

# Bigmouthmedia Responds To Google's International Brand Bidding Changes



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Author: [Bigmouthmedia](#)

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Bigmouthmedia reports that further changes unveiled by Google to its international trademark policy could cost the world's major companies millions in the short term as they struggle to protect their brands online.

While not unexpected, Google's decision to allow anyone to bid for trademarked keywords in a total of 194 countries including Saudi Arabia, South Africa and Russia is widely predicted to lead to price rises in the markets affected. However, evidence from the UK - where the policy change was first rolled out in 2008 - indicates that while bidding on some brand terms could increase by as much as 500% in the short term, the impact is unlikely to be permanent.

"While dropping trademark protection didn't send costs skyrocketing to the extent many feared in the UK, during the initial scramble to bid on competitor brand terms we saw cost-per-click (CPC) prices rise by an average of 400-500%. Those levels proved unsustainable in the long term however, and we would expect any spike in keyword prices to normalise within a matter of weeks," said Lyndsay Menzies, Chief Operations Officer at [bigmouthmedia](#).

"Our international offices have been working with such a system in the US and UK for years and we know how to deal with it, but the news is likely to precipitate changes in some international markets as brands move budgets about within digital channels to maximise return."

Bringing the new territories into line with its North American and UK businesses, Google will now allow open keyword bidding on all terms in 194 countries worldwide. This means it is now possible for more than one advertiser to appear in the list of sponsored links that appears after a user has typed in a search query using a trademarked term.

Experience from the UK indicates that successful legal challenges to the rule changes seem unlikely, although commentators will note that Google has yet to relax restrictions in France, Italy or Germany, where copyright laws are particularly robust.

While bad news for major brands, the move is likely to be good news for smaller competitors looking to close the gap. The announcement is also likely to have a profound effect on all affiliate partners, with the ability to bid on competitor keywords greatly increasing the scope and range of their operations.

"While brands might be tempted to bid on competitor keywords in the newly opened markets, Google's rules mean that while they are allowed to bid on brand terms they can't use them in their advert copy, something that frequently results in a low quality score and a high average CPC. They are also likely to experience poor conversion rates, because the fact of the matter is that if a customer searches for a particular brand name, that's the one they're interested in buying," said Robin Richmond, bigmouthmedia's Head of Pay Per Click (PPC).

"Google's revised rules will add new layers of complexity to the search landscape though. Look at [affiliate marketing](#) and [PPC](#): many brands restrict their affiliates from brand bidding but these policies may now need to be reviewed if they wish to protect their real estate from direct competitors."

### **About**

### **bigmouthmedia**

Founded in 1997, bigmouthmedia is Europe's largest independent digital marketing agency. With a team of over 200 staff across 12 offices in 10 countries, the company maximises exposure for major brands online through a variety of fully integrated digital marketing channels: PPC and [search engine optimisation](#), Online Media Planning, Affiliate Marketing, Social Networking, Brand Monitoring, Online PR and Web Analytics. Bigmouthmedia also provides up to date daily [digital marketing news](#) to ensure clients are fully informed and aware of all industry developments.

Leading the digital marketing strategies of a third of the UK's most trusted brands, bigmouthmedia services over 300 big-brand customers globally including: Hilton, British Airways, Tesco, Air Berlin, Barclays, Sky, British Telecom and Wall Street Institute.

High-res images available on request

### **For further media information please contact:**

Iain Bruce  
Media Strategist  
bigmouthmedia  
51 Timberbush  
Edinburgh  
EH6 6QH  
0845 130 8992