Mapping Affiliate Marketing Experiences & Tactics Across the Consumer Journey

Partnerize | D MARKETING DIVE

Custom content for Partnerize by studioID



ffiliate marketing can help brands and marketers reach both new and existing target audiences in a scalable, cost-effective way, but doesn't always receive the same attention as other digital channels. Understanding how consumers engage with affiliate marketing can help brands put it to use across the consumer journey.

Partnerize worked with Retail Dive's studioID to survey 1,000 consumers about how they engage with affiliate marketing throughout the online shopping journey from awareness to loyalty. The exclusive data and expert insights are included in this report.

More than a conversion-driving channel

Digital marketers are well accustomed to plugging their dollars into a variety of digital channels – several of which are getting more expensive.

"Channels like paid search, paid social, and programmatic get the lion's share of attention from senior level marketers, and also the lion's share of their budgets," says Maura Smith, Chief Marketing Officer and Senior Vice President of Marketing at Partnerize. "These channels are owned by the likes of companies like Meta, Google, and TikTok — where marketers are spending a lot of their budgets but also realizing that the cost of doing business and advertising in these channels is continuously on the rise." While marketers still have to do business in the paid search, paid social, and programmatic channels where consumers expect them to be, leveraging affiliate marketing allows brands to stay present across the consumer journey — and the profits from this performance-based channel can often offset the cost of operating in other media ecosystems.

Affiliate marketing may be traditionally know as a last-click channel, but tapping into partner audiences isn't just about driving conversions. For example, consumers may browse affiliate marketing sites — such as content commerce sites, review sites, blogs, coupon or discount websites, and others — for purchase inspiration and product research. Consumers may also engage with affiliate marketing sites post-purchase in response to marketing communications.

Partnerize

2

Consumers' unique motivations — from needing a product to seeking out cost savings to splurging on a luxury — influence which affiliate marketing sites they engage with, and at which stage in the journey. The variety of the affiliate marketing space, however, allows marketers to partner with different sites and use different tactics depending on which consumer motivations align with their goals. Marketers are increasingly capitalizing on the variety of consumers' engagement with the affiliate space, with spending on affiliate marketing projected to have reached <u>9.1B</u> in 2022.

Consumers shop through affiliate marketing sites.



of online consumers have made a purchase through affiliate sites such as cashback/reward websites or apps (such as Swagbucks, Rakuten Rewards, MegaBonus and others)



have made a purchase through BNPL shopping portals (such as Affirm, Klarna, PayPal and others)

41%

have made a purchase via coupon websites or apps (such as Brad's Deals, RetailMeNot, CouponCabin and others)



Awareness

Nearly all online consumers surveyed (96%) have heard of affiliate marketing sites, such as savings destinations sites, content publications and social media influencers. More than one out of three online consumers (37%) say they are extremely or very familiar with affiliate marketing sites.

"Affiliates have their own unique and distinct audiences with varying demographic attributes," says Smith. "Brands can tap into affiliate audiences so that they can reach their target audience and either establish relationships with new consumers or reach consumers that they had relationships with prior."

Partnering with affiliate marketing sites can be a way to drive up a consumer's awareness of a brand or its products, for example, helping keep them topof-mind at later stages of the purchase journey.

"Affiliate marketing allows brands to speak to customers who may or may not be looking for what the brand offers, as they're focused on viewing the affiliate's content," says Chris Hardisty, founder and principal owner of Hardisty Digital Consulting. "In either case, it can encourage customers to check the brand out."

96%

of consumers surveyed have heard of affiliate marketing sites





Consideration

Affiliate marketing sites are popular destinations for consumers who are researching a particular product, service, or offering. That's because many affiliate marketing sites offer consumers tools and content that are especially useful in the process of deciding to make a purchase.

Content commerce sites (like BuzzFeed and The Strategist) and review sites (like Wirecutter and NerdWallet) often compare products and services, or spotlight particular products, to help consumers make decisions about whether or not the products meet their needs. Those reviews are valuable to consumers. Trusted reviews essentially move consumers through the consideration phase faster. For example, **51%** of online consumers say that the endorsement or review of an affiliate marketing outlet has led them to make purchases that they were already considering sooner than they had planned.

"Affiliate marketing can play a major role in helping the consumer navigate through the consideration process," Smith says. "It allows them an opportunity to understand the benefits of particular products, ranking them against one another, and providing other anecdotal insights that might help them in their purchasing decision."

Half or more of online consumers say the reasons they have purchased products from affiliate marketing sites are:







Conversion

Reviews aren't the only contributor to accelerated purchase timelines. Affiliate sites are well-known for time-sensitive cashback promotions and discounts, which can compel customers to convert.

"Affiliates sometimes create a sense of urgency through limited-time offers," says Hardisty. "That can trigger consumers to take action right away."

But while discounts and other incentives are known to help drive consumers from consideration to purchase, there are a lot of other things consumers like about shopping affiliate marketing sites including positive user experiences with affiliates.

> The top element motivating online purchases through affiliate marketing sites:

> **63%** Attractive coupon or discount offers

Which elements most encourage online consumers to make purchases through affiliate marketing sites?

61%

Attractive cashback or reward incentives

41% Positive affiliate user experience

40% Access to new products or brands

40% Fellow customers' positive reviews

30% Buy now pay later (BPNL) opportunity

28% The affiliate's positive reviews

Knowing that positive user experiences encourage purchases, brands should ensure that the shopper experiences on their website are as seamless, frictionless and informative as those on affiliates they partner with — making it easy to transition from site to site.

"If the affiliate is discussing certain features and benefits as reasons they love your product, then those features and benefits need to be clear to the consumer when they click through your site, too," says Hardisty. "You need to make sure you're stating the same things, especially around factors like size or color and availability, which are important to consumers wanting to make a purchase. Any deviation between what the affiliate says and what you have on your site is going to create a friction point, and that can lead to abandonment."



Affiliates drive spending.

R

71%

of online consumers say they spend the same amount or more on purchases through affiliate marketing outlets as they do for purchases on other online retail or direct brand sites.

Loyalty

Certain types of affiliates not only aid brands in accelerating the conversion once the consumer lands on the site, but can also help to re-engage or retarget consumers post-purchase.

"Partners like UpSellit or RevLifter, for example, optimize the onsite conversion experience and thereafter on behalf of a brand," says Smith. "That might mean helping to recommend other products in the basket that complement what the consumer has already added to cart, or it might mean retargeting them with an email encouraging them to make another purchase following the initial conversion."

Consumers trust affiliates.

63% of online consumers report they are just as confident when shopping through an affiliate site versus a direct brand site, and 17% say they are more confident. Ultimately, there are affiliates that specialize in all phases of the consumer journey. Working with the right affiliate partner, and targeting the right audience, can help marketers better reach, engage and convert consumers and keep them coming back.

"If your brand is not in the affiliate space, there are customers who you certainly are not talking to, who don't have an awareness of you, who will make a purchase from you if you have a compelling offer or some really strong content explaining why yours is the product for them," says Hardisty. "But until you get in the space, your competitors who are already there are the ones they will buy from."

> of online consumers report they are just as confident when shopping through an affiliate site

63%

Partnering for success

Building out unique affiliate marketing programs — with diversified selections of affiliate partners, with different audiences — can help brands achieve goals that support profitability, ranging from driving up brand exposure to increasing revenue. Using an integrated and comprehensive affiliate marketing lifecycle platform can make it easy for brands to get started, and to continually measure their performance against objectives and improve their strategies. "A lot of brands don't have a lot of resources to spend time working with all the different affiliate companies and networks," says Hardisty. "Partnerize goes the extra mile to help, which really makes a difference."

<u>Contact Partnerize</u> to learn how you can harness the power of a affiliate/partnership platform built with the needs of today's marketers in mind.

Learn more



Partnerize

Partnerize is the leader in partnership automation. The Partnerize platform is the only of its kind to deliver a fully integrated, comprehensive suite of discovery, recruitment, optimization, payment, brand safety and fraud prevention capabilities for marketers seeking a high transparency, scalable subsidy to alleviate pressure on their unit economics as a result of over dependence on primary sales and marketing channels. Supported by unrivaled service including the category's only in-housing support program, with Partnerize, you're in control of the entire partnership marketing lifecycle—all on a single platform. Partnerize retains offices across 15 global locations including New York, London, Sydney, and Tokyo. For more information on how Partnerize helps turn your partnerships into a profit center, please visit https://partnerize.com.

Learn more

studio / ID

BY INDUSTRY DIVE

studioID is Industry Dive's global content studio offering brands an ROI rich tool kit: Deep industry expertise, first-party audience insights, an editorial approach to brand storytelling, and targeted distribution capabilities. Our trusted in-house content marketers help brands power insights-fueled content programs that nurture prospects and customers from discovery through to purchase, connecting brand to demand.

