

## AFFILIATE MARKETING CASE STUDY

# HOW EXCLUSIVITY AND SAVVY STRATEGY HELPED BLURB RAISE ROAS AND INCREASE INCREMENTAL SALES

Acceleration Partners helped Blurb drive incremental sales from new customers and cost-effectively realize impressive return-on-ad-spend (ROAS).



### Y/Y REVENUE PROJECTIONS

ESTIMATED  
TO REACH  
**361%**

### COMMISSION EXPENSES

REDUCED BY  
**50%**

### TOTAL ROAS FOR SOME PARTNERS

INCREASED BY  
**50%**

## A CONTENT-FOCUSED CREATIVE COMPANY

Blurb is a highly-reviewed American self-publishing platform that enables personal book-makers, authors, designers, photographers and businesses to create, publish, sell, and distribute photo books, trade books, and magazines in print and digital formats.

Their popular affiliate program, managed by Acceleration Partners for over six years, has predominantly been promoted by content affiliates with a few loyalty affiliates sprinkled in. Like many companies, especially in the past five years, Blurb had elected not to work with coupon affiliates as they were skeptical about their ability to drive incremental sales.

## PROBLEMATIC PROJECTIONS

In the beginning of Q4 2017, Blurb made the strategic decision to adjust the commission structure of their affiliate program so that, instead of commissioning on all sales, only affiliate partners driving new customers would receive a commission.

While this strategy supported Blurb's focus on new customer acquisition, it resulted in some backlash from top revenue-generating loyalty partners who, ultimately, dropped out of Blurb's affiliate program.

To account for these changes and keep the affiliate program on profitable track, the team put together some initial projections based on not having these two top publishers in the program as well as:

- Minimal growth
- Blurb's focus on new customer acquisition
- No coupon or loyalty partners
- Content partners who were paid a sizeable commission

After running projections based on these factors, the team realized that the reality of reaching Blurb's ROAS goal would be impossible. It would require an unprecedented number of clicks coming through the program and a significant increase in average order value.

## **CRAFTING A CONCLUSION**

Faced with this reality, the team put their heads together and brainstormed a variety of different options for what could be done to help Blurb reach their ROAS goals with incremental sales.

From managing Blurb's affiliate program for so many years, the Acceleration Partners' team knew that Blurb is actually a very promotional brand. They roll out new promotions almost weekly and have long provided exclusive promo codes and tiered commission incentives to their affiliate partners.

That knowledge, combined with the team's vast affiliate program management expertise and extensive relationships with all different types of publishers, led the team to conclude that coupon partners were the best solution.

When the partnership is strategically structured and properly managed, coupon affiliates are very effective at bringing in new customers – not just incentivizing existing ones.

The key, was convincing Blurb of their incremental value.

## **SELLING THE SOLUTION**

The AP team delivered a comprehensive presentation to Blurb that transparently showed why their initial projections could no longer be met now that their two top performing loyalty partners had left the program. The team also explained the benefits of adding a few coupon partners to Blurb's affiliate program and recommended testing out a campaign for 90 days. Their campaign recommendation included:

- Adding six coupon partners (all with various audience targets and strategies)
- A lower commission rate for these coupon partners
- Providing each coupon partner with an exclusive code to ensure that they were driving incremental value and new customers
- Specific rules that would be set up in the affiliate network so that these partners would only receive a commission when the exclusive coupon code was used for a new customer transaction

The team also proposed weaving in a few loyalty partners and commissioning them a bit higher so they'd have more incentive to promote Blurb.

After listening to the team's comprehensive proposal and test plan, Blurb agreed to try out the new partnerships and commissioning approach for three months, starting at the end of February 2018 to the end of May 2018. They also agreed to pay partners a commission on any book sale within the Blurb bookstore.

## ABLE RETURNS

Almost immediately after launching this new campaign structure with coupon and loyalty partners, traffic to Blurbs site, as well as orders and revenue, skyrocketed, with almost every coupon partner outperforming expectations.

After commissions and fees were paid out to these partners, the ROAS was significantly higher than anticipated. And since these partners were also driving sales for existing customers, the total overall ROAS for some of these partnerships was triple that.

On average, 30% of orders from new customer sales were generated from these coupon partners. Additionally, since Blurb commissions coupon partners ONLY when the exclusive code is used – and at a lower rate than their other affiliate partners—the team was able to help Blurb lower their commission expenses by half.

At every step, the team consistently monitored these partners to ensure each transaction was valid.

What's more is that, based on the initial results coming in from these coupon partners, the team updated their projections to reflect more aggressive incremental growth.

- For example, initial revenue growth expectations were 48% year-over-year (Y/Y).
- The new projections are 361% Y/Y by the end of 2018.

Due to the stellar performance of the 90-day test and clearly attributable incremental sales drive by the coupon partners, Blurb agreed to extend the codes and testing period through the end of Q3 2018.