

AFFILIATE MARKETING CASE STUDY

HOW AP HELPED ONLINE MARKETPLACE CLIENT OPTIMIZE THEIR AFFILIATE PROGRAM

Recruiting and optimizing a new type of affiliate partnership helped an Acceleration Partners client exceed their Y/Y revenue goal by over 145%.

MONTHLY
REVENUE GOAL
EXCEEDED
BY OVER
71%

Y/Y
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A SLUMP IN SALES

Since the inception of our client's affiliate program, coupon affiliates played a key role in helping drive sales to their online marketplace of independent artists.

However, as time went on, the client grew concerned that these sales weren't incremental. So, in 2015, the client decided to only accept content affiliates into their program. To accommodate their request, the Acceleration Partners team focused their efforts on recruiting, activating and optimizing content-focused affiliates (bloggers, review sites, etc.).

Within a few months of making this change, sales took a hit. What's more is that getting revenue volume back to where it was when coupon affiliates were a part of the program was a constant struggle.

The significant downtrend in sales was due to the fact that content affiliates tend to serve as brand "introducers." While they can contribute to driving and closing sales, it can take a long time for them to establish enough trust and authority with their audience to encourage a sale. Conversely, coupon and loyalty tend to be drivers of bottom-of-funnel traffic.

A PARTNERSHIP SHIFT

Appreciating the client's displeasure with the performance of their affiliate program, the Acceleration Partners team quickly introduced a solution: add brand-aligned loyalty affiliates to the program.

This recommendation had been suggested early on when the client made the decision to remove coupon affiliates from their program, but had been rejected as the client wanted to focus solely on content affiliates.

Now that their program was pacing around 30 percent below projections, the client was more open to new ideas.

"We came back to the client with a clear explanation for why they should test a few, strategically chosen loyalty partners in their program," said Account Manager, Zachary Cannon. "We understood and respected their reasoning for wanting only content affiliates in their program, so it was important for us to explain the value of incorporating content-focused loyalty affiliates and how they'd be able to support – not take away from – their content partners."

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ZACHARY CANNON
ACCOUNT MANAGER

The client agreed to the tests so long as the loyalty affiliates’ initiatives weren’t too promotional and only included cash back offers.

AFFILIATE ANALYSIS

“Once we received client approval, the first thing we did was scour our CRM database and the expertise of our entire affiliate team – not just our client’s team – to find the top, content-focused loyalty partners who would best align with the client’s brand and guidelines,” said Cannon. “Out of our vast list, we narrowed it down to two loyalty affiliates and started conducting test campaigns with them.”

While both loyalty affiliates drove positive results during their test phase, one in particular blew projections out of the water.

IMPRESSIVE IMPACT

In July 2017, the AP team launched a test with one loyalty affiliate (Loyalty Affiliate A). In that month, Loyalty Affiliate A drove \$50k in total revenue for the client’s program. This brought program revenue projections back up so that they were now down only 1 percent to program projections.

In August of 2017, the AP team tested an optimization campaign with Loyalty Affiliate A. In addition to receiving a prominent placement on Loyalty Affiliate A’s home page, a spotlight in one of their newsletters and a feature on their Back to School section of their website, they had Loyalty Affiliate A test a 10% off vanity code on all orders.

THE RESULTS?

- The client’s monthly revenue goal was exceeded by over 71%
- The client’s Y/Y revenue goal was exceeded by over 145%

Since incorporating key loyalty affiliate partners into their client’s program and optimizing their campaigns, the AP team is now on pace to surpass the revenue goals initially projected for their client.

What’s more is that the loyalty partners in the client’s program are not cannibalizing the sales/revenue volume that’s being driven by their content affiliates. The program is still seeing growth from the content affiliate’s in the program, which is a clear sign that these loyalty affiliates are driving incremental sales.

To learn more about incorporating brand-aligned loyalty affiliates into your program, reach out to our [Affiliate Marketing team](#).