



# Case Study



## Brand Bidding and its Impact

### BRAND BIDDING CASE STUDY OF BIGBASKET

Brands spend and put in a lot of efforts to evolve organically and attract the genuine prospects by establishing a direct connect. In the digital world this is attempted by several measures including SEO techniques, keyword management, search marketing, and other non-digital channels also like print or TV commercials. The brands bid or express intent to get associated with a particular keyword against a fee to get associated with the most appropriate keywords. This is because when a user would search for these keywords, they should be directed to the advertising brand.

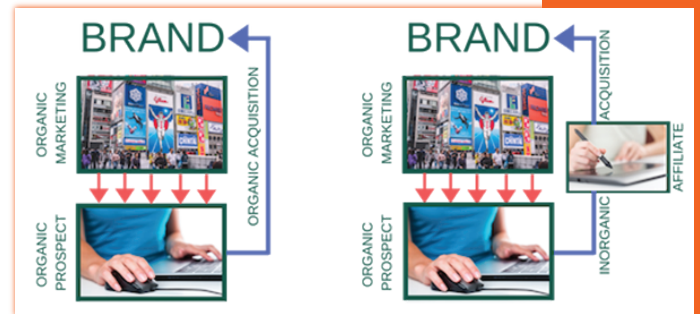


Figure 1- How Brand Bidding can be exploited to steal organic traffic

## Brand versus Generic Keywords

Brand Keywords represent a strong intent of the user towards the brand and indicates a strong desire to reach to the brand. In most cases (especially in the era of digital assistants etc), the user is simply using the search as a convenience to reach to the brand in the easiest fashion. These cohort of users have the 'lowest' Cost-per-order (CPO) conversion for the brand and are the most lucrative among the cohorts. These can be referred to as 'near' organic users. Brands have a key interest in 'safeguarding' this cohort of users and marketing optimization requires these users to be able to come to the brand website for a transaction in the simplest of marketing (e.g. CPC at the most). There should not be any reason for the brand to pay a high amount for this cohort since they were 'default' visitors of advertiser's website and in all probability transacting without any additional trigger due to the brand's other spends on brand marketing.

Generic Keywords on the other hand do not reflect such intent of the user and are mostly normal users exploring for the most appropriate vendor. These have a much higher CPO and are as good as inorganic users.

## The Brand Bidding Issue

In reality the brand keywords are free resources and can be bid by anyone to get associated with what these keywords represent. This means that competitors as well as the publishers/affiliates of an advertisers can also bid on the brand keywords and capture the low hanging, low CPO cohort of people. Let us understand how a brand can 'safeguard' this cohort of users against competition as well as affiliates.

## Affiliates on Brand Bidding

In the affiliate marketing world, this has a different ramification for the advertising brand. Affiliates these days are actively bidding on search engines for brand keywords to capture the brand bidding cohort of users before they go to the brand website. The affiliate partner exploits the same and bids for the keywords that represent the marketing brand which engages such an affiliate to boost the marketing other than the organic efforts that the brand invests in, at its own level. As a result, when an organic traffic in the form of an organic prospect has a very high intent to reach to the products and services of this particular brand, the higher bids made by the affiliate partner re-route them through their network. This effectively means that the affiliate succeeds in taking the attribution for the lead or prospect that has come to the brand due to the brand's own organic longtail efforts.

This has a couple of implications for the brand. Firstly, brands end up paying double for this prospect.

1. They would spend on their organic activities and end up paying fee of the affiliate for the attribution it 'hooks' to. This 'low-cost' cohort has now become a 'high-cost' cohort for the brand.
2. The brand would end up paying higher towards SEM, since they would be competing with their own affiliates for their own user. This is simply jacking up SEM costs and resulting in a significant cost impact. With, typically SEM efforts having a big share of the overall marketing budget, this would end up being a much bigger cost that what traffic affiliate is probably bringing on the table itself.
3. The ad-copy is actually executed by the affiliate which means that it may or may not be 'brand-safe'. The affiliate may be misrepresenting the brand offers simply to get more users to click on that Ad and hence get a better click-to-conversion ratio for its efforts. This will compromise Brand Safety, since the user will assume that the offer is from the brand itself.

Also, this is demotivating for the digital marketing teams of the brand. The in-bound traffic was coming because of their untiring efforts as a result of longtail marketing strategies which was strengthening the digital brand pull. But, since the attribution is taken over by the affiliate, the efforts of the digital marketing teams get blurred and often side-lined.

## Competition on Brand Bidding

Apart from Affiliates, competition will also bid on the brand's keywords. This is more of a marketplace competition and should be healthy for everyone. However, understanding how competition is bidding on the brand keywords is critical towards ensuring the 'low-cost' cohort of users is not lost to the competition at the last leg, but also ensuring it is brand safe.

## The BigBasket Case

BigBasket, India's largest online food and grocery store with over 18,000 products from more than 1,000 brands was witnessing performance issues with their PPC SEM campaigns. Specifically, the issues it was facing included:

- Fluctuation in the performance of Brand Campaigns and its optimization strategies.
- Rising cost of trademark keywords (e.g. 'BigBasket')
- Rising pay-outs to affiliates for CPO campaigns
- Competition mis-representation and Brand Safety
- Transparency in Coupons and Cashback schemes of affiliates.



The BigBasket Case

BigBasket engaged mFilterIt for the specific assignment of analysing the problem statement and assisting the brand in framing actionable hypothesis for the issue. In its approach, mFilterIt analysed over 30 keywords including BigBasket, BigBasket Sale, BigBasket Offer, BigBasket app, etc., across 53 cities in India.

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- The analysis helped in capturing a comprehensive picture of the search landscape for BigBasket. This included: -
  - Geo Locational analysis.
  - Time Based insights.
  - Competition's Pitch / Strategy
- Monitoring of affiliate and competition ads.
- Understanding affiliate and competition brand-safety violations
- Evidences of trademark violations.
- Submission of violations and complaints to the search engines.

The results of the analysis were mindboggling for BigBasket. Some of the main findings were:

### **Affiliates**

- 30% of the total searches were found to be from affiliates. These were 'low-cost' cohort users who were stolen and converted as inorganic affiliate users by brand-bidding. As a result, BigBasket paid affiliates, for the near-organic traffic which was 'hooked' by affiliates.
- Upon informing or penalizing affiliates for not doing this activity resulted in affiliate to actually take bot-detection strategies to bypass detection. New strategies and tricks were deployed by them to continue this activity even under a threat of penalty.
- Reduction in SEM costs on brand keywords was identified when factoring for other variations of seasonality and offers.
- Brand Unsafe offers by affiliates were identified which would have impacted user experience and increased customer care complaints due to mis-represented offers and schemes.

### **Competition**

- Some of the leading global brands were also bidding for BigBasket's trademark keywords to capture these cohort of users.
- However, the ad-titles were misrepresented and were indicating a partnership between BigBasket and the competition when obviously none existed. It was done with the intent of getting users to go to competition assuming they will get BigBasket products there at a cheaper price.

### **Coupons and Cashback schemes**

- BigBasket identified multiple coupons and cashback sites with misrepresented or old offers and coupons which didn't exist. They were able to identify publishers responsible and push them to clean up the same for better Brand Safety
- BigBasket identified many referral schemes being used by end-customers on SEM and coupons/cashback sites which were being used to get referral bonuses. BigBasket was able to identify the referral code and take action against the user offering unique referral code for anyone to use.

Basis this analysis, BigBasket was able to take tangible actions against the ill-practitioners. These included:

- Action against trademark bidders by submitting trademark violation complaints to the respective search engines.
- Affiliates were warned and blacklisted based on the level of infringement.
- Develop a competitive strategy to win over tactics implemented by the competitors.
- Optimize their marketing spends and protect 'low-cost' cohort of brand searchers.

These measures resulted in a significant drop in the trademark keyword bidding cost besides improving the Brand Safety aspects that were being compromised due to Brand Bidding.

Brand Bidding is among key ad-fraud challenges faced by the brands. Though, it may look as a very rudimentary ad-fraud case, its impact could be very damaging. Hence, it is very important for brands to invest in Brand Bidding ad-fraud solutions so that they are known by the 'pet names' or keywords they are best recognised with, in the digital arena.

# Thank you



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