



## CASE STUDY



# How a Commission Rate Adjustment Helped an AP Client Increase Profitability



## THE CHALLENGE

A client's company-wide restructuring led them to request that their AP account team redefine program goals, adjust affiliate commission rates paid to affiliates, and base all online marketing programs on a net margin goal. The team got to work assessing the impact this would have on program goals and publishing partners, though they did not have access to most of the metrics required to calculate net margin (as they were generated from client's internal numbers).

## OUR APPROACH

Using custom reporting from the client's Google Analytics, the team built a custom net margin calculator, recommended data-driven program changes, and talked through various modeling scenarios with the client to illustrate how these updates might impact the program's existing revenue momentum.

Understanding the delicate nature of commission rate adjustments, the team personally called each of the program's top affiliates to transparently share the client's program goals, the commission rate adjustments, and the reasons for the change. While disappointed, the affiliates were appreciative and respectful of the 1:1 communication.

The team reached out to remaining affiliates via newsletter, explaining the change and reinforcing AP's commitment to supporting affiliates and providing tools and resources to help them succeed.

## THE RESULT

As a result of the commission rate adjustments, the AP team was able to help the client prevent significant declines in program performance.

Net Margin  
Maximized

30%

savings in commission payouts

Cost Per Target  
Maintained

LET'S CONNECT

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