

**ISBA**

## **ISBA 101 Knowledge Sessions**

### **Deep Dive: Affiliate Marketing**



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Voice**

# Welcome to the 101 Knowledge Sessions

- Please be aware this session is being recorded.
- Time doesn't permit questions on the day, but if you do have one, please put it in the chat box and we will come back to you after the session.
- All attendees will be sent a copy of the slides within 48 hours and we will let you know when the recording has been published on our website.
- To find out more about the benefits you have access to through your company's ISBA membership please visit [isba.org.uk](https://www.isba.org.uk)
- Please register on our website to view the recording of this session and our previous 101 sessions and other content.



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# Pete Davis

## Managing Director

Pete is the former media controller of Nestle and has been an ISBA course trainer for over 10 years. Pete's experience in media and marketing is varied and unique. Working across numerous clients, agencies and media owners, at the last count he has worked on over 800 marketing briefs from the UK Government, Tesco, Direct Line and L'Oreal to start up tech businesses like Rooster Money. Pete was also instrumental in the setting up of ISBA's networking evenings and Webinar programmes. His main focus has always been the advertiser and equipping them to make effective decisions in the media landscape.



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# Affiliate Marketing Knowledge Session



# Presenter Bio Slide



Alex Thomas – Senior Team Leader at Awin

- Graduate from Nottingham Trent University in Media & Communications
- Worked in Client Services at Awin for 6 years across several brands and over the last 5 years predominantly across Samsung UK.



Svea Svoboda – Team Leader at Awin

- Graduate from UCL in Comparative Literature
- Worked in Client Services at Awin for 6 years, across various sectors and brands such as Sky, cinch, Aviva and currently Three/Smarty, Very and Iceland.



**I S B A**

01

**What is  
Affiliate  
Marketing?**

02

**Advertisers,  
Publishers &  
Affiliate  
Networks**

03

**Key Benefits**

04

**Making a  
success of  
Affiliate  
Marketing**

**One  
Voice**

**101**  
**KNOWLEDGE**  
**SESSIONS**

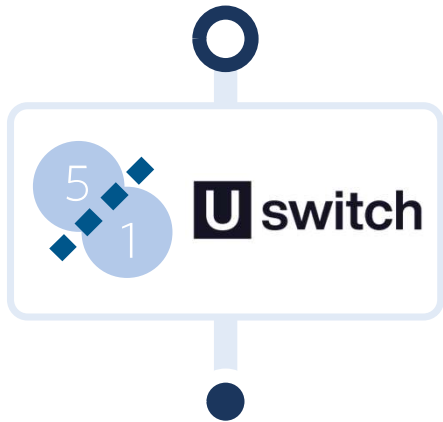


# What is Affiliate Marketing?

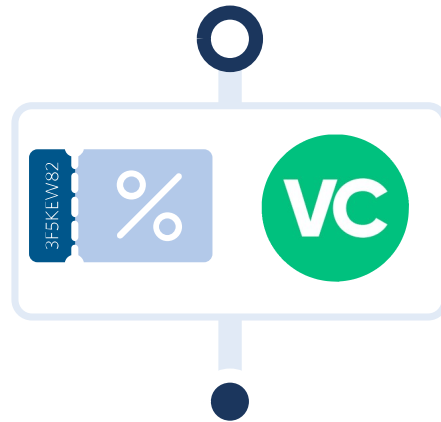
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**Have you ever bought something after clicking on?**

A Price Comparison Site?



A Discount Site?



A News Article?



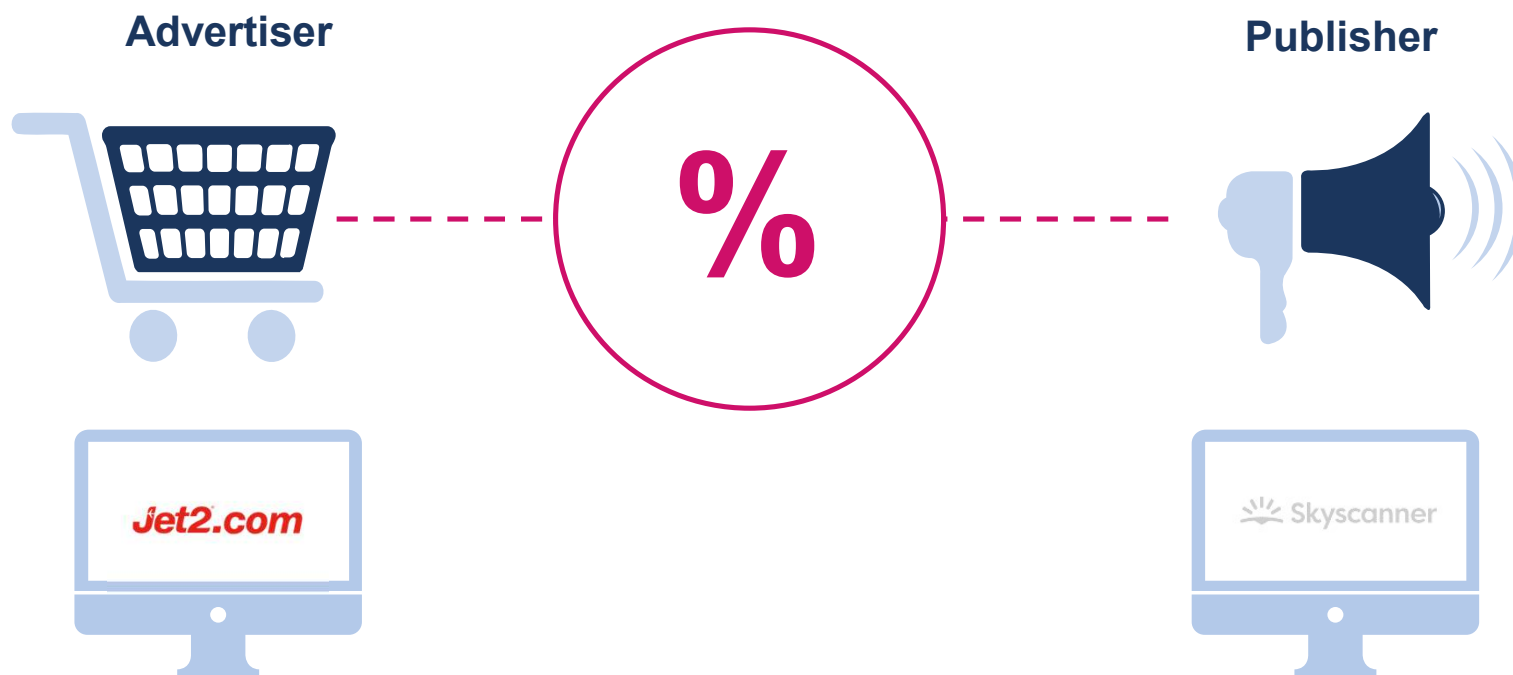
A Blog Post?





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# This is Affiliate Marketing



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# Affiliate Marketing: A Growing Industry

● 1%  
Of UK GDP

● €12b  
Spent globally last year

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# Affiliate Marketing: A Growing Industry

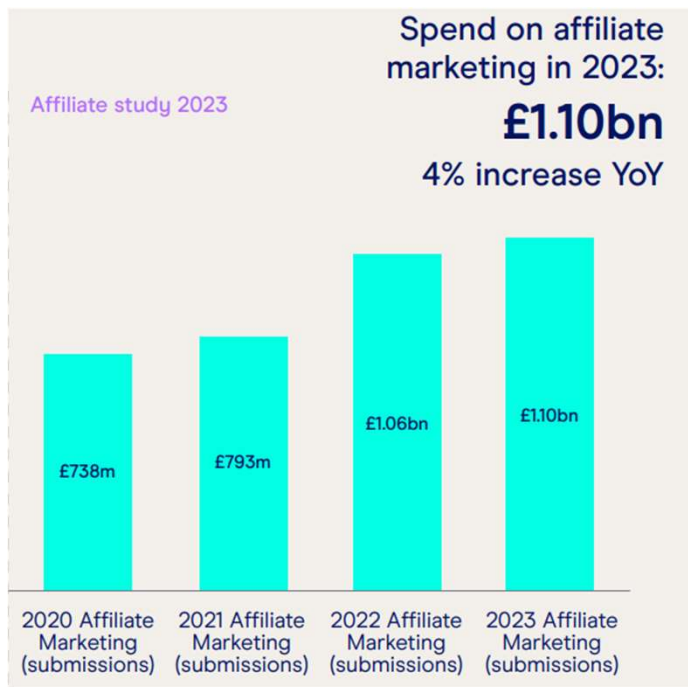
X3

sales from affiliate  
content than display

62%

and cost 62% less

# Spend on Affiliate Marketing (UK)



- Advertiser spend in affiliate marketing grew 4% YoY in 2023.
- In 2022 affiliate marketing saw a 33% significant growth, outstripping digital's more modest 11%.
- The **UK** stands alongside the USA, Germany and France as **one of the most mature markets** for affiliate marketing.



# Advertisers, Publishers & Affiliate Networks

# What is an Advertiser?



An affiliate advertiser is someone who owns **products or services** that are promoted through affiliate marketing. An advertiser is concerned with increasing sales, and to do this they need to attract good quality publishers.

Partnering you with 270,000+ verified & active partners

Across 180 markets globally

Supporting 25,000 advertisers

Driving £19 billion in revenue for them last year



SEPHORA



SAMSUNG

MARKS & SPENCER



viator



Iceland

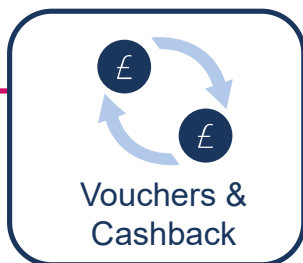


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# How about publishers?

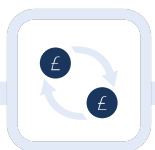


A publisher is **someone who advertises the products and/or services** of an advertiser in return of a fee.



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# Publisher Type Market Share



Cashback & Loyalty

32%



Comparison Sites

22%



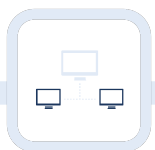
Discount Code

21%



Content & Social

15%



Sub Networks

5%



Retargeting

2%



Email

2%



Search

2%





# Cashback & Loyalty

Cashback and loyalty sites have a member base that earn monetary rebates from online purchases

High volume of members.

Loyal member base who regularly interact with platforms.

Reassuring environment often through bespoke customer journeys.

Drive a higher than average Conversion Rate & AOV.

Most cashback & loyalty publishers give 100% of the commission they earn to customers. Therefore, cashback & loyalty publishers **earn commission through fixed payments (known as tenancies) or rev-share models.**



# Price Comparison



A site that compares the prices and features of searched-for products available through a number of online stores.

Price orientated websites.

Display product range & benefits.

Identify brands which sell certain products.

Sit at the 'research' stage of a consumers purchase journey.

Price comparison sites are brands of their own and have a **tremendous reach within the Utilities, Telecoms and Insurance.**

**MONEY  
SUPERMARKET**

**U** switch



**compare  
themarket™**

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# Voucher Code Partners

A website or browser extension listing discounts, discount codes and other deals which may be redeemed at advertiser websites or stores.

High volume affiliates particularly in Retail.

Single use codes, exclusive codes and mobile only codes.

Browser extensions have soared in popularity since 2019.

Voucher code sites utilise PPC to gain traffic through exclusive brand agreements

Partners such as **Giftcloud** and **Vouchercodes** provide Advertisers with the ability to offer gift cards (such as Amazon, Argos, Tesco etc.) and provide these to the customers.

The logo for Honey, featuring the word "honey" in a lowercase, orange, cursive font.The logo for Groupon, featuring the word "Groupon" in a bold, green, uppercase sans-serif font.The logo for Vouchercloud, featuring a black outline of a cloud with a speech bubble tail, followed by the word "vouchercloud" in a lowercase, black, sans-serif font.The logo for One Voice, featuring the words "One Voice" in a bold, dark blue, sans-serif font inside a dark blue speech bubble outline.

# Technology Partners

Tech Partners come in all shapes and sizes, from conversion rate optimisation solutions to refer-a-friend platforms. Awin has over 80 technology partners.

## Remarketing

- Recover abandoned sales.
- Drive customer loyalty.

## Retargeting

- Reach new audiences.
- Re-engage with past visitors.

Remarketing allows advertisers to run **basket abandonment email campaigns**, upsell/cross sell emails and lifecycle marketing emails.

Retargeting is a form of **targeted advertising to consumers based on their previous online actions** through displaying placements and display ads.

soreto<sup>+</sup>

intent.ly  
Data-driven Conversions

uniqodo<sup>x</sup>

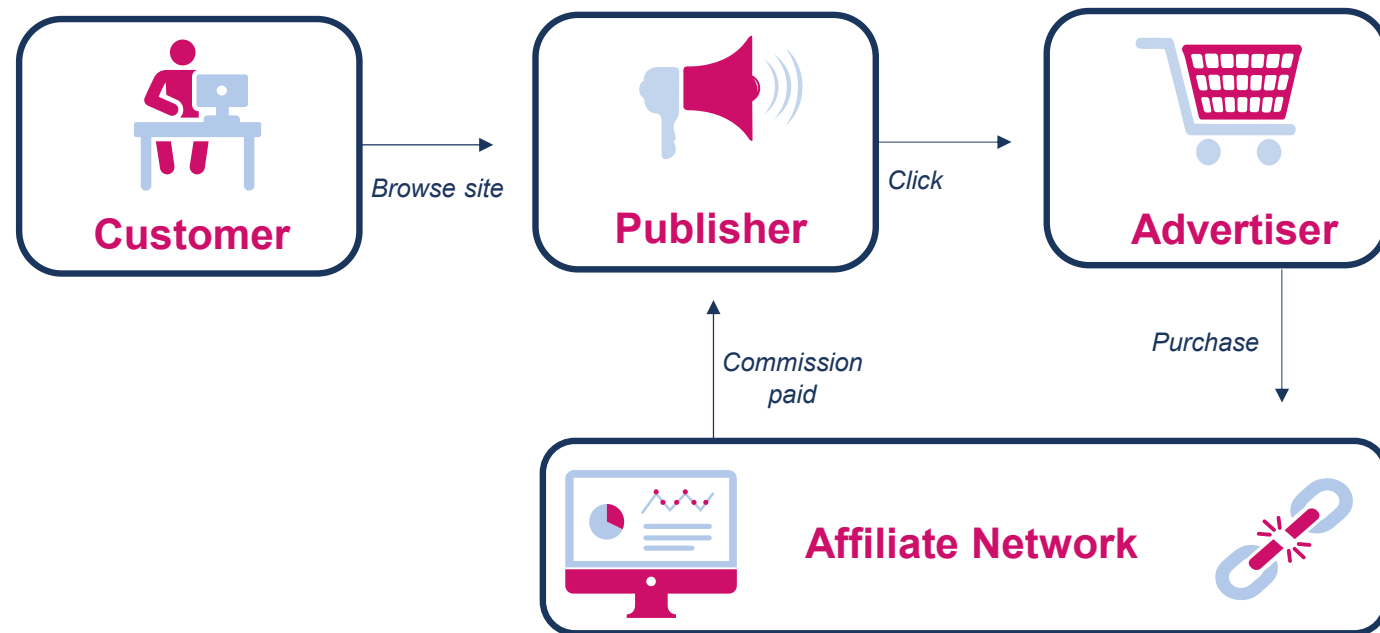
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# What is an Affiliate Network?

An affiliate network such as **Awin**, acts as a **middleman** between the publisher and the advertiser.

Advertisers establish their affiliate programs on an affiliate network and publishers can search the network to find programs that they want to promote. The affiliate marketing network acts as a manager for both publishers and advertisers.



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# What do Networks do?

01

## Tracking

Having a robust tracking system is fundamental in affiliate marketing. Affiliate Networks use 1<sup>st</sup> party cookies and server-to-server to track.

02

## Reporting

Affiliate Networks provide platforms that track impressions, clicks, sales and revenue for which you can generate reports in real time.

03

## Payments

Provide Advertisers the capability to reward publishers through fixed payments, CPA, CPC, CPL and assist payments.

04

## Service

Affiliate Networks offer a range of management services for Advertisers. Service ranges from technical support to full account management.

05

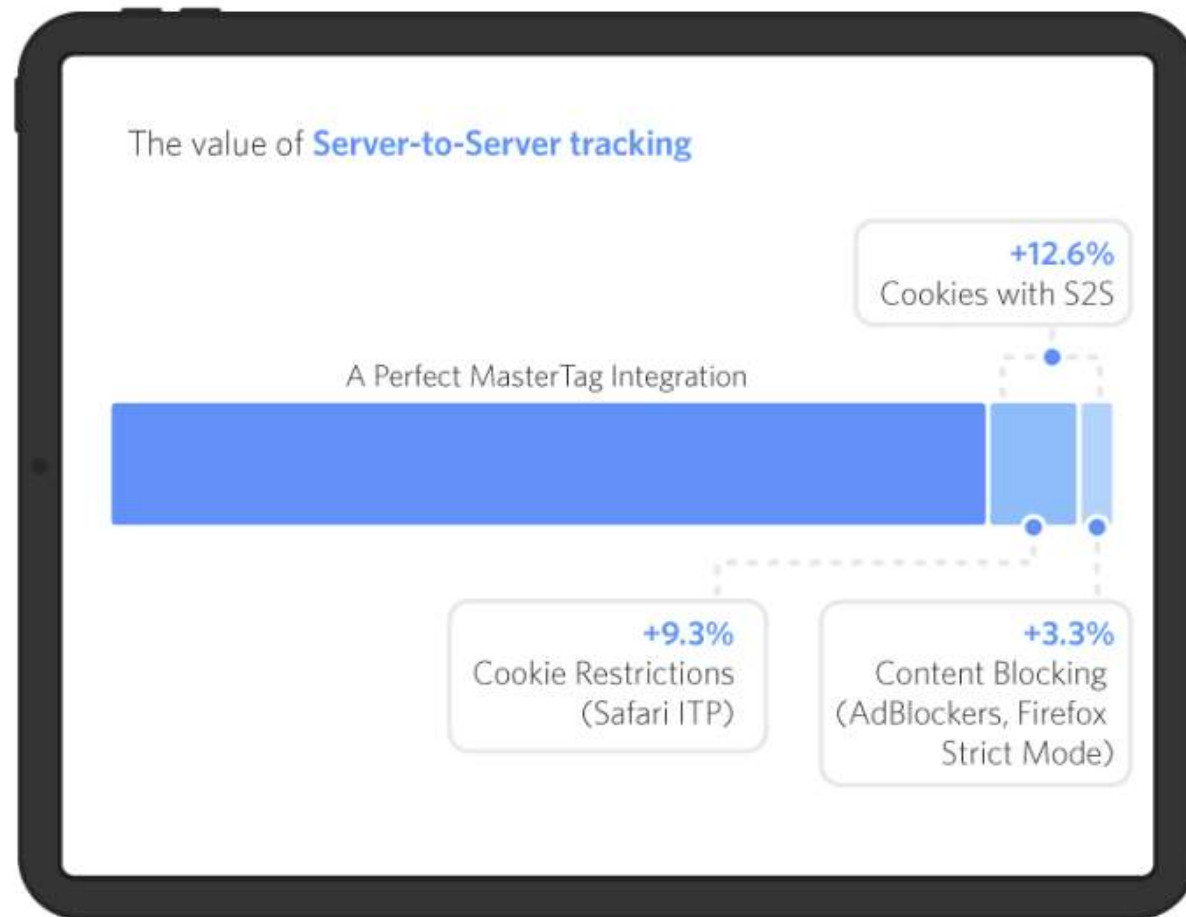
## Recruitment

Having access to an affiliate network means that Advertisers & Publishers can tap into a variety of opportunities hosted within the affiliate platform.

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- Affiliate Marketing uses 1<sup>st</sup> Party Cookies to track sales and are increasingly using Server-to-server tracking as Browser tracking prevention methods continue to increase.
- A study of 150k tracking calls showed that implementing a S2S link, can increase a brands tracking visibility by 12.6%. →
- Affiliate Networks do not gather customer information. The data is strictly transactional information.





## Advertiser MasterTag

Track more journeys, and create more partnerships. Uses 1<sup>st</sup> party cookies and special methods to overcome ITP 2.1

## Server to Server

Effective in helping track with AdBlockers and overcome journeys blocked by ITP

## Cross-device tracking

Measure performance for cross-device journeys. More effective combined with channel parameters

## Channel Parameters

Insight on how publishers influence cross-channel journeys.

## Fallback pixel +fingerprinting

Add redundancy if another method is blocked

## Real-time tracking

Our cloud infrastructure serves links closest to users. Average of 170ms for clicks in the UK

## Bounceless tracking

Future proof against Browsers' Tracking prevention & ad blockers

## Custom Parameters

Fully extensible. Pass any additional parameters to report or reward on

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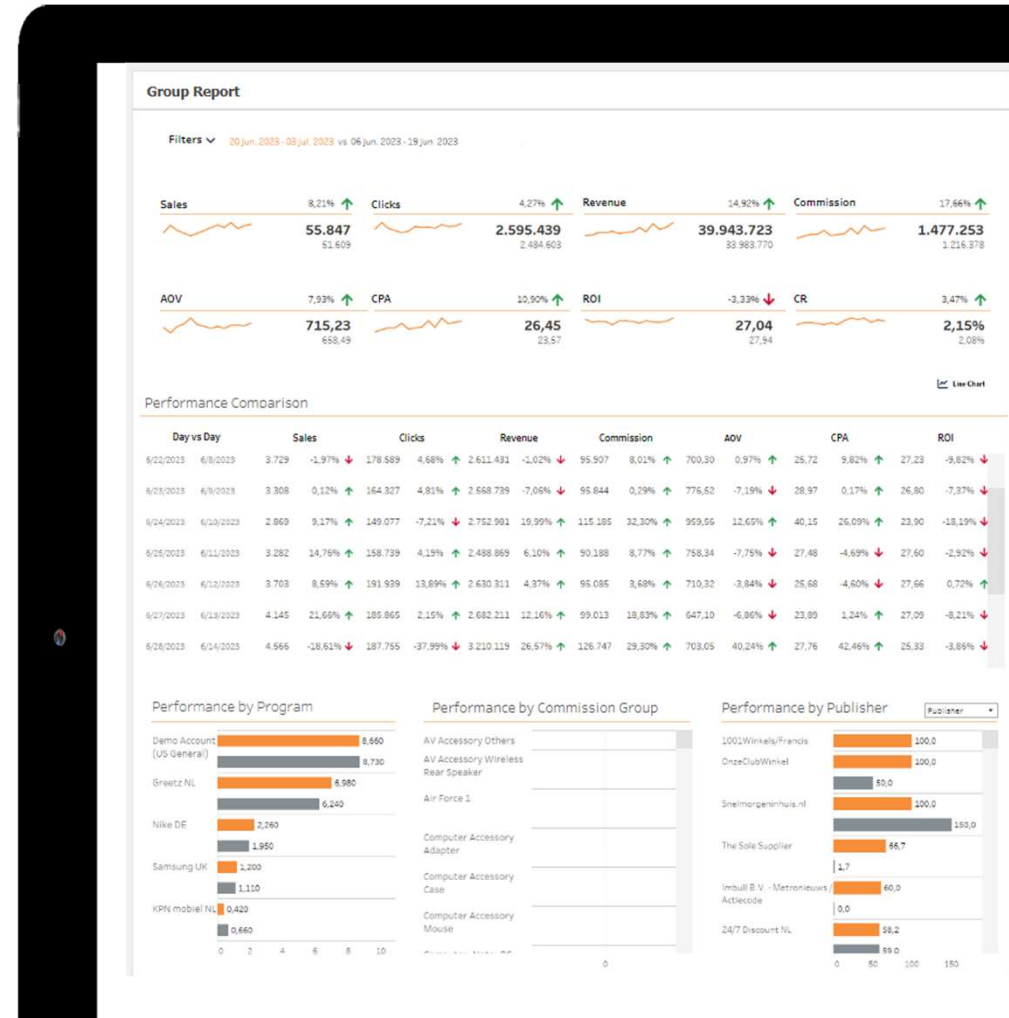




# Reporting



- Track impressions, clicks, revenue, sales and spend in real time.
- Customisable reporting to adjust to your data and KPI needs
- Publisher, device, product and campaign reporting all available in one flexible platform.
- Publisher and Campaign Management
- Individual publisher management
- Sales are 'validated' once the brand confirms the sale is accepted or declined.





# Payment Models



All traditional digital marketing payment models are automated through Affiliate Network platforms, most commonly –

- CPA:** Fulfillment of a sale.
- CPL:** Completion of a registering form or subscription.
- CPC:** Fixed rate based on clicks.

Payment models will depend on how you measure success for your brand -



ROI



Impressions



Traffic



Revenue



Conversion Rate



AOV



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# Recruitment



Through a Network, Advertisers & Publishers can source new opportunities from all round the world.



Networks provide discovery platforms, seminars and case studies designed to provide new partnership opportunities.








Relationships can be managed within the platform but contact details are also available.



AI is being used to help matchmake brands with relevant and interesting publishers which helps to cut down on admin work whilst providing improved recommendations

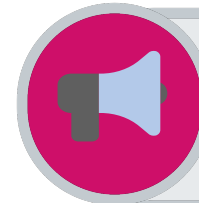
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SESSIONS

New Advertisers (GB) <a href="#">View Advertiser Directory</a>			
Advertiser	Date Launched	Product Feed	Action
 <b>Pet Hamper</b> Pet Hamper is all about luxury, durable and practical products for all of your pets. Whether you are looking for a gift for a friend, or treating your own pet, we aim to have everything you need.	18/10/2022	No	+ Q P I
 <b>Collectiviste</b> Collectiviste is the UK's 1st and only 100% all natural eco-friendly lighting company. Commissions from 8% to 20% - High AOV of £250 - Low cancellation rate. - 90 day cookie duration.	17/10/2022	No	Q P I
 <b>Only Curls</b> Only Curls are on a mission to encourage curly haired people of all textures to ditch the chemicals, forget the straighteners and start loving their natural curls.	17/10/2022	No	Q P I
 <b>Mo Joe's</b> Mo Joe's Soft Gums are packed full of not only high-quality CBD but also all the essential vitamins and minerals you need to help your body be at its best.	17/10/2022	No	x Q P I
 <b>Beds.co.uk</b> At beds.co.uk we specialise in affordable leather beds, mattresses, divan beds, fabric beds and kids beds. Our years of experience supplying the best beds for homeowners across the UK means we're able to offer the widest selection of cheap beds UK buyers	17/10/2022	Yes	x Q P I



# Key Benefits of Affiliate Marketing

# What are some of the benefits of affiliate marketing?



Having an *effective affiliate marketing strategy* can be hugely beneficial to the overall success of your business.

Low  
Risk

Reach new  
customers

Strong  
ROI

Flexible

Measurable

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# What are the benefits of affiliate marketing?

Low  
Risk

- Only **paying for sales** that have been generated by the publisher
- Complete control of **which publishers are promoting** your brand/ driving sales
- Control of **CPA** (cost per acquisition) rates
- Minimal **start up costs** compared to buying advertising

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# What are the benefits of affiliate marketing?

Reach new  
customers

- **Variety of affiliates and affiliate types** means a plethora of customer segments to target
- Ability to test campaigns with **new publisher types**
- Use **different affiliate types** during **different promotional periods**/ times of year to target specified customer audiences

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# What are the benefits of affiliate marketing?

Strong  
ROI

- Working on CPA only means you **only pay for results**
- Control of CPA and additional spend means **ROI can be closely monitored** and controlled
- Proven to have a much **higher ROI** than the majority of marketing strategies
- Marketing efforts channelled through publishers who have direct influence over a **highly targeted audience**

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# What are the benefits of affiliate marketing?

Flexible

- In control of **which publishers are promoting you**
- Can invest time and effort in different publishers **dependent on strategy**
- Ability to **easily increase or decrease** the size of your affiliate program
- Control of **CPA rates** and additional spend dependent on budget

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# What are the benefits of affiliate marketing?

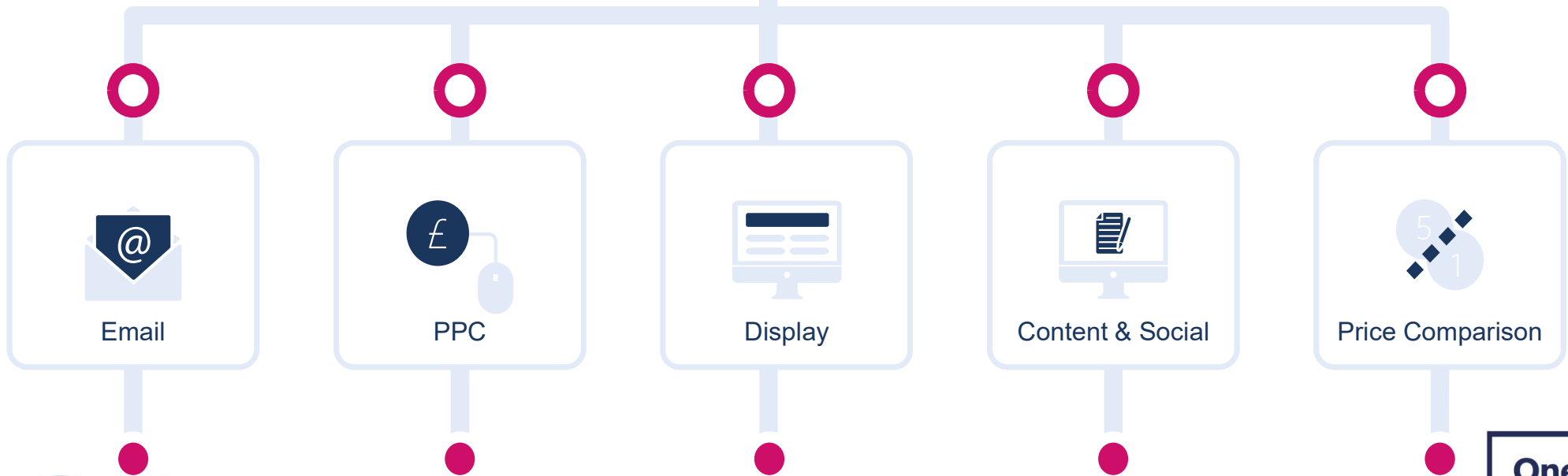
## Measurable

- Sales track through an affiliate network allowing for **full visibility of where they are coming from**
- Using the sales data, it is easy to **monitor the impact of campaigns** based on publisher performance
- Results of test and learn campaigns can be **accurately measured** allowing for the **best decision making**



# Affiliate Marketing Doesn't Stand Alone

Affiliate Marketing



Email

PPC

Display

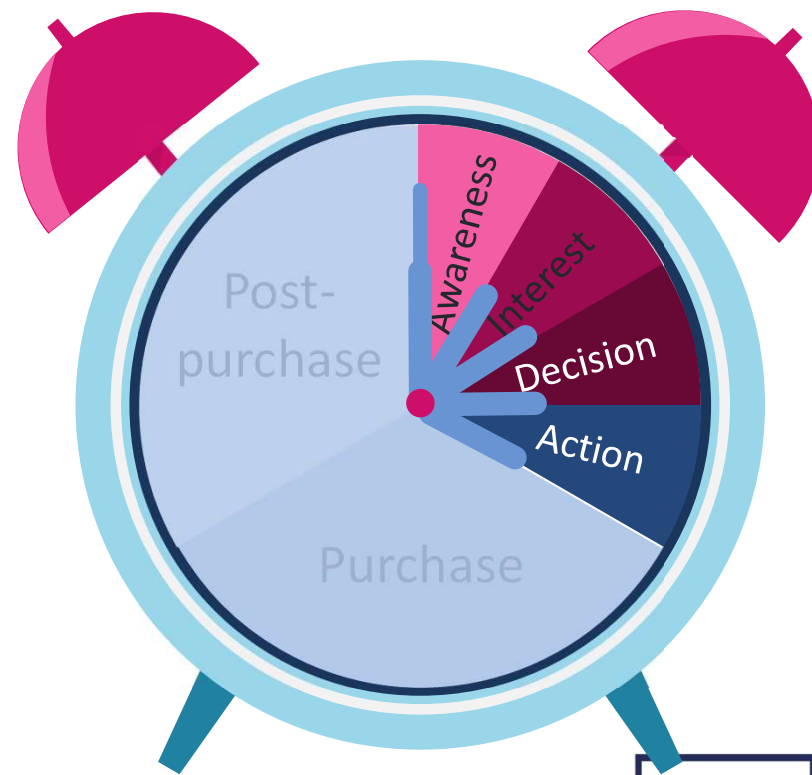
Content & Social

Price Comparison

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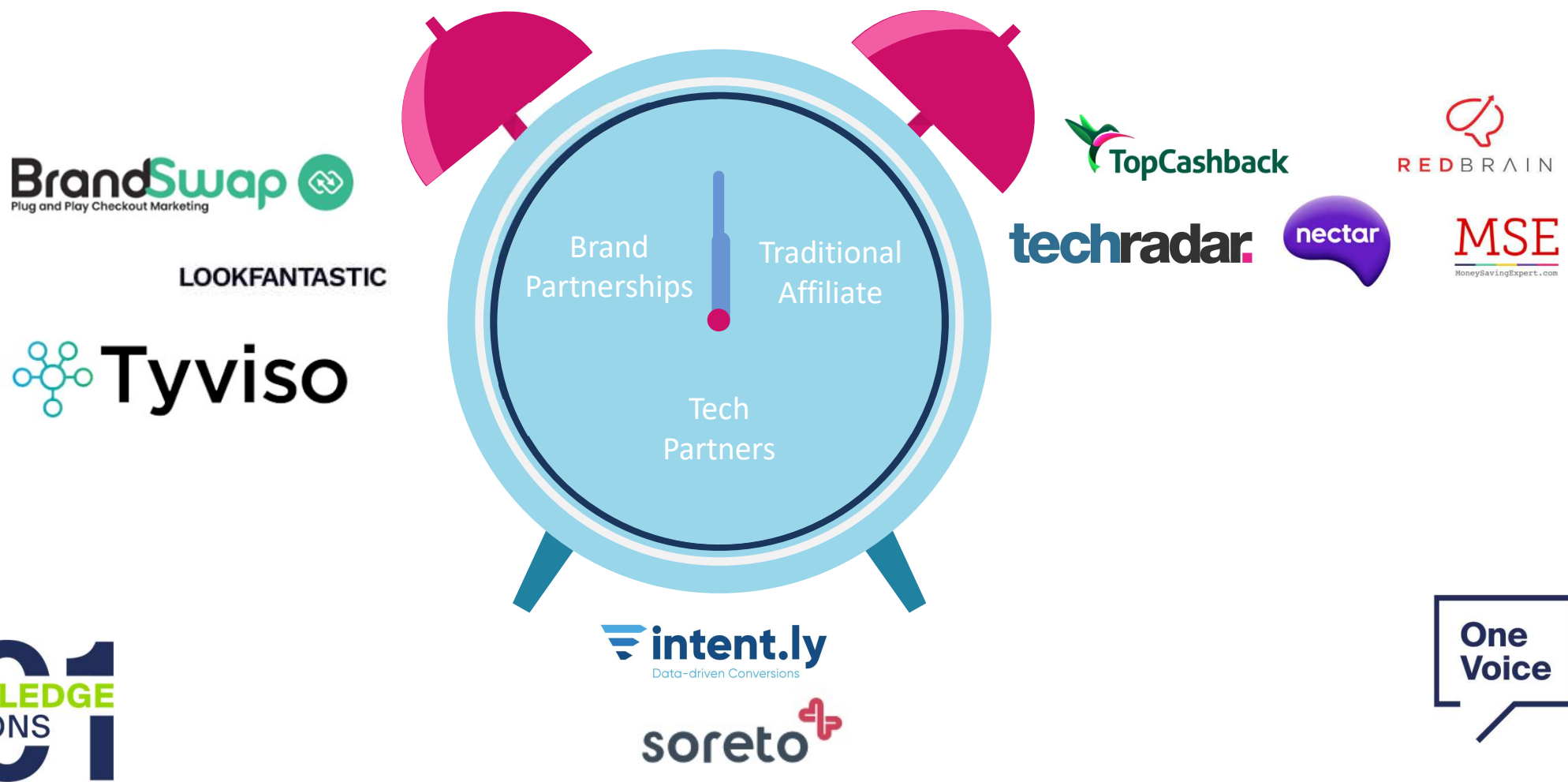
# It's TIME for Affiliates



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# Affiliates drive value across the entire clockface





## Making a success of Affiliate Marketing

# 1. You



The most important element of any affiliate program is **the team behind it**. You need someone not only with a **passion for affiliate marketing but also the right knowledge** - which is what you will hopefully gain today!

To champion the channel internally, share your exposure and the campaigns you have run with the wider team

Keep educating yourself by attending industry events, joining industry forums and staying up to date with industry news

Take networking opportunities when they come up, the affiliate industry is still very much built on relationships

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## 2. Diverse Publisher Partners



The more you diversify your publisher mix, the more you **future proof your program**. Any program that heavily relies on one or two publishers or one publisher type is much more open to risk from changes out of their control. Not only will this approach spread your risk but it also will **increase the revenue opportunities** open to your program.

**Make recruitment a key focus** for your program, the more publishers you interact with, the more likely you are to find those that work for you

**Keep an eye on your competitors**, its likely that what works for them will also work well for you. Check publisher sites to see where they are being listed and featured

**Test and learn**, its always worth investing small amounts of budget with different publishers to work out what works best for you

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### 3. Setting Clear Goals



Every brand has a different need for their affiliate program and **it's important that you set out each year with a clear vision** as to what your program needs to achieve.

Make sure your goals align with those of your wider marketing team and company

In order to set clear objectives you need to include deliverables and targets

Assess performance regularly so that you can make strategic changes and have the best chance of hitting your targets

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## 4. Build Relationships



While lots of channels are focusing on AI and cutting the human interaction out, **this remains an important element of affiliate marketing** and always will do. One of the best things you can do for your program is to **build relationships with both your publishers and the wider industry.**

Meet with publishers face to face where you can

Attend industry events and take advantage of networking opportunities

Reward publisher fairly and understand that different publisher types work in different ways, meaning they may need to be rewarded differently

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## 5 Key Takeaways on Affiliate Marketing



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## Next 101 Sessions

13 September	101 – Experiential and Brand Activation
25 September	101 – Influencer Marketing and Social Media
27 September	101 – Mobile Advertising
2 October	101 - Devising and Creating eCommerce and Social Strategies
9 October	101 - Using Data to Understand your Customer Experience
16 October	101 - AI and how Technology can Empower your Marketing
23 October	101 - Search, Online and Programmatic Buying (in a cookieless future)

Visit [www.isba.org.uk/What's on](http://www.isba.org.uk/What's%20on) to book on these sessions.

