

Why affiliate marketing is the 'channel of channels'

Article



[Affiliate marketing](#) is getting a second wind as emerging publishers and creators attract a new crop of advertisers.

Here's a refresher on the benefits of affiliate marketing, as well as a word of caution for advertisers interested in giving it a try:

1. It's cost-effective: As inflation continues to affect companies and consumers alike, affiliate marketing is a great way for advertisers to get more bang for their buck.

- Because affiliate marketers work on a commission basis, advertisers only pay when the desired outcomes are met, Sommer Urías, senior vice president of client development at CJ, told our analyst Paul Verna on a recent “[Behind the Numbers](#)” podcast.

2. It’s multi-use: The customer journey can be broken into five different phases: awareness, consideration, conversion, retention, and advocacy.

- Affiliate marketing fits into each one of those areas, enabling it to be activated at every stage of the customer journey, said Urías.

3. It’s meant to amplify: CJ conducted a study of over 400 million shoppers, dividing them into two groups: those who interacted with affiliate marketing along the customer journey and those who did not.

- The shoppers who interacted with affiliate marketing converted 92% more than those who didn’t.
- In addition, they generated 153% more revenues and a 36% higher average order value.
- In its simplest form, affiliate marketing is more of a touchpoint that can be inserted into the customer journey to work with and amplify what marketers are already doing, shared Urías.

But beware: One of the biggest challenges with affiliate marketing is internal silos, said Urías.

- Though many CMOs have an omnichannel approach to their marketing efforts, they treat affiliate marketing as a separate entity, which is a barrier to success.

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