

The Mandate for Transparency: A Comprehensive Analysis of Google Ads' Dishonest Pricing Policy Update

Executive Summary

The forthcoming update to the Google Ads "Misrepresentation" policy, effective October 28, 2025, represents a pivotal shift in the platform's commitment to user trust and transparency. This policy, specifically targeting "Dishonest Pricing Practices," is not a standalone regulatory change but a fundamental component of Google's broader strategic direction for 2025: the creation of a more automated, ethical, and transparent digital advertising ecosystem. The policy mandates the clear and conspicuous disclosure of all financial obligations a user will bear, explicitly prohibiting deceptive schemes such as bait-and-switch advertising, price exploitation, and misleading "free" claims. While the policy document notes that violations will typically be met with a warning period of at least 7 days before account suspension, an in-depth analysis of Google's overarching enforcement framework reveals that severe or "egregious" violations could result in immediate and permanent removal from the platform. For advertisers, proactive auditing and remediation are no longer a matter of best practice; they are a critical business imperative. This report provides an exhaustive, clause-by-clause deconstruction of the new policy, situates it within the context of Google's technological and strategic evolution, and furnishes a detailed, actionable roadmap for ensuring full compliance and mitigating significant business risk.

Part I: Deconstructing the Policy Update

This section provides a meticulous, clause-by-clause analysis of the new "Dishonest Pricing Practices" policy. It defines the prohibited activities with precision and illustrates them with real-world examples, drawing on broader research into consumer protection and digital marketing ethics to provide a robust, expert-level understanding.

The Core Imperative: Clear and Conspicuous Disclosure

The foundation of this policy is a non-negotiable demand for absolute pricing transparency. The update explicitly states that advertisers "must clearly and conspicuously disclose the payment model or full expense that a user will bear before and after purchase".¹ This directive extends far beyond a simple price tag to encompass the totality of potential costs a user might incur, thereby eliminating the ability to hide or obscure material financial information.

The required disclosures are comprehensive and include, but are not limited to, the total price of the product or service, applicable shipping costs, interest rates for financial products, any late payment fines, and recurring subscription fees.² Even the cost associated with using premium-rate phone numbers in call assets must be clearly shown to the user, specifying the price per call or per minute.² This granular approach to disclosure aims to prevent user deception at every potential touchpoint.

The policy's emphasis on the phrase "clear and conspicuous" establishes a stringent standard for presentation. Pricing information must not be hidden, obscured, or made difficult to find. This means advertisers must avoid deceptive design tactics such as using similar or identical text and background colors, employing a very small font size, or placing other visual design elements that block or camouflage pricing details.² Furthermore, the fee structure must be "easily understandable" and transparent, with any formulas used to determine cost being as simple and straightforward as possible.² The policy requires that all pricing information be readily available to users before they engage with the service, ideally by including it prominently on the landing page or within the application itself.² A critical component of this requirement is the mandate that the price displayed in the ad must precisely match the total price prominently shown on the booking or landing page, ensuring a consistent and trustworthy user experience.⁵

This focus on transparent pricing represents a broader strategic move by Google to address the problem of "hidden costs" in the digital advertising ecosystem. While the policy targets malicious fraud, it also implicitly addresses the less-malicious, but equally frustrating, costs that can arise from campaign mismanagement. For example, inefficiencies like wasted clicks from poor keyword targeting or overbidding are not dishonest pricing practices on the part of the advertiser, but they nonetheless represent a form of deceptive cost to the consumer, who clicks on an ad that fails to deliver the implied value.⁶ By enforcing a clear and transparent user experience, the policy aims to improve a key performance indicator known as Quality Score.⁶ A higher Quality Score, which is a metric of an ad's relevance and user experience, can lead to lower costs per click and better ad positions, thereby benefiting honest advertisers. The policy is therefore a mechanism to enforce transparency that Google believes

will improve the overall health and efficiency of its advertising platform for all participants.

Prohibited Practices: Definitions and Examples

The policy update meticulously defines and differentiates a series of specific dishonest practices. An examination of these practices, supported by external research, provides a comprehensive understanding of the ethical and legal boundaries that advertisers must not cross.

Bait-and-Switch Tactics

Google defines bait-and-switch as "deceptively advertising a product or service at an enticing, often unrealistic, low price to lure customers, with no genuine intent to sell it, only to pressure them into buying a different, typically more expensive or inferior, alternative" [User Query]. For a sales tactic to be considered a true bait-and-switch scheme, two primary elements must be present: an advertisement that promises something the seller never intended to deliver, and a subsequent high-pressure sales tactic to redirect the consumer to an alternative product.⁷ This practice is explicitly prohibited by the FTC and is a violation of state deceptive practices laws.⁸

In digital advertising, bait-and-switch can manifest in several ways. The advertised product may be immediately declared "out of stock" or "unavailable" on the landing page without any prior disclosure of limited quantities.⁷ Alternatively, the price on the landing page may be different from the price stated in the ad, or the product ultimately delivered to the customer could be used, damaged, or missing essential components despite being advertised as new.⁷ A classic example involves a sales representative making excuses for the discrepancy and then leveraging the customer's presence and emotional investment to pressure them into purchasing a more expensive or inferior alternative.⁷ This tactic is not merely a misstep; it is a deliberate act of deception that violates consumer trust and undermines the integrity of the advertising platform.

Price Exploitation

The policy defines price exploitation as "exploiting individuals in vulnerable situations or under duress, leveraging their immediate need or lack of reasonable alternatives to demand a payment significantly higher than the prevailing market rate".² This concept is distinct from, but related to, predatory pricing, which involves a dominant firm deliberately lowering prices to unsustainable levels to eliminate competitors before raising prices to a monopolistic level.¹⁰ Price exploitation, as defined by Google, focuses on the intentional exploitation of a vulnerable individual at a moment of extreme need or duress, not on market manipulation.¹⁰ The policy's explicit use of the locksmith scenario provides a perfect case study for this violation [User Query]. In this well-documented scam, a locksmith advertises an unrealistically low price, such as \$15 or \$29, to attract a desperate customer who is locked out of their home

or car.¹² Once on-site, the scammer exploits the customer's emergency and inflates the price to an absurd amount—sometimes hundreds or even a thousand dollars—for a simple service that takes only minutes to complete.¹² The locksmith may threaten to leave the customer stranded unless the inflated cost is paid on the spot, directly violating the policy against exploiting individuals under duress [User Query]. This type of behavior is a clear example of a severe violation that poses significant user harm.

Misleading "Free" Claims and Trials

The policy strictly prohibits "advertising products or services as free when they are chargeable".² This regulation addresses two primary forms of deception that undermine user trust. The first is promoting an app as "free" when the user is required to pay to install it.² This direct misrepresentation is a straightforward violation. The second, more nuanced violation, involves free trials. Promoting a "free trial" without clearly and conspicuously disclosing the trial period or the fact that the user will be automatically charged at the end of the trial period is a direct violation of this policy [User Query]. This aligns with similar FTC regulations that require prominent disclosure of all terms and conditions of "free" offers and rebate promotions.⁸ The policy mandates that the most important information, such as the costs associated with the offer, be disclosed near the advertised price, ensuring that the user is fully aware of their financial commitment before engaging with the service.⁸

The policy's move to explicitly prohibit these well-documented fraudulent practices suggests a strategic pivot. Rather than merely reacting to violations that occur on its platform, Google is leveraging its advertising policy framework to proactively address known consumer scams that exist in the broader market.¹⁴ By codifying tactics like bait-and-switch and locksmith exploitation, Google reinforces its brand as a trustworthy intermediary and actively works to prevent long-standing forms of consumer harm. This proactive stance indicates that Google is not only monitoring its own ecosystem but is actively using its enforcement power to improve the integrity of the digital marketplace as a whole.

Prohibited Practice	Definition	Digital Advertising Manifestation	Remediation Strategy
Bait-and-Switch	Deceptively advertising a product at an enticing, low price with no intent to sell it, then pressuring the customer to buy a more expensive or inferior alternative. ⁷	Ad shows an "unrealistic" low price; landing page declares item out of stock or at a different price; salesperson makes excuses for the discrepancy and pushes an inferior	Ensure all advertised products and prices are available and accurately reflected on the landing page; audit ad creative for misleading or ambiguous

		alternative. ⁷	language. ⁷
Price Exploitation	Exploiting a vulnerable individual's immediate need to demand a payment significantly higher than the prevailing market rate. ²	Locksmith ads quoting a low price (e.g., \$15) but demanding hundreds of dollars on-site once the job has begun, leveraging the customer's duress. ¹²	Provide transparent, upfront quotes that include all fees; do not engage in high-pressure sales tactics; ensure prices are reflective of prevailing market rates for the service. ¹²
Misleading "Free" Claims	Advertising a product or service as free when it is actually chargeable. ²	Promoting a free app that requires payment to install; offering a "free trial" without clearly stating the auto-renewal and cost after the trial period. ²	Clearly and conspicuously disclose all costs, including app install fees or auto-renewal charges, in both the ad and on the landing page. ²

Part II: The Broader Context of Google's 2025 Strategy

This section analyzes the new pricing policy not as a standalone rule change but as a critical piece of Google's overarching strategic direction for 2025. This provides advertisers with a crucial, high-level understanding of the strategic motivation behind the changes.

Enforcement and Consequences: Beyond the 7-Day Warning

The user query states that violations of this policy "will not lead to immediate account suspension without prior warning" and that a warning will be issued "at least 7 days prior" to any suspension [User Query]. This provision, which provides a window for corrective action, requires a nuanced understanding of Google's multi-tiered enforcement framework. Google's

standard graduated enforcement model is designed to provide advertisers with a path to compliance, as evidenced by a similar warning period for violations of the political content policy.¹⁷ This approach allows advertisers to address issues such as a simple error in a product feed that causes a price discrepancy or a missing disclosure on a landing page.²

However, the "Dishonest Pricing" policy is part of the larger "Misrepresentation" policy, which includes a critical caveat for "egregious violations".¹ An egregious violation is defined as a transgression so serious that it is either "unlawful or poses significant harm to our users".¹ These types of violations can result in immediate and permanent account suspension without any prior warning.¹ The policy documentation clarifies that immediate suspension is reserved for cases when it is the "only effective method to adequately prevent illegal activity and/or significant user harm".¹⁹

A key consideration for advertisers is the dual nature of the new policy. A violation that appears to be a minor, fixable issue could be reclassified as a severe, unfixable violation depending on the severity and intent. For example, a single, accidental price mismatch might warrant a warning. However, a deliberate, systematic bait-and-switch scheme that financially harms multiple users could be classified as an egregious violation, similar to scamming or phishing, and lead to an immediate and permanent ban from the platform.¹ The locksmith example provided in the policy itself, which involves a direct threat of leaving a customer in a vulnerable situation unless an inflated price is paid, could be interpreted as a form of significant user harm, justifying an immediate, no-warning suspension. The single most critical risk for advertisers is therefore not the 7-day warning period, but the potential for a violation to be deemed "egregious," which would bypass the warning period entirely and result in a permanent ban. This necessitates that advertisers audit not just for technical compliance, but for the fundamental intent behind their practices—are they accidentally misleading, or do they intentionally deceive?

A Shift Towards a More Regulated, Automated Ecosystem

This pricing policy update is not occurring in isolation. It is an integral part of a larger strategic shift toward automation, transparency, and stricter content governance that is defining the Google Ads landscape in 2025.²³ The new policy provides a clear, rule-based framework that Google's sophisticated AI systems can enforce with a high degree of confidence and at a massive scale. By codifying what constitutes a dishonest pricing practice, Google is essentially "training" its AI models to detect and flag these violations with greater precision and consistency than would be possible with manual review alone.¹⁹ This suggests that the enforcement of this policy will become more widespread and systematic, with automated

systems flagging non-compliant ads and destinations in real time.

This transparency mandate for pricing aligns directly with other new requirements for advertisers, such as the mandate for business verification and the display of standardized labels for "AI-Generated Content" and sponsored posts.²³ These requirements are designed to build user trust by providing more information about the advertiser and their content, creating a more regulated environment. Furthermore, Google's push toward AI-driven ad delivery is set to accelerate in 2025, with the deprecation of manual keyword targeting and custom bidding strategies in favor of automated solutions like Performance Max campaigns.²³ The new pricing policy provides the ethical framework for this increased automation. The algorithm can more easily and confidently detect a price mismatch, a missing disclosure, or a deceptive visual element, linking the violation to the specific ad creative and destination.²

This strategic integration of policy and technology is further evidenced by technical changes to the Google Ads platform. The deprecation of ad sharing functionality, which will force advertisers to create unique ads for each ad group, aligns with the need for granular, ad-level compliance checks.²⁴ This technical change makes it easier for Google to flag a single ad for a policy violation without impacting an entire campaign, allowing for more precise enforcement. The new pricing policy therefore serves as a set of instructions for the platform's core algorithm, enabling it to operate more efficiently and ethically within the evolving digital landscape.²⁴ The overall strategic direction is clear: a more automated ecosystem requires a more robust, rule-based policy framework to function effectively.

Part III: The Strategic Compliance Roadmap

For advertisers, the policy update is not an abstract concept but a critical business reality. With the enforcement date of October 28, 2025, approaching, a systematic and proactive approach to compliance is the only viable path to mitigate risk and ensure uninterrupted advertising operations. This section transitions from analysis to action, providing a practical, step-by-step roadmap for auditing, remediating, and maintaining compliance.

Proactive Ad and Landing Page Audits

The first step in any effective compliance effort is a comprehensive audit of all ad creative and corresponding landing pages. This systematic review is designed to identify potential issues

before Google's automated systems do.

A structured methodology for this audit is essential. The process should begin by identifying all "in-scope" campaigns—those involving price points, free trials, subscriptions, or any service where final costs may fluctuate [User Query]. This includes e-commerce, SaaS, services (e.g., locksmiths, plumbers), and app promotion campaigns. Next, a thorough review of all ad creative and ad copy must be performed, verifying that the stated price is clear and that no misleading "free" claims are present.²

The most critical phase of the audit is the examination of the landing page or app itself. This should be a multi-point checklist that meticulously verifies compliance with the policy's core tenets. The price on the landing page must exactly match the price stated in the ad.⁵ All fees and taxes must be included in the total price, ensuring no hidden costs are introduced at the point of purchase.⁵ The payment model, whether one-time, subscription, or pay-per-use, must be clearly and simply explained.² For free trials, the duration and the fact that the user will be automatically charged at the end of the period must be clearly and conspicuously disclosed [User Query]. Finally, a visual inspection of the landing page is necessary to ensure that the pricing information is easy to read and not obscured by a small font size, similar text and background colors, or other design elements.²

Advertisers can leverage technology to streamline this process. While many Google Ads audit tools, such as WordStream's Performance Grader and SEISO, focus on performance optimization rather than policy compliance, they can still be valuable.²⁵ A low Quality Score flagged by these tools can often be a symptom of a poor user experience or unclear ad relevance, which can be caused by the very issues the new policy addresses.⁶

Actionable Recommendations for Remediation

Once potential violations are identified, a clear plan for remediation is required. For issues with ad creative or copy, the process is straightforward: ads that fail the audit should be immediately edited or removed.² If the ad's destination cannot be fixed to comply with the policy, the ad must be updated with a new, compliant destination that accurately reflects the offer.²

For landing pages and apps, remediation may require more significant changes. Creating a dedicated, highly visible pricing page that outlines all tiers, features, and costs is an effective strategy.²⁷ The billing process should be clearly and simply explained, with all financial details such as interest rates, late fees, and recurring charges made transparent.² Finally, all promotional offers and claims should be thoroughly vetted to ensure they are truthful and that

the advertised offer is easily found and available on the destination page.²¹

In the event of a warning or suspension, a defined process for appeals is critical. The appeal process requires the advertiser to document the corrective actions taken and provide supporting evidence of compliance.² It is essential to document all changes with screenshots and timestamps to provide a clear record for Google's review team.²⁸ This documentation not only supports the appeal but also serves as a critical internal record of the compliance process.

The Role of Ongoing Process and Internal Controls

Compliance is not a one-time event; it is an ongoing process. To build a sustainable compliance program, advertisers must implement internal controls and foster cross-functional collaboration. This includes creating a mandatory compliance checklist for every new ad creative and landing page, mirroring the audit process described above. Furthermore, communication between marketing, product, and legal teams is essential to ensure that any product or pricing updates are immediately reflected in all advertising assets, thereby preventing the kind of discrepancies that the new policy is designed to eliminate.²⁹

This proactive approach is particularly important in an ecosystem where advertisers feel a degree of tension with the very systems they rely on. As documented in online forums, some advertisers express frustration with Google representatives who push for "optimizations" that lead to significant increases in ad spend without a corresponding rise in conversions, a form of hidden cost from the advertiser's perspective.³⁰ The new policy mandates transparency for the consumer, but some advertisers perceive a lack of transparency from Google's own automated systems. To navigate this, advertisers must become "vigilant co-pilots," using tools like "Change History" to audit Google's own actions on their accounts and ensure that any changes made by the platform are aligned with their business goals, not just with increased ad spend.³⁰

Policy Requirement	Ad Creative Audit Action	Landing Page Audit Action	Status	Remediation Notes
Price Disclosure	Verify ad copy, headlines, and extensions clearly state the price.	Check that the price on the landing page matches the ad and	Compliant/Non-Compliant	Update ad copy or fix landing page price discrepancy.

		includes all fees.		
Billing Model Clarity	Ensure ads do not make misleading "free" claims.	Verify that the payment model is easy to understand and all recurring costs are disclosed.	Compliant/Non-Compliant	Add or update pricing and billing section on the landing page.
Trial Disclosures	Check for language that implies a "free" trial without stating terms.	Ensure the trial period and auto-renewal are clearly visible and not obscured.	Compliant/Non-Compliant	Add a clear disclosure statement about the trial period and auto-billing.
Visual Transparency	N/A	Review for small fonts, poor color contrast, or obscured pricing elements.	Compliant/Non-Compliant	Redesign the pricing section of the page for optimal readability.

Part IV: Conclusion and Final Strategic Imperatives

The Google Ads "Dishonest Pricing Practices" update is more than a simple rule change; it is a foundational component of a broader, systemic shift toward a more transparent, automated, and regulated digital advertising platform. The policy's enforcement, effective October 28, 2025, is a direct response to longstanding consumer protection issues and is designed to build a more trustworthy ecosystem for both users and advertisers.

The strategic imperative for any advertiser is clear: proactive compliance is no longer a choice but a necessity. The distinction between a minor, fixable policy violation and a severe, egregious one is critical, with the latter carrying the risk of immediate and permanent account

suspension. An advertiser who deliberately engages in deceptive practices, such as a systematic bait-and-switch operation, operates outside the new framework entirely and faces the most severe consequences. In contrast, an advertiser who embraces the spirit of the policy, focusing on complete and conspicuous disclosure, will not only mitigate the risk of suspension but will also foster greater long-term customer loyalty and improve overall business health.¹⁶

The pathway to compliance is an urgent and non-negotiable process. Advertisers must begin a comprehensive audit of all in-scope campaigns, using the provided checklist as a guide to systematically review every ad and landing page. All identified discrepancies must be remediated immediately, and a sustainable, ongoing process for compliance must be implemented. Procrastination is no longer a viable option. For advertisers who value their presence on the Google platform, the time to act is now.

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