stakeholders - where does affiliate and partnership marketing fit within businesses?

introduction

Affiliate & Partnership Marketing has experienced significant growth in Australia over the past few years. More and more advertisers are focussing on this channel, which has the potential to generate over 15% of online revenue for some businesses.

A lot of this is due to several key characteristics of the channel. It is low risk, since you only pay when a sale has taken place. It provides a huge amount of reach and diversity of opportunities across many affiliate partnership types. Finally, the channel can produce much higher ROIs when compared with other marketing channels.

As such, this is a channel that should be addressed by marketing professionals & decision makers as a priority channel rather than a supplementary one. This channel can support and drive new customer acquisition as one of the key objectives.

With thousands of different partner opportunities to choose from, of all shapes and sizes, it's unsurprising that the channel still has a reputation of being complex, and often misunderstood. In this chapter, we look at how to effectively manage the affiliate partnerships channel within a business, and where responsibilities lie for the key stakeholders.

how it works

For advertisers to make use of affiliate marketing, they need to have an affiliate program that partners can sign up to in order to start promoting and referring through customers. Advertisers will do this through an affiliate network or similar SaaS platforms. These are marketing technology platforms that provide several important functions:

- They act as a meeting ground, connecting affiliates to advertisers and vice versa.
- They provide robust, impartial tracking solutions that track affiliate activity and award commissions accordingly.
- They manage the payments of said commissions.
- They provide reporting and insights into the affiliate channel.

Once an affiliate has signed-up to an advertiser's program, they will have access to various resources to help them promote this brand.

what needs to be done

To run a successful affiliate program, advertisers need to effectively manage the program.
This can be broken down into the following tasks:

- Tracking: network/SaaS platform tracking needs to be integrated onto the advertiser website.
- Affiliate resources: advertisers must provide their partners with everything they need to promote their products or services. This includes links, product feeds, banners, imagery, and the details of promotions and sales.
- Affiliate Approvals: affiliate partners will continuously apply to work with an advertiser through their affiliate program. These applications must be regularly vetted and processed.
- Validations: affiliate commission must be checked and approved on a regular basis (usually monthly)
- Recruitment: although affiliates will search for, and apply to an affiliate program, proactively recruiting new partners is the best way to make the most of affiliate opportunities.
- Campaign planning & execution: working with affiliate partners to push out advertiser promotions, and working towards increased exposure opportunities.
- Finance: this includes ensuring affiliates are paid their owed commissions & fees, budgeting, etc.

managing your affiliate & partnership marketing program

Advertisers will always require to sign-up to an Affiliate Network or SaaS platform to run an affiliate program. However, when it comes to managing the program, there are several options:

There are a few options to building an effective affiliate program:

- Affiliate Network / SaaS platform account management
- Agency Account Management
- In-house Account Management

Affiliate Network/SaaS platform account management
Many affiliate networks, and SaaS platforms offer account management services to help you build your affiliate program. They can provide expert advice on all of the main tasks involved in running a program, will introduce and recruit new affiliate partners, and assist in campaign planning and roll-out.

Agency Account Management
Agencies act as an extension of an advertisers marketing team, and provide a substantial level of program management with a strong focus on recruitment and campaign planning & execution. An outsourced specialist agency will provide a high level of expertise, and will manage all aspects of the affiliate program.

In-house Account Management
Advertisers can manage their affiliate program in-house. They can recruit and manage affiliates themselves. In-house management would still require the use of an affiliate network / SaaS platform to handle tracking, commissioning, and payments. Affiliate Partnerships would usually sit within the Performance Marketing or Digital Marketing team.

common affiliate & publishers affiliate ownership & key stakeholders

To effectively manage your affiliate program, your affiliate team may need to work with several internal departments. These include:

The Wider Marketing Team:
This team can assist in coordinating efforts between departments to ensure that your affiliate campaigns align with broader marketing initiatives such as sales campaigns, promotions and other brand activities.

The Branding Team / Creative Agency:
Your affiliate campaigns will likely require approved copy and creative assets, which you can obtain from this team or agency to share with your partners.

Web Development / SEO team:
To help create dedicated landing pages, UTM's.

The Chief Marketing Officer:
Depending on your organisation's structure, the CMO may play a key role in your affiliate program's success and can provide strategic guidance as needed.

The Legal Team:
Legal teams will ensure all partner contracts and terms and conditions are aligned with your brand.

Finance Team:
Finance teams will help organise and support you through the invoicing and sales validation

an evolving channel

These days, partnership opportunities within affiliate marketing extend far beyond the traditional CPA-model. Any person or company can be a partner that is managed through this channel, which is important to bear in mind when considering the stakeholders. Examples of this include influencer/content creators, editorial opportunities, brand-to-brand and paid search. It's therefore important to define and map out responsibilities for managing their types of marketing opportunities within a business.

recommendations

- Work with your leadership team to build knowledge that the channel is an effective revenue driver.
- Incorporate affiliate & partnership marketing as a distinct channel in your overall marketing and growth strategy.
- Work with a specialist affiliate agency that knows the ins and outs of this complex and exciting channel to make sure you're at the forefront of the latest opportunities.
- Build the skills within your team to accommodate this channel in your digital portfolio.
  The IAB Australia Affiliate & Partnership Marketing Essentials Training is a great place to start.
- Cooperate with your brand team or agency to obtain appropriate copy and creative assets for your affiliate partnership campaigns.
- Coordinate your marketing calendars, promotions, and campaign dates with your marketing team to create a cohesive strategy.
- Win over finance by showing off the numbers, ROI and revenue share of the business.
- Become an internal advocate for affiliate and partnership marketing.

For a more indepth look at the ecosystem download the **IAB Australia Affiliate Marketing Handbook.**

This series has been developed by the IAB Australia Affiliate and Partnership Marketing Working Group
https://iabaustralia.com.au/our-councils/affiliate-working-group/