs, and the Trudi doll, has prompted several international and well-known brands to terminate their commercial collaborations with the influencer, preempting the conclusion of criminal investigations. Safilo and Coca-Cola were the initial companies to sever ties with the influencer, followed by Monnalisa (children’s clothing) and Perfetti Van Melle (sweets and chewing gum). Paolo Pigna, a leading brand in Made in Italy stationery, also opted to terminate its business relationships with Mrs. Ferragni, adhering to its corporate code of ethics that prohibits collaboration with entities sanctioned by competent authorities for unethical and non-law-abiding behavior. Sammontana, an international industry specializing in frozen pastry, dessert, and ice cream products, likewise terminated all advertising and sponsorship contracts with Ferragni to prevent any association between the company’s name and that of the influencer (Garau, 2024). Marketing advisors anticipate that more companies will soon decide to disassociate from her (Balbo, 2024). Ferragni’s appeal in the TV-movie environment has also suffered. In 2023, she assumed the role of the main star at the *San Remo* Italian Music Festival, despite displaying no presenter or entertainer skills. Her performance mainly involved showcasing luxury outfits while
Chiara Ferragni’s professional future

Two contrasting perspectives emerge in the ongoing debate surrounding Chiara Ferragni’s legal troubles. Some contend that the allegations of aggravated fraud lack a legal basis as they argue the absence of the subjective element necessary for the crime. According to this viewpoint, Ferragni may have acted with incompetence or negligence, such as a failure to verify the content of commercial agreements with customers, but lacked a specific intent to deceive. Consequently, malice is deemed non-existent, and preliminary investigations might culminate in dismissal without proceeding to trial. If the criminal investigation concludes, Ferragni could potentially resume her activities without impediment (Rosi, 2024). Conversely, others posit that the ongoing media scrutiny, fueled by the influencer’s notoriety, has irreparably damaged the trust between Ferragni, her followers, and customers (see Kozinets et al., 2023). Critics argue that throughout her career, Ferragni exhibited megalomania and prioritized accumulating wealth without adhering to ethical and honest behaviors. The public, whether followers or not, appears unwilling to accept excuses, particularly in cases involving children suffering from cancer, as was implied in the Pandoro Balocco case, where the public believed they were contributing to a charitable cause. The perceived damage to Ferragni’s image seems irreversible, and her reputation as an influencer is compromised. Renowned brands are unlikely to desire association with her name and image in the future. Experts in “online reputation” contend that traces of past mistakes persist on the web, making even the smallest transgressions from the distant past appear current and relevant. Beyond the legal aspects, the Ferragni case has assumed such dimensions that it cannot be underestimated or forgotten. Even prominent political figures, when asked to comment on this matter, intervened with less-than-flattering remarks towards the digital entrepreneur (Dente, 2024). Ferragni, well aware of her decline, is making desperate attempts to regain people’s trust, but she is likely to fail. Her recent move, even though she denied the initiative, involved distributing thousands of flyers over the cities of Rome and Milan in an attempt to explain Chiara Ferragni’s innocence and encourage citizens not to harbor envy towards her. This action is likely to not only intensify negative sentiments but also expose her to potential criminal charges for environmental pollution. One might ponder whether Chiara Ferragni’s actions are driven by masochism or self-sabotage (Perazio, 2024).

The future of the influencers in the digital world

After the eruption of Ferragni’s case, social media, TV, and newspapers began to analyze the role of influencers in the E-commerce field. They are now depicted as potentially harmful individuals because many of them use the web only for personal gain. For instance, some attempt to sell medical products such as slimming creams, beauty products, and pills to increase libido or sex power without possessing any medical knowledge, thereby putting at risk the health of those who purchase these products. An insightful TV program, broadcast on December 23, 2023, reveals that Ferragni's downfall has finally opened the eyes of many people who tend to trust influencers too easily (Giordano, 2023). Numerous influencers (e.g., @asiavalentereal, @pythianpriestess, @vallibeatrice, @alessialanza) are currently under investigation by the AGCM to verify the authenticity of their follower numbers. The concern arises from the potential deception of people by inflated follower counts, which goes against the European Digital Service Act (DSA). Having a large number of followers does not necessarily signify trust. Many brands are now reconsidering their digital investments, realizing that influencer fame can be fleeting and lacks a solid foundation. The Ferragni case has prompted...
many brands to invest in AI, which is gaining greater relevance in the field of influencer marketing. In the first months of 2024, the rise of so-called virtual influencers has been impressive. These virtual personalities can be programmed to engage with followers and promote products, mimicking real human influencers. AI influencers, with their flawless appearance and meticulously crafted personas, have garnered substantial followings and influence. One key advantage of AI influencers is their availability 24/7, ensuring constant interaction with followers. Additionally, they can be easily tailored to align with a brand’s image, offering seamless integration into influencer content. Artificial intelligence is revolutionizing influencer marketing strategies by providing data-driven insights into consumer behavior and preferences. This enables brands to target their marketing efforts effectively and create personalized campaigns. With AI, brands can analyze vast amounts of data to identify trends, understand consumer preferences, and predict future behaviors. This information is then used to develop targeted influencer campaigns aligned with the brand’s target audience. A notable example is the virtual influencer @lilmiquela, who amassed 2.6 million followers within a few weeks of creation. Today, brands such as Burberry, Prada, and Givenchy utilize @lilmiquela for endorsements. Virtual influencers offer cost-effectiveness and avoid the challenges associated with real influencers, such as potential issues arising from their behavior or statements (Nodari, 2024). Future research will delve into the intricate interconnections between AI, social media, and digital marketing.

5.0 CONCLUSION
The Ferragni affair has brought light to the self-serving nature of influencers, who are focused solely on amassing wealth, often resorting to unethical and morally questionable practices. Brands are losing trust in influencers, leading to the cancellation of collaboration and sponsorship contracts. The cases of Coca-Cola and Sammontana exemplify brands’ reluctance to associate their image with Chiara Ferragni, who engaged in dishonest commercial practices and faced sanctions (Galici, 2024). The market related to influencers, advertising, and sponsorships on social media is undergoing a transformation. While the turnover of this sector amounted to 900 billion euros in 2022, it significantly dropped to 300 billion in 2024. This indicates that many brands have opted out of collaborations with famous influencers who demand astronomical sums, resulting in companies in this sector having to lay off numerous employees (Parpaglioni, 2024). Even the new generations are developing a newfound maturity not only towards influencers but also social media in general. They are beginning to comprehend that the virtual world does not necessarily reflect reality, showcasing an increasing critical capacity of young people. The results of the 2024 Safer Internet Day, held in February each year to promote awareness of a safer online environment, especially for children and young people, revealed a decline in the number of boys and girls aspiring to become influencers. In 2018, seven out of ten minors expressed the desire to emulate influencers like Chiara Ferragni, but by 2024, the percentage dropped to four out of ten (Trabucchi, 2024).

ACKNOWLEDGEMENTS
The authors did not receive any financial support for conducting, writing, and publishing this study. They extend their gratitude to the management of Termometro Politico and Money for granting permission to utilize their surveys related to the Chiara Ferragni case.

CONFLICT OF INTEREST
The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

REFERENCES
E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies


E-Commerce and Live Stream Slip-Ups: Sic Transit Gloria Italian Top Influencer Chiara Ferragni. Uncovering New Attitudes in both Consumer Behavior and Brand Strategies


36) Suter, L et al. (2023). Influencer e la vita perfetta delle altre persone. JAMES focus. https://digitalcollection.zhaw.ch/bitstream/11475/27807/7/2023_ZHAW_JAMESfocus


39) Zorloni, L. (2024, February 8). Le nuove regole europee sui servizi online diventano legge per tutti. WIRED. https://www.wired.it/article/dsa-digital-services-act-17-febbraio-europa/