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**How direct partnerships
help publishers achieve
predictable revenue
growth**

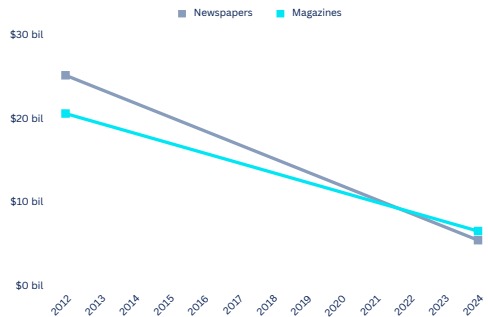
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Affiliate marketing gains momentum

Affiliate marketing gains momentum as other channels are taking the back seat.

Take the downward trend of traditional advertising. Since 2012 the budget spend has decreased from \$25+ billion to forecasted \$5.5 billion in 2024.



<https://www.statista.com/chart/20244/estimated-print-advertising-revenue-in-the-united-states/>

**30% OF
ADVERTISERS ARE
CUTTING THEIR AD
BUDGET SPEND IN
2023.**

Bill Fisher, eMarketer's Digital Marketing Analyst for Insider Intelligence UK sees that budgets for ads are decreasing as well.

He revealed that 30% of advertisers are cutting their ad budget spend in 2023. Forecasting further he believes that ad spend will go down by \$2 billion and growth will be down by 4%.

THE INVESTMENTS INTO AFFILIATE MARKETING AS A CHANNEL JUMPED BY 47% IN 3 YEARS.

Compare it with affiliate marketing.

The investments into affiliate marketing as a channel jumped by 47% from 2018 to 2021. That's a \$9.1 billion increase in those 3 years. Between 2019 - 2022, the growth was 33% in year-over-year revenue growth.

No wonder brands turn their heads to affiliate channels and performance-driven models. And this is great for publishers since there will be more advertisers in the market you can link to, create more content, and scale revenue.

New advertisers mean more verticals your editorial team can write evergreen content about and spike the clicks on your affiliate links.

But you shouldn't rely only on affiliate networks to join these new advertisers. That is, if you want to control your affiliate business. And since you're reading this I believe you're the right person.

Let's dive in 📌

The problem with affiliate marketing

Some areas of affiliate marketing are evolving faster than others but one problem that seems not to change is the lack of transparency between publishers and advertisers.

Lack of transparency affects the number of conversions an advertiser can attribute to you. The only way a publisher gets attributed conversion, together with other performance data is through networks and subnetworks.

This means you're fully trusting a third-party player who gets a cut from your commissions and shows you how many conversions you've made.

We all had our share of experiences when the difference between the clicks you tracked with your analytics was vastly different from what you've seen in your network/subnetwork accounts.

The issue is with the current tracking capabilities.

1 in 5 advertisers doesn't know how their affiliate activity is tracked

50% SAY THEY STILL RELY ON 3RD PARTY COOKIE TRACKING.

IAB UK Affiliates & Partnerships Group surveyed 185 brands and agencies in the UK. 50% of respondents claim they still rely on 3rd party cookie tracking.

And 1 out of 5 advertisers don't know how their affiliate activity is tracked.

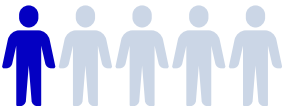
Tracking is complicated.

The more networks you use the more complicated it gets.

Combine this with brands not knowing how to set up the tracking and you're looking at a missing commission disaster waiting to happen.

Take parallel tracking as an example of a tracking method. It's accurate, reliable, and supported by Awin so it's an accessible solution for advertisers.

1 IN 5 DON'T KNOW HOW THEIR AFFILIATE ACTIVITY IS TRACKED.



**ADVERTISERS WILL
SEE THE TRAFFIC
YOU SEND AS EITHER
ORGANIC OR FROM
GOOGLE ADS.**

Parallel tracking is only possible with a compatible setup. If it's not set up correctly, the URL won't have any tracking parameter to distinguish the traffic source.

Advertisers will see the traffic you send as either organic or from Google ads.

It's not a surprise that the discrepancy in your analytics and what you see in your network accounts is so vast.

And you won't know it's an issue until you dig deeper into yours and the network's analytics and start asking questions. A lot of commissions can slip by the time you get an answer.

Building direct partnerships with advertisers is a way for you to get more control over the tracking side.

**Take control of your
affiliate revenue
through direct
partnerships**

We both know you don't want to build direct partnerships with every advertiser under the sun.

But...

Building strategic partnerships with key advertisers is what's going to help you achieve predictable affiliate revenue. And increase your revenue.

That's because YOU and your partner are the ones who set the terms of the deal. Not the network. Not the subnetwork. You.

And you can make it work just like the companies I mention below.

Publishing companies benefiting from direct partnerships

BuzzFeed

BuzzFeed partnered up with Walmart to expand on their Tasty cookware by featuring shoppable recipes.

Their readers could include ingredients from the shoppable recipes right into their Walmart baskets.

Wirecutter

Wirecutter is one of the best-known online review sites that grew massive through direct partnerships.

They have a huge portfolio of retailers thanks to which they gained a lot of control over their revenue terms.

As a reader-first-oriented publication, the advertiser side of the business is not their main focus, and they will have outbound links that don't generate any revenue if that makes sense for the readers.

But they're also investing in their business development department which is always trying to contact new advertisers and establish direct partnerships.

Dotdash Meredith

One of the most recent announcements (March 16, 2023) favouring direct partnerships came from Dotdash Meredith, as they team up with Pinterest.

In this partnership, Dotdash will create around 200 original videos on the platform.

For Dotdash this means a new source of traffic for their titles:

Better Homes & Gardens, Southern Living, Brides, Food & Wine, Serious Eats, Allrecipes and Martha Stewart.

Why direct partnerships are so important

Taking control of your revenue streams

Your profits are dependent on the convenience of networks and subnetworks. They get to dictate the commission cut they take, the advertisers available to you and how they display the performance data.

This is not to say that it's wrong. They make connecting to huge amounts of advertisers convenient. But that's far from making your affiliate channel sustainable and predictably scalable.

To make your revenue generation more predictable you have to take control over it. And the best way to take control is to establish direct partnerships.

PUBLISHERS BUILD DIRECT PARTNERSHIPS INSIDE A NETWORK SOLELY FOR THE PURPOSE OF TRACKING. WHICH INTRODUCES THE SAME ISSUES.

Transparent data

A lot of publishers see building direct partnerships challenging. That's because there is no easy way to track your performance data.

Most publishers build direct partnerships inside a network solely for the purpose of tracking. Which introduces the same issues we already covered - dependency on the middleman.

Instead, building your direct partnerships outside of networks is what will give you full transparency in your performance without a middleman taking an interest in the data they show you.

Set your own terms

When running a campaign through an affiliate network, they are the ones setting up the terms for that campaign.

Which again takes away the control from you.

But if you build your direct partnerships, even your whole ecosystem of partners, you'll get to set the terms.

And based on your terms and agreements with advertisers you want to partner with, you can forecast your earnings more predictably.

Imagine that you constantly generate around \$30k in sales for a specific Nike product every month.

And the affiliate network where Nike runs the campaign takes \$10k.

You could avoid taking the big commission cut by building a direct partnership with Nike.

The terms you set can include splitting the commission that would typically go to the network 50/50, effectively earning both you and Nike \$5k extra.

When direct partnerships make sense

Besides saying you should always strive for building direct partnerships with relevant brands there are two situations where that makes more sense.

Campaign pushes

One is when you do frequent campaign pushes with high traffic volume.

If your publishing company does a quick campaign push you know you can't spend too much time applying for affiliate campaigns in networks.

Then risking the advertiser would close their campaign on one network, reopen on another, or changes the CPA commissions.

If there even is a campaign you can connect in networks.

Let's say your affiliate content is about video games of any type.

As soon as you find out that a game that's hyped up is getting released soon (like recent Legends of Zelda Tears of the Kingdom), you need to have content ready for publishing.

Your tracking must be on point if you want to get a high EPA.

The network way would be to find a Nintendo campaign in one of the affiliate networks and hope Nintendo won't decide to change important details that would force you to reapply to the campaign again.

Even if the advertiser changes the CPA it means it's a new campaign and you need to reapply to the new terms and conditions.

Or you can build a direct partnership with Nintendo (or GameStop) to always be ready for pushing your affiliate content out quickly.

And if the advertiser needs to change something about the campaign it won't require you to reapply to it again.

Long-term campaigns

The other situation is when you run long-term campaigns.

In some verticals and markets, it makes sense to run long-term campaigns, because a brand can earn consistent revenue throughout the year.

Imagine your affiliate content is about reviewing subscription-based services (software, online learning platforms, etc.)

Building direct partnerships with specific brands will help you stay relevant in those campaigns.

You won't have to worry that advertisers change an important part of the campaign, or switch networks so you'd be forced to reapply to the same campaign.

When direct partnerships don't make sense

There are two situations when direct partnerships would be counterproductive to create.

Existing campaign and immediate action

When an affiliate campaign already exists on a network and you want to send your traffic there quickly.

This might sound contradicting to the first point of when partnerships make sense, but hear me out.

Direct partnerships take time to build. And it absolutely makes sense when you push campaigns to the same advertiser on a regular basis. In the long run, it's also more profitable.

But if you want to send traffic to an advertiser right now and the campaign already exists on a network, applying there is faster.

Small advertisers

The other situation is when you're sending traffic to a bunch of smaller advertisers with lower EPAs.

That's because every direct partnership means another invoice you have to process.

Imagine how exhausting that would be to process 1000 invoices where the total commission you earned equals \$5.

Your partnership and financial departments could focus on literally anything else that would have a higher impact.

Make your affiliate business predictable

Affiliate teams have to rely on a middleman to accurately attribute conversions to the correct publisher while taking a % cut from the total commission.

The other part they have to rely on is for the advertiser to have a proper tracking setup.

While this process has been convenient, and effective to some degree, it also takes transparency and control away from the publisher's hand.

In some situations, this lack of transparency and control is a minor inconvenience. But in other cases, it means missing out on revenue and content opportunities.

Relying too much on networks and subnetworks means you need to wait for them to have the campaign in their catalogue, abide by their terms, and hope nothing major changes on the advertiser side that would force you to reapply again to the same campaign.

It doesn't have to be that way.

Building direct partnerships opens up opportunities that are predictable and sustainable. When both you and the advertiser collaborate closer you can create content that drives both your growth strategies.

BUILDING DIRECT PARTNERSHIPS OPENS UP OPPORTUNITIES THAT ARE PREDICTABLE AND SUSTAINABLE.

You and your partner set the terms of the deal. You will see the same sets of data. Based on the data you can collaborate on the type of content your readers love and drive the most sales for the advertiser.

What are you waiting for?

[Find out how one of our customers built partnerships with 2000+ brands.](#)

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