

CASE STUDY

HOW STRATEGIC CHANGES SAVED CLIENT \$560,000.

SAVED CLIENT
\$560,000

CHANGED
ATTRIBUTION
MODEL

NEW
TECHNOLOGY
PLATFORM
MIGRATION

SUMMARY

AP team saved client (Client X) \$560,000 in under a year; migrated their affiliate program to a new technology platform; adjusted their affiliate commission structure; shifted their attribution to an external payout model; brought on higher-quality affiliates who drive incremental sales for their program.

PURSUING A NEW PATH

Prior to working with Acceleration Partners, Client X hadn't worked with an affiliate program management agency before. They were interested in changing their external attribution model from Last Click to Last to Cart and were unsure about making that transition. After researching AP, they discovered we had helped other merchants successfully structure their program with the Last to Cart model and chose us to manage their program.

MISALIGNED MODELS AND MEASUREMENT

Like any smart company, Client X wanted to be cost-conscious and strategic with their affiliate marketing spend while also ensuring that they only paid for incremental sales in their program. To help them accomplish this, the first thing we looked at was the affiliate network technology platform they were using (we'll call them Network X). Our team discovered that Network X did not offer any alternative payment attributions other than Last Click. We also evaluated their commission structure and found that it did not complement their incremental sales goals.

After researching the technology platform options available, Client X's team chose Impact Radius' SaaS solution. "In order for the client to accomplish their objectives, we explained that they'd need to adjust their commission structures for both coupon, deal and content affiliates as well as migrate their program over to a software as a service (SaaS) platform that would accommodate the Last to Cart attribution model," said Lindsey Scerba, Associate Account Director at Acceleration Partners. "Migrating a program and its affiliates to a new platform can often be complex and take many months. We were able to accomplish it in just three weeks once they selected the SaaS platform they wanted to be on."

In addition to transitioning Client X over to a more attribution-friendly platform, a short-term challenge that arose was the significant drop of coupon affiliates from their program.

"Coupon affiliates prefer a Last Click model because they are able to benefit from consumers leaving the merchant's site and finding a coupon before checking out," said Scerba. "In a Last to Cart model, they lose that advantage. With that said, we have very productive conversations with the top coupon affiliates in their program. We explained what the client's

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MISALIGNED MODELS AND MEASUREMENT -continued

goals were moving forward and conveyed that we wanted to find creative, mutually beneficial ways for them to work together under this new attribution model.”

Although many coupon affiliates dropped off, Client X saw a rise in new content affiliates joining their program, such as travel bloggers.

ONE STEP AT A TIME

The multi-step approach that the AP team took to partially migrate Client X’s affiliate program and their affiliates over to the new technology platform made it possible to see how each transition stage (technology platform migration, commission changes, moving from Last Click to Last to Cart) affected their program’s performance. This allowed the team to take a step back and make adjustments as they went through the process.

Client X wanted their transition to a new technology platform and attribution model to be as thoughtful and cost-conscious as possible. As such, they kept part of their program and select content and loyalty affiliates on Network X’s affiliate platform. To make it possible for Network X to properly commission these affiliates based on Client X’s new Last to Cart model, Impact Radius set up a “postback” feature.

“Impact Radius’ postback feature tracks when a link from Network X is clicked on so that those affiliates responsible for driving them could be properly compensated said Scerba.

Another benefit to making these changes in their program structure is that Client X is now able to integrate all of their channels (affiliate, paid marketing, organic search, email, etc.) through one technology platform. Their Last to Cart attribution model and payment platform is set-up to not only monitor affiliate activity, but also to see how their affiliates’ activity performs and assists with Client X’s other channels. This allows for the client and AP’s program management team to see where the affiliates are coming in to the sales process and pay them only if they are Last to Cart across all channels.

A PROFITABLE PURSUIT

When the AP program management team initially pulled projections of what they thought they’d be able to save Client X through these strategic changes, the amount was approximately \$185,000.

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A PROFITABLE PURSUIT -continued

After migrating them to Impact Radius' SaaS platform, changing their attribution model from Last Click to Last to Cart, and reducing coupon affiliates' commission, the AP team was able to save Client X \$560,000 in an 11 month period. By year's end, their program was already seeing YoY growth.

In addition to blowing out cost savings projections, the AP team:

- Cleaned up the affiliates within their program and replaced underperforming and Last Click-focused affiliates with high performing content affiliates – all with minimal impact to their revenue.
- Helped all of their marketing channels work cohesively together through Impact Radius' SaaS platform.
- Contributed to the growth of their other marketing channels and to the holistic growth of the company.
- Put Client X on a healthy, incremental growth path.
- Strengthened Client X's confidence in Acceleration Partners and our performance-driven approach.

“It's one thing to know you can provide strong solutions to your clients and another to actually do it,” said Scerba. “We're really proud of what we've been able to deliver to our client's affiliate program. They are a great company to work with and it's an honor to be an extension of their marketing team.”