

Brand Advertisers and Affiliate Marketing: Challenges & Opportunities for Affiliates

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Overview

Topic:

There is a growing trend that large brand advertisers are committing larger portions of overall budgets towards performance marketing models, when traditionally these budgets would have gone to CPM type placements

Goal:

The following presentation will help affiliates navigate this new area of opportunity

Agenda

- Statistics on Affiliate Marketing
- What to Expect When Working with a Brand Advertiser
- What Brand Advertisers Expect from Affiliates
- What Opportunities Brand Advertisers Provide to Affiliates
- Best Practices and Tactics
- Case Study: AccuQuote
- Key Learnings

Statistics on Affiliate Marketing

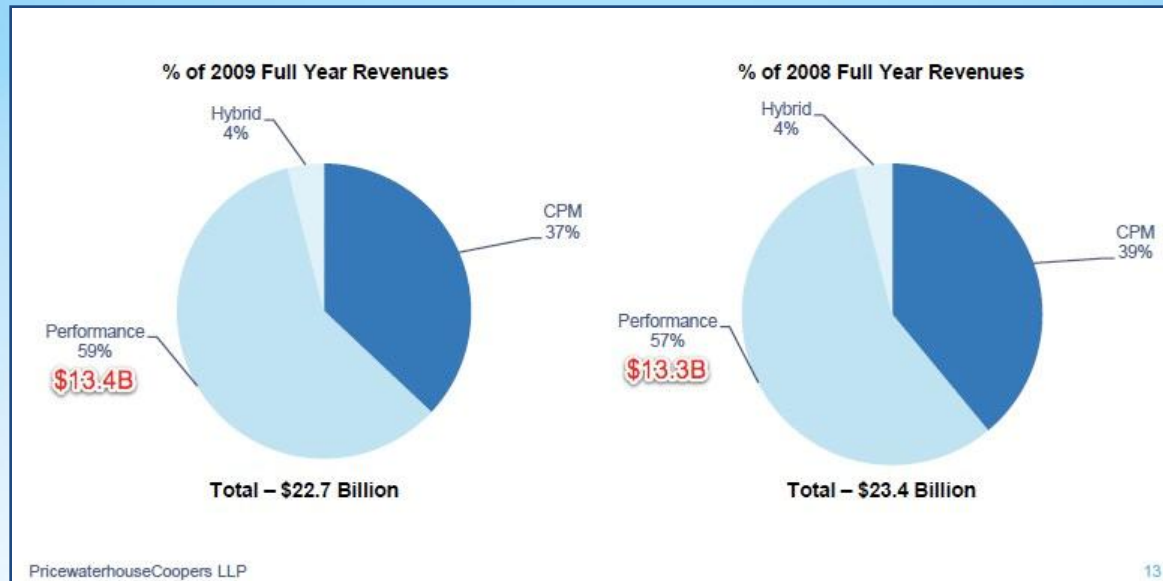
The performance marketing industry is a multi-billion dollar industry, with over 200,000 performance marketing businesses worldwide. Online performance marketing revenue was \$13.4B in 2009, *the only advertising segment to experience growth from 2008*



Statistics on Affiliate Marketing

Top Three Spenders in the Next Five Years

- Retailers
- Financial Services Firms
- Online Education Providers



What To Expect When Working with a Brand Advertiser

Rule #1 – **Follow the rules**

- Work with your ad manager or affiliate manager to understand the campaign guidelines
- Do not engage in short cuts or tricks to gain short-term volume **THINK LONG-TERM**
- Advertisers are expecting affiliates to deliver what they want and protect their brand online

What To Expect When Working with a Brand Advertiser

More people are involved in the decision making process which could lead to longer approval times

Bigger Budgets = More options for a potential increase in payout if your leads are converting well for the client

What To Expect When Working with a Brand Advertiser

Planning and Forecasting

Strict Creative Compliance

Zero Tolerance of Fraud

Flexibility and Patience

Delivery Schedules

How Brand Advertisers Can Help You

Better Brand Advertisers Help
Raise the Value of Your
Inventory

Letting you go
beyond affiliate
networks to
larger media
agencies

Not having to
rely on campaigns
that are “fads” or
short term money
makers

Giving you the
ability to become
part of the brand
advertiser’s
marketing
equation

The lifespan of a brand advertiser campaign is longer than other types of campaigns

How Brand Advertisers Can Help You

Risk Mitigation - Brand Advertisers come with lower liability

- Increased recent governmental oversight and FTC regulations have increased affiliate exposure from 2nd and 3rd tier advertisers
- Intellectual Property owners have become more aggressive in pursuing violations by affiliates



Best Practices and Tactics

- Offer transparency to clients on data collection and traffic sources
- Limit incentivized, virtual currency placements
- For lead generation clients, control your distributions and email drops to coordinate with client needs
- Gather detailed feedback on lead quality before scaling campaign

Developing a win/win situation:

Case Study on **ACCUQUOTE**[®] *Saving You Money For Life*

- Direct Agents has been working with AccuQuote, a leading life insurance company providing term life quotes to people across the United States, since September 2005
- In working with AccuQuote we have found the “secret sauce” for developing a win/win situation for life insurance companies and affiliates

Developing a win/win situation:

Case Study on ACCUQUOTE[®] Saving You Money For Life

“Secret Sauce” for Life Insurance

1) Understand their audience composition

Life Insurance Demographics

Ages 30-65

Married with
children

Homeowners

Annual
Household
income over
\$75,000

Developing a win/win situation:

Case Study on ACCUQUOTE[®] Saving You Money For Life

“Secret Sauce” for Life Insurance

2) Analyze your ad campaign back-end performance

Companies are looking for affiliates that don't just drive leads but deliver customers that actually sign up to purchase life insurance



Key Learnings

Follow the guidelines that the brand advertiser sets

Ask about additional resources or creatives

Plan for a longer setup process

Constantly analyze back-end campaign performance

High Converting Leads/Sales for the Client=
More Profit for You

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