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prAna case study Affiliate Success for the Sustainable Clothing Movement

There are several reasons why a brand may be apprehensive when it comes to adding affiliate marketing into their holistic performance marketing strategy.

Some may view it as a lower-value channel—generating little in the way of quality leads. Others may see it as a less regulated channel—one where there are no hard and fast rules—where brand integrity may be potentially damaged. This concern is understandable, as brand integrity should be top priority—both for the brand as well as for the affiliate account manager tasked with handling the program. We believe this mutual care is critical to the success of a managed affiliate program and prAna is the perfect example of this.

The Set-Up

prAna went live with a fully managed affiliate marketing program in May 2016, easing in by using content and loyalty sites. At this time, they were sharing already planned promotions with all partners, including select coupon sites. However, their main hesitation over entering the affiliate channel completely was maintaining brand standards. prAna had experience with their own blogger/content or affiliate type outreach on a smaller, manual scale, but launching with Pepperjam gave them the ability to amplify the scale and maintain the prAna way.

In Q4, prAna started to test some exclusive promotional codes during the holiday season. Exclusive codes aren't (and weren't) a constant of the program, but they tested them to capture new conversions during such a critical time. Exclusives were not a huge initiative or priority for the program prior, but they have started incorporating them more due to the success and value they bring to the program.

The Treatment

We discussed the different types of publishers with prAna and how we had the ability to choose who we'd like to work with based on our goal of driving incremental revenue, new customers, as well as maintaining brand integrity.

We also discussed the importance of re-investing into the channel through testing commission increases and flat-fee spend to further drive incremental revenue and new eyes to the brand.

To remain competitive against other retailers, we decided to increase commission rates for our loyalty sites to ensure that prAna was competitive with their cash back offering compared to similar brands. The ultimate goal was to capture conversions for customers who are new to the brand and customers who like to shop around for the best offers/cash back.

The Solution

The affiliate channel rounded out an already solid marketing approach for prAna while also helping to refine their channel strategy moving forward. Some of the perks of leveraging affiliate for prAna include:

- Low initial investment/no minimums
- Relatively seamless integration—not a heavy level of effort for development or internal team to launch
- Transparency on the program, not over bidding, and identifying the right partners for success—as not all were winners out of the gate
- Making certain they are not paying out on non-affiliate promotional codes, thus ensuring their marketing efforts are tracking and paid out appropriately
- Strong internal check points where their brand manager and copywriter would review all content used in affiliate marketing efforts ensuring brand standards are consistent across all marketing efforts

The Results: Big Incremental Wins

After launching in May, prAna closed out 2016 with:

52%

Average of 52% new users within the channel – a huge KPI for the program/brand overall +79%

Against H2 forecast

\$24⁵¹

Return on investment

prAna company profile



Clothing for the Adventurous Spirit in Us All

We're more than makers; we're doers like you. Our designs are inspired by our own experiences and built for your journey. We strive to make clothes that help you thrive in any environment and embody your adventurous spirit so you can focus on what really matters. Whether you're commuting to work or wandering the globe, rest assured we've been there and used those moments to design a better product.

Sustainable Clothing Movement

From the farm to the factory to your closet, we have an opportunity to reduce our impact on the environment. But we need your help. Start asking questions about the clothing you wear in the same way you ask about the food you eat, and you can fundamentally change the way clothing is made.

For more information on how affiliate marketing is changing the performance marketing landscape, visit us at: <u>Pepperjam.com</u> or email us at <u>info@pepperjam.com</u>