

Why an Affiliate Network is the Missing Link in Your Brand

It's no secret that brands are realizing the power of e-commerce, and more importantly, the influence it has on sales.

To put a number on it, in Q2 of 2016, US retailers experienced a telling 4.5 percent increase in e-commerce sales, yielding \$97.3 billion in revenue. This accounts for 8.1 percent of total sales. That's a strong uptick in sales, driven largely by the fact that consumers have more convenient ways than ever to shop and make purchases. That said, now is the time for companies to think even bigger and flex their marketing muscle even more. Affiliate marketing is one strategy that's proven to boost sales and lead to increased profits.

Nearly 50% of customers who purchase through an affiliate marketing channel are new customers, yet this solution is often overlooked when developing marketing strategies. Much of this is due to a misconception of how affiliate marketing works and what it can do for a brand. Now more than ever, brand marketers need to adapt to the competitive marketplace and be agile in implementing smarter marketing strategies like affiliate marketing, which can yield the following benefits to their programs:

1. Create a Competitive Edge

Today, marketers have the added challenge of providing cohesive communications across a variety of platforms and channels. Consumers get their information from many different sources and are quick in their purchase decisions. To represent a brand seamlessly across various channels, affiliate marketing agencies create a network that includes the brand merchant, publishers, influencers and customers.

Agencies use online platforms to build these networks of options, which trade brand marketing for compensation. Because affiliate marketing functions under the umbrella of performance marketing, costs and commissions occur on a pay-per-play basis, meaning the brand only pays once results are generated. These results are tracked by the agency in real-time through things such as click-throughs and link trackers. Publishers and other members of the network, now considered brand affiliates, use their own marketing power to strengthen marketing for the brand, in turn creating a competitive edge by reaching a large and diverse array of consumers.

2. Build Trust Among Consumers

While there was a time when affiliate marketing was synonymous with spam, the industry has witnessed tremendous growth and change. On that note, it's crucial for brands to understand the process that a prospective affiliate marketing agency offers before choosing it. When selecting an agency, ask about their refining process—does the agency build a network tailored to your brand or is it generic? Effective affiliate marketing relies on trust, and this trust comes from knowing the agency takes the time to understand your brand, your market position and your goals, and then uses this information to build a strategic affiliate network. Selecting an agency that invests in your brand will ensure consumers only see your brand in suitable and appropriate places, therefore enabling them to trust you.

3. Globalize the Brand

Affiliate marketing offers the ability to diversify your network, taking your local or regional level brand and propelling it to reach consumers around the globe. For example, if you run a boutique athletic clothing store that also has an online retail site, you may notice untapped marketing potential outside of your local area. In response, you turn to an affiliate marketing agency, which connects your brand with publishers in London. These publishers pinpoint which of their customers like fitness and send them a promotional offer or advertisement, which includes a trackable link back to your website. Your site begins seeing hits traced back to the publisher's link, and you see your reach expanding globally. Meanwhile, your affiliate marketing agency is keeping track of the exact number of hits and sales generated by way of the publisher link, in turn determining precisely how much commission they earn. The result is an efficient and cost effective route to brand globalization.

Brands must be proactive with their marketing strategies to avoid being lost in a saturated marketplace. Affiliate marketing creates brand distinction and globalization, and is an efficient way to drive revenue while remaining mindful of costs. When thinking of what marketing resources to use next, consider the power of affiliate marketing and choose a performance marketing company with the expertise and resources to effectively build and manage a network that will promote your brand and grow your business.



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