Luxury Jewelry Retailer Combines Brand Protection Strategy and Smart Campaign Management to Improve E-commerce Performance

Case Study:
Luxury Jewelry Retailer

Headquarters:
London, England

Industry:
Retail, E-commerce, Luxury

Product:
MarkMonitor Brand Protection™

Executive Summary

A sought after jewelry brand, making exquisite pieces that can be uniquely customized and personalized, found that global growth through a successful e-commerce strategy brought along unwelcome competition from counterfeiters. Founded in 1990, the company grew into an international retailer with a highly successful e-commerce business and a network of retail stores in the USA, UK, Canada, Europe and Asia. By working closely with a London-based digital marketing agency, the company built their brand and drove sales through a combination of paid search advertising, Natural Search Optimization and social media activities.

Success brought imitators, however, including e-commerce sites selling fake jewelry. These counterfeiters were advertising their fake wares on search engines, siphoning away traffic meant for the brand and driving up PPC campaign costs.

"As we grew into a global luxury retailer, shutting down counterfeit websites was key to growing e-commerce revenue as well as protecting the quality and reputation of our brand," said the jewelry brand's Head of Online. "Taking effective action against counterfeiters would not have been possible without the MarkMonitor® brand protection technology and expertise."

To combat this problem, the company created a groundbreaking collaboration with brand protection experts, MarkMonitor, and its long-time digital marketing agency to develop an effective online brand protection strategy that would not only safeguard the brand from counterfeiters, but also counteract their effect on search marketing. The strategy reduced the number of search ads placed by counterfeiters and, along with smart campaign management and analysis, contributed to an impressive 41 percent reduction in cost per click (CPC) for search advertising.

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This first of its kind collaboration between brand protection and digital marketing experts in clearing the path of advertisers led to significant positive impacts in online advertising.

Challenges

- Competing with counterfeiters in e-commerce channels and paid search

- Increased online marketing costs due to counterfeiters purchasing branded keywords

- Active cybersquatters stealing traffic seeking the luxury jewelry brand

Solution

- The luxury jewelry retailer selected MarkMonitor Brand Protection™ to defend their brand online and Managed Services to provide additional flexibility and expertise. In addition, the brand created a groundbreaking collaboration with MarkMonitor and their long-time digital marketing agency to develop an effective online brand protection strategy that would not only safeguard the brand from counterfeiters, but also counteract their effect on search marketing.

Results

- Decreased cost per click for paid search advertising by 41 percent, driving more traffic with the same budget

- Increased Web traffic by 50 percent without increasing ad spend

- Targeted 239 paid search advertisers selling counterfeit merchandise using the brand as a keyword, eliminating those ads and reclaiming almost one million visits

- Reclaimed 65 domain names from a single cybersquatter through successful UDRP action

Challenge

Counterfeiters are adept at copying best practices in online marketing, mimicking top brands' digital marketing strategies by building PPC campaigns that exploit both company brand names and popular product search terms. As a result, well-known brands can end up competing with counterfeiters for traffic and potential customers.

As this jewelry retailer grew into a top luxury brand, it became an increasingly appealing target for counterfeiters and cybersquatters who took advantage of its highly-recognized brand name to lure potential customers to rogue sites. The company experienced counterfeiters bidding on and leveraging their branded search terms which drew traffic away from the official websites, increased the cost of their branded search terms and impacted overall e-commerce success metrics. And, of course, counterfeiters' sites neither projected the proper brand image nor provided the equivalent customer experience that trusting consumers find at the genuine site.

The brand was also targeted by cybersquatters who abuse the domain name system by including trademarks within domain names. Realizing the opportunity presented by this well-recognized brand, these miscreants exploited its appeal to attract traffic and monetize their sites.

As the brand's e-commerce business continued to grow, company executives realized that counterfeiters were a major impediment to continued growth in this vital channel. With no dedicated resources in-house to professionally assess the extent of the counterfeiter issue and determine how to address it systematically, the company decided to contact MarkMonitor to address the problem comprehensively and with an expert perspective.

Solution

The company chose MarkMonitor to help them develop a brand protection strategy to combat online brandjackers. This collaboration allowed the team to identify counterfeiters using PPC advertising and cybersquatters who were taking advantage of the brand to line their own pockets.

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"As a result of eliminating counterfeit websites and PPC ad campaigns, our digital marketing agency has been able to increase traffic to our website by 50 percent without increasing ad spend," said the jewelry brand's Head of Online. "The ROI that we have generated due to our online brand protection strategy is compelling, causing a straightforward business justification for our Board."

MarkMonitor developed a customized brand protection strategy, quickly identifying sites taking advantage of the brand and instituting appropriate enforcement measures to curb the abuse. Because the advertisers selling counterfeits were in violation of search engine policies, MarkMonitor was able to report them to the search engines and confirm that the offending ads were removed. To defeat cybersquatters, MarkMonitor sent automated notifications to the relevant parties and facilitated the use of the Uniform Domain-Name Dispute-Resolution Policy (UDRP) in the case of high risk and high traffic sites. The UDRP process allowed the brand to gain control of the domains and redirect the stolen traffic to official brand websites.

Removing these illicit competitors reduced the CPC of branded keywords and increased traffic. This enabled the digital marketing team to focus on what it does best—expanding the impact of the luxury jewelry brand.

"We are always looking for ways to increase the ROI of our clients' campaigns. This was the first time we collaborated with MarkMonitor and incorporated a brand protection strategy for our client's PPC ad campaign initiatives. The result is a substantial win for the brand," said the digital marketing agency partner.

Results

MarkMonitor developed a multi-pronged enforcement strategy targeting both counterfeiters and cybersquatters to counteract the brandjackers and recoup the brand's rightful traffic and associated revenue. The MarkMonitor team identified 239 counterfeit e-commerce websites that were purchasing branded keywords and reported them to the search engines, which removed the ads for violating search engine policies. These sites generated almost a million visits annually—traffic that should have been reaching the brand's official website.

MarkMonitor also identified more than 750 cybersquatted sites which were siphoning traffic from the brand, sending notifications about offending domains to relevant parties and recommended further enforcement measures where warranted. As a result, the company took the next logical step and initiated a UDRP against a cybersquatter with sites generating high volumes of traffic. As a result the company was awarded 65 domains that were owned and operated by a single individual and redirected them to the official brand site along with a significant volume of hijacked traffic.

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The digital marketing agency used strong PPC campaign management and analytics to optimize the brand's online marketing campaigns, creating a tremendous positive impact. From April 2010 to March 2011, the agency's efforts lowered the CPC on branded search term by 41 percent. As a result, the agency was able to increase website traffic for the brand by 50 percent without increasing ad spending. In addition to lowering CPC costs, the brand has significantly improved new customer cost per acquisition and increased e-commerce sales.

Luxury brands continue to be targets for brandjackers who hope to capture some of their luster—as well as traffic and revenue. The continued collaboration of the brand protection experts at MarkMonitor and online marketing professionals will ensure that brandjackers are thwarted, so the luxury jewelry brand can focus on delighting its customers and expanding its business.

About MarkMonitor

MarkMonitor®, the world leader in enterprise brand protection and a Thomson Reuters Intellectual Property & Science business, provides advanced technology and expertise that protects the revenues and reputations of the world's leading brands. In the digital world, brands face new risks due to the Web's anonymity, global reach and shifting consumption patterns for digital content, goods and services. Customers choose MarkMonitor for its unique combination of industry-leading expertise, advanced technology and extensive industry relationships to preserve their marketing investments, revenues and customer trust.

To learn more about MarkMonitor, our solutions and services, please visit **markmonitor.com** or call us at **1-800-745-9229**.

More than half the Fortune 100 trust MarkMonitor to protect their brands online.
See what we can do for you.

MarkMonitor Inc.
U.S.   (800) 745-9229
Europe   +44 (0) 207 433 4000
www.markmonitor.com

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