

AFFILIATE MARKETING CASE STUDY

HOW THE AFFILIATE MODEL INCREASED B2B SERVICE PROVIDER'S LEAD GENERATION & CUSTOMER LTV

INDUSTRY

B2B Service Provider

CHALLENGES

- Client new to affiliate
- Concern that affiliate model not “proven” for B2B

AP SOLUTION

- Started client on pilot program
- Recruited B2B affiliates
- Focused program on lead generation

SUMMARY

In addition to setting up an affiliate program from scratch for a B2B service provider, the Acceleration Partners team also came up with a more strategic and effective approach for their program that has enabled the client to realize a notable increase in the volume and quality of both leads and new business customers.

EMBRACING NEW OPPORTUNITIES

When you do good work for clients, they appreciate it. Some will even show their appreciation by referring your services to their industry colleagues. This is scenario by which Acceleration Partners came to be introduced to a leading business-to-business (B2B) service provider.

The B2B service provider had made inroads with traditional digital marketing, including organic and paid search, but had not understood the affiliate marketing model enough to devote time or resources to establishing a program. So, when the in-house affiliate manager for one of our clients went to work for the B2B service provider, they touted not only the value of having an affiliate program, but of working with Acceleration Partners to manage it. Since the B2B service provider had employed almost every kind of marketing strategy except affiliate, they decided to explore how a program might work for their business.

CLARIFYING CONFUSION AND CONCERNS

In our initial conversations with the client, they expressed concern that the affiliate model was not “proven” to offer value to B2B-type businesses and that perhaps it wouldn't work for their suite of products. While AP knew the opposite to be true, we understood that, in many ways, the model needs to be seen in action to be believed.

As the B2B service provider was completely new to affiliate marketing, we proposed a pilot program for them, which allowed them to mitigate risk while giving them the opportunity to experience first-hand how valuable the affiliate model can be.

**ACTIVE SELLER RATE
INCREASED BY
40%
EXCEEDING
THE GOAL BY 15%**



“When our team looked at every angle of their business and services offerings, we determined that our client would realize substantially greater lifetime value (LTV) if they used the affiliate model for lead generation,”

AMY CRIDER
Account Manager
Acceleration Partners

REASSESSING STRATEGY

Once the client approved, our team got to work understanding their goals, business model, service offerings, and suite of products.

“This client offers numerous benefits to small and large business owners alike. For instance, a business owner can sign up for free for our client’s service. When they do, they’ll also receive a free product (hardware) that enables them to use our client’s software,” said Amy Crider, an Account Manager at Acceleration Partners. “The more that business owner uses our client’s service, the more revenue our client generates. The client also sells a suite of products that help business owners maximize the free service they signed up for.”

Initially the client wanted to pay affiliates to drive sales to their suite of B2B products. While leveraging affiliates to drive sales for the B2B service provider’s hardware could be effective, the issue was that this approach would mean affiliates would primarily need to focus on the service provider’s existing customers.

“When our team looked at every angle of their business and services offerings, we determined that our client would realize substantially greater lifetime value (LTV) if they used the affiliate model for lead generation,” said Crider. “This more strategic approach would provide the client with new customers and high-value leads that they could upsell to.”

LEVERAGING AFFILIATES FOR LEAD GENERATION

To appeal to cream-of-the-crop B2B-focused affiliates who would be effective at promoting our client’s free service offering and free product upon sign-up, the AP team came up with a competitive commission structure:

1. An affiliate would receive \$20 if they drove a lead to the B2B provider’s site and the lead signed up for the provider’s free service.
2. If the new customer purchased additional hardware during the free sign-up process (not including the free product that they get at sign-up), the affiliate would receive an additional \$10.
3. The affiliate would receive an extra \$10 if the new customer who purchased a product upon sign-up also started actively using the B2B provider’s service within the first 30 days after signing up.

In addition to developing an attractive \$20 to \$40 cost-per-acquisition commission structure, the team also leveraged AP’s extensive CRM database to find and research top-tier B2B-focused affiliates who would be a good fit for the service provider’s brand.

Once these high-value B2B affiliates were selected, the AP team developed a newsletter campaign that educated the affiliates about the B2B provider’s software, hardware, brand, etc. and the value that the company offered to the affiliates’ readers.

**IN FEBRUARY
ACTIVE SELLER RATE
INCREASED TO
46%**



“As anticipated, in addition to generating high-quality leads for their business, affiliates are driving new customers to their business who demonstrate strong lifetime value,”

AMY CRIDER
Account Manager
Acceleration Partners

INCREMENTAL LEAD GENERATION AND NEW LTV CUSTOMERS

“While we’re still early in their campaign, our client has reported that their program is generating solid results. As anticipated, in addition to generating high-quality leads for their business, affiliates are driving new customers to their business who demonstrate strong lifetime value,” said Crider.

1. PRODUCT PURCHASE UPON SIGN-UP

Before launching their first-ever affiliate program with Acceleration Partners, the B2B service provider reported that around 8 percent of the business owners who signed up for their free service also purchased a product.

In the first month that their affiliate program was live (December 2016), the number of business owners who purchased a product at the time of sign-up rose to 8.5 percent. In January (month two) that number rose to 11.7 percent. Closing out February (month three), the client’s affiliate program continues to deliver above average quality, with 8.5 percent of new customers purchasing additional product during the sign-up process.

2. ACTIVE SELLER RATE

The active seller rate goal (those actively use the service within 30 days of signing up) that AP’s program management team established with the client was 25 percent. In December, the first month of the program, the active seller rate was 40 percent, exceeding the goal by 15 percent. In January, the active seller rate was 32 percent, exceeding the goal by 7 percent. In February, 123 of the client’s 269 new customers were consistently using the client’s service within 30 days, reflecting an active seller rate of 46 percent. This growth was directly attributable to the B2B affiliates in their program.