HOW A MILLENNIAL-FOCUSED REWARDS APP GREW NEW MEMBERS BY 1430% IN 6 MONTHS THROUGH AFFILIATE MARKETING

INCREASED NEW APP MEMBERS BY

+1430%

REGISTERED LEAD GOAL AFTER 12 MONTHS IS PROJECTED TO EXCEED GOAL BY

20%

CLIENT

An innovative, millennial-focused mobile app company offering members cash rewards when they spend with their favorite brands. In addition to having an affiliate program for their mobile app business, the company is also an affiliate partner to many brands.

After establishing their affiliate program in 2018, the company quickly realized that, to maximize its potential in a scalable, efficient, cost-effective way, they needed an experienced program management agency that could offer greater bandwidth, resources and higher-level expertise.

PERFORMANCE GOALS

The client had very specific performance goals for their AP-managed affiliate program, including:

- Working with affiliate partners who would drive quality leads for their app.
- Ensuring their gross CPA stayed under $10 (including partner and network fees).
- Modifying their program payout structure by moving away from paying partners on app registrations (top-of-funnel conversions) and toward paying all affiliate partners on linked members (more bottom-of-funnel conversions), which are defined as new customers who link their credit or debit card information within their reward app.

CHALLENGE

With these performance goals to guide them, the client wanted their Acceleration Partners (AP) account team to substantially expand and diversify their current affiliate program in 6 months.

SETTING EXPECTATIONS:

The AP team had forthcoming and transparent conversations with the client about potential consequences that could arise when trying to achieve these growth goals in a limited time-frame, including the risk of adding lower-quality partners into the program.

To try and balance achieving the client's goals while maintaining quality in the program, the AP team recommended:

- Gradually moving existing affiliate partners to a commission structure that paid them on linked user conversions.
- Scaling the program by recruiting and activating new partners and paying them only on bottom-of-the-funnel conversions (linked members).
- Reviewing the client's internal reporting for additional metrics (outside of existing tracking) to monitor bottom-of-funnel conversion rates.

"An essential part of our client service philosophy is to establish realistic expectations with our clients, especially when their goals are both audacious and time-sensitive" said Carmen Moloney, the Senior Manager on the account. "To ensure we were moving forward with strategies that would offer the greatest likelihood of achieving our client's goals within the time they wanted, while also protecting their affiliate program and their brand, meant carefully weighing the opportunities and potential rewards with the risks – and do whatever was possible to mitigate low-quality performance within the program."
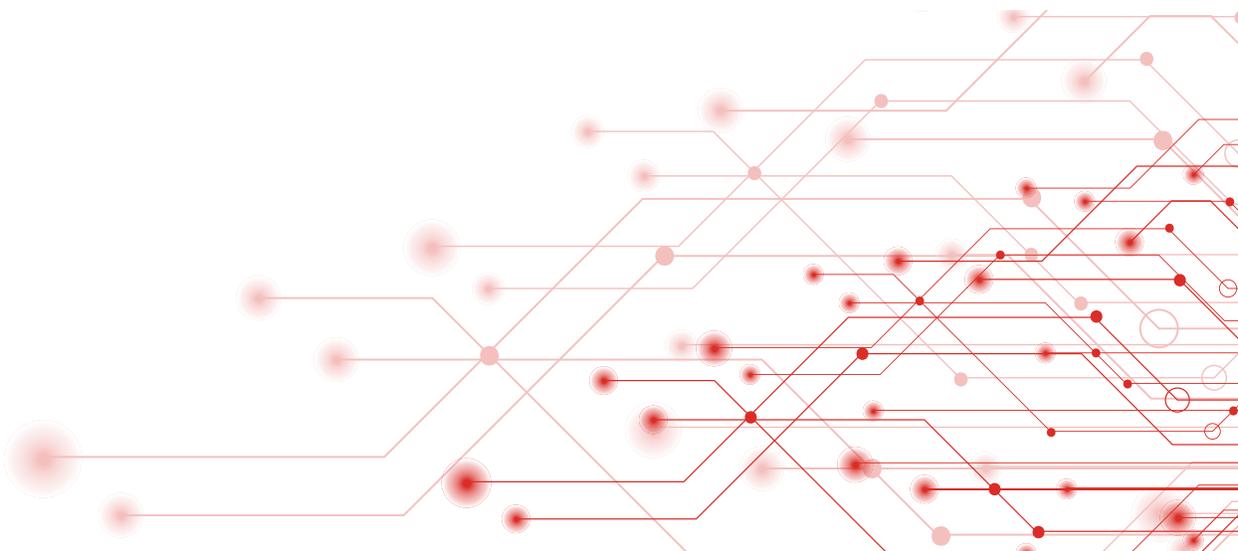
PARTNER PERFORMANCE

In addition to optimizing and educating the client's existing partners and gradually moving them toward a commission structure that paid them on new linked members, the AP team also proceeded with recruiting new affiliate partners into their program and helping them optimize their promotions.

One such affiliate group recruited into their program was mobile network partners. Although these partners had the ability to scale rapidly and drive a lot of app downloads and registrations (which the client was not paying commissions on), the AP account team and the client's affiliate technology platform partner discovered that the high number of clicks these partners were driving were potentially impacting the client's internal attribution. What's more is the activity some of the sub-affiliates within these mobile network partners were engaging in was questionable and raising flags.

"Some of these partners were delivering an enormously high volume of clicks. After careful analysis, we determined this activity was caused by a few sub-affiliates within these mobile networks who were purchasing via programmatic DSP's," said Moloney. "This type of traffic naturally results in higher clicks. While not nefarious in and of itself, this is a perfect example of why it's crucial to have sophisticated and effective fraud monitoring systems and processes in place to ensure that these sources are not committing click attribution fraud."

SOLUTION

The AP team performed a fraud analysis to determine average click to conversion time for these sources. In their investigation, they identified a small subset of partners that had questionable click attribution activity. The account team immediately paused the accounts of these sub-sources and reversed their commissions. The team also updated their internal processes to ensure this type of behavior was being closely monitored moving forward. This included:

- Implementing daily click caps for network partners, spot checking throughout the day for click spikes and pausing sources who exceeded daily allowances.
- Consistent fraud monitoring to confirm all network partners are passing Sub ID's to ensure full transparency into sub-affiliate traffic.

REWARDING RESULTS

Overall, the client's affiliate program realized significant growth, in a short time-frame, with high-value partners driving quality volume. Happy with the performance of their program, the reward app client continues to invest a large portion of their marketing budget to affiliate in 2019.

- Increased new app members by +1430% within 6 Months
- Conversion rate = 10% above client goal
- CPA = 17% below goal, including publisher and network fees
- Registered lead goal after 12 months = projected to exceed goal by 20%
- Linked lead goal after 12 months = projected to exceed goal by 15%
- 27% lead active (healthy program = 10%)
- 49% of partners in the program generating high-value leads are content affiliates

LESSONS AND LEARNINGS:

- Scaling at a fast pace may have fraud implications. Expectations need to be kept in check.
- Essential to work with agency and technology partners who understand how to recognize potentially fraudulent activity and have fraud detection tools in place to carefully and consistently monitor for click fraud.