2019 Indoleads Affiliate Marketing Report

This report outlines you affiliate marketing landscape in e-commerce, fashion and travel verticals, the current and future industry trends. It is to help develop a strategy for publishers to tackle your business challenges in the future.

Contents

TRENDS

2 Affiliate Marketing Insights

3 How to Select an Affiliate Program

4 Traffic Type Share and Creatives

5-6 Affiliate Volumes and Earnings

7 How to choose the GEO

8 Brazil

9 Southeast Asia

10 USA

11 Australia

12 Airlines

13 Travel Services

Affiliate Marketing Insights

Many people associate affiliate marketing with the selling of diet pills, teeth whiteners, and other controversial products. Although this darker side to performance-based marketing still exists, affiliate programs have moved to the mainstream, with major retailers and publishers now using them to drive sales of all sorts of products, from electronics to apparel.

This report is based on analysis of white-hat e-commerce, fashion, beauty and travel verticals.

Indoleads represents the changing face of affiliate marketing and takes a close look at the key players. We also outline growth opportunities for affiliate marketing and how we see this industry developing.

Unstoppable growth of affiliate marketing industry since 2015. Experts predict a healthy 60% growth by 2021.

75% of Millennials prefer to shop online instead of at a brick and mortar store.

7x more clicks from social affiliates than discount code affiliates in the fashion sector.

60% of airline sales driven by price comparison sites on desktops.

Only 20% of affiliate offers are promoted by custom creatives.

You will find a lot of useful tips to skyrocket your performance in affiliate marketing. You can always get additional information at publishers@indoleads.com

Top factors that drive my affiliate program selection

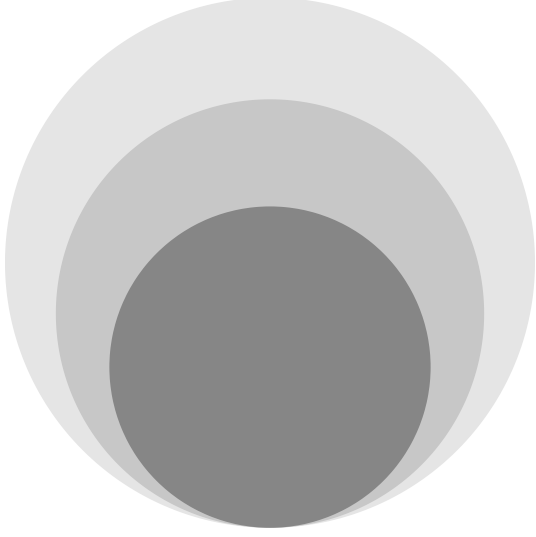
You should have a good idea of the type of products you are looking to promote. Now it is time to search for programs that will make you a good return. One aspect to consider carefully is how much commission you can earn.

High commissions may be offered on products with low sales, while a high selling product may have a lower commission rate.

How many products you sell will affect your average order rate (AOV); therefore, a high AOV with a lower commission rate will earn more than a low AOV with a high commission rate. To take a simple example, let's say you have two products both retailing for the same price. You sell 20 of product A at 1% commission, and 1 of product B at 10% commission. Product A will earn you more money.

Cookie duration (2.22%) Payment Terms and Methods (10%)
Affiliate Network (16.67%) Marketing Terms and Conditions (6.67%)
Commissions (24.44%) Affiliate Program Reputation (22.22%)
Product or service relevancy (16.67%) ECPC (1.11%)

My Connection with My Affiliate Manager Is:



Somewhat valuable. Crucial to my business. Irrelevant.

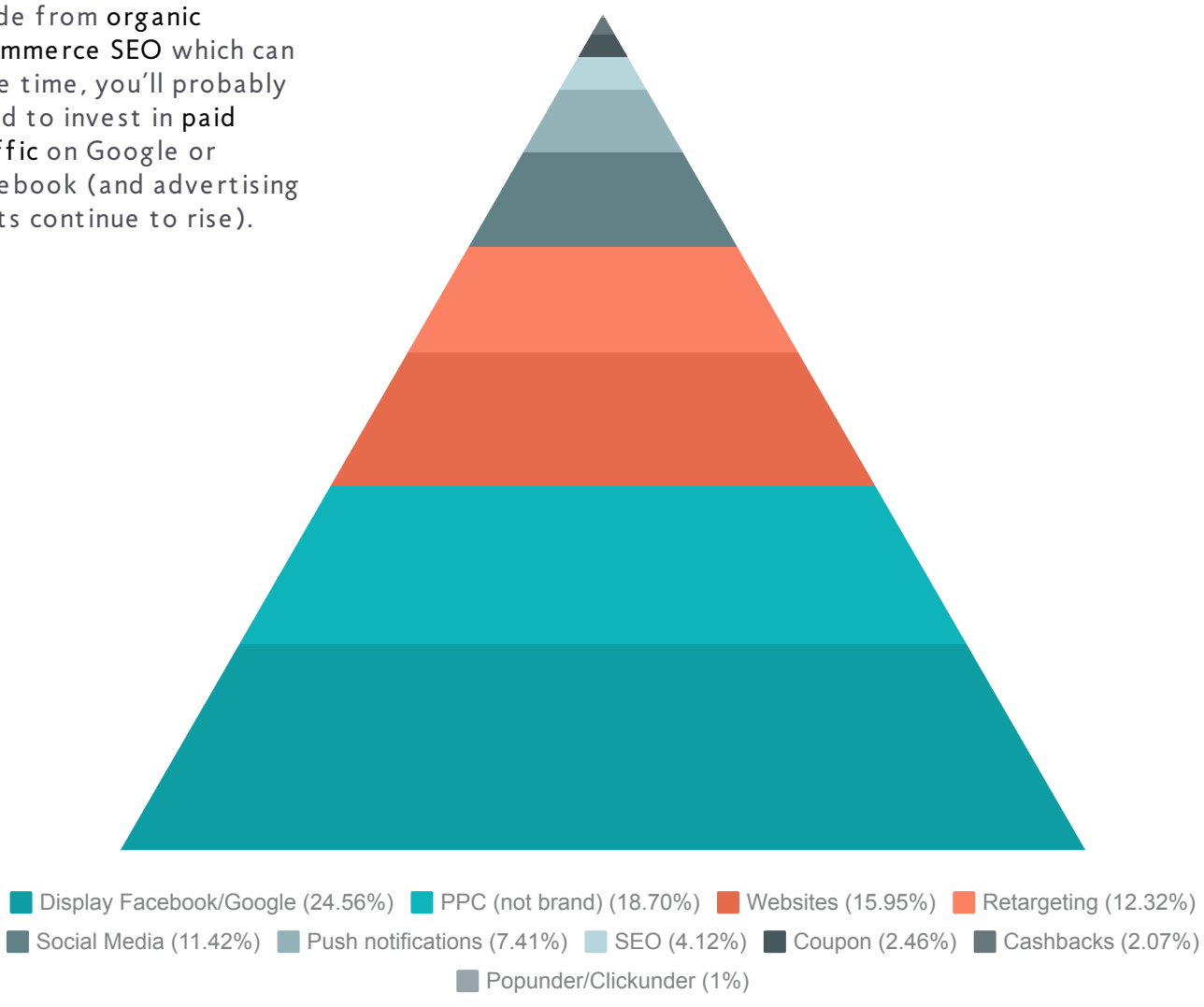
Somewhat valuable. I sometimes join, promote, and terminate the campaigns because of the affiliate manager.

Crucial to my business. I always join, promote, and terminate the campaigns because of the affiliate manager.

Irrelevant. I almost never consider joining, promoting, and terminating my campaigns because of the affiliate manager.

Traffic Type Share

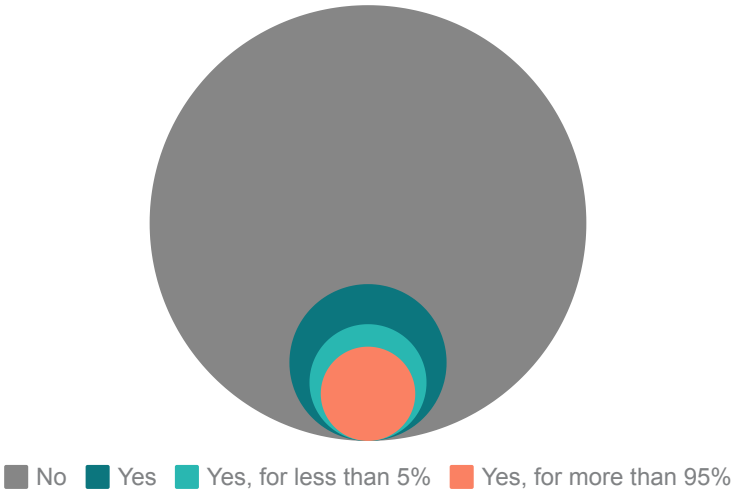
Aside from organic ecommerce SEO which can take time, you'll probably need to invest in paid traffic on Google or Facebook (and advertising costs continue to rise).



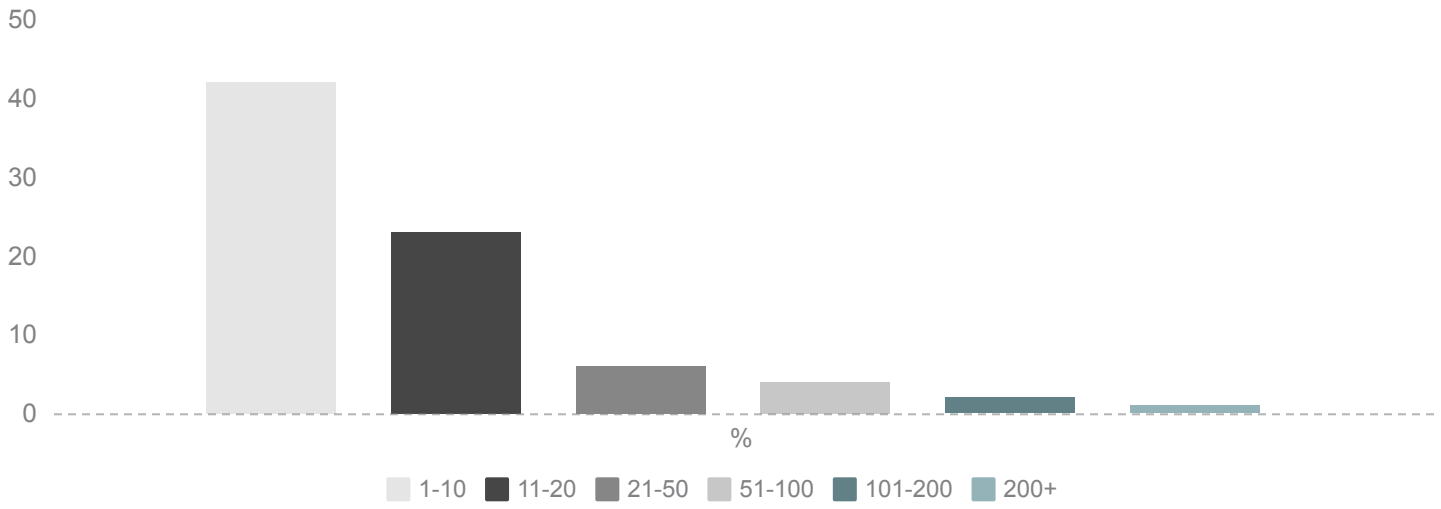
Do You Create Your Own Creatives for Your e-comm and Travel Campaigns?

With a combination of creatives, you can promote your E-commerce website much easier. The short list of creatives are:

_ Promo videos.
_ Banner creatives.
_ Professional product images .
_ Landing pages.
_ Email templates.
_ Text ads.



Number of affiliate programs I'm currently promoting



The quantity of affiliate offers to promote totally depends on your traffic source. For instance, if you are doing retargeting, it is better to concentrate on a few offers that generate a solid income from your audience. Facebook and Google Display, Push Notification, Popunder/Clickunder traffic sources open up an opportunity to scale your offers volumes till the sky-limit.

The key of success is to continuously reinvest your affiliate earnings into existing campaigns and keep on looking and testing new ones that have a great potential of steady income.

One of the largest errors new affiliate marketers make is becoming a member of nearly each affiliate network they encounter. This is without a doubt considered to be a totally incorrect technique. That is due to quite some reasons.

Firstly, being an affiliate marketer is an undertaking which calls for a lot of awareness. So, if you try and work with many affiliate networks at the same time, chances are that none of your initiatives might go as planned and consequently, none of them might end up being very successful.

Secondly, focusing on just one or a few products without a doubt will let you research them thoroughly before you start to promote them. This method also helps you refine your strategies, making the required adjustments, and thus making your marketing a whole lot more powerful. An effective approach will yield better outcomes, and reward you for your efforts and time.

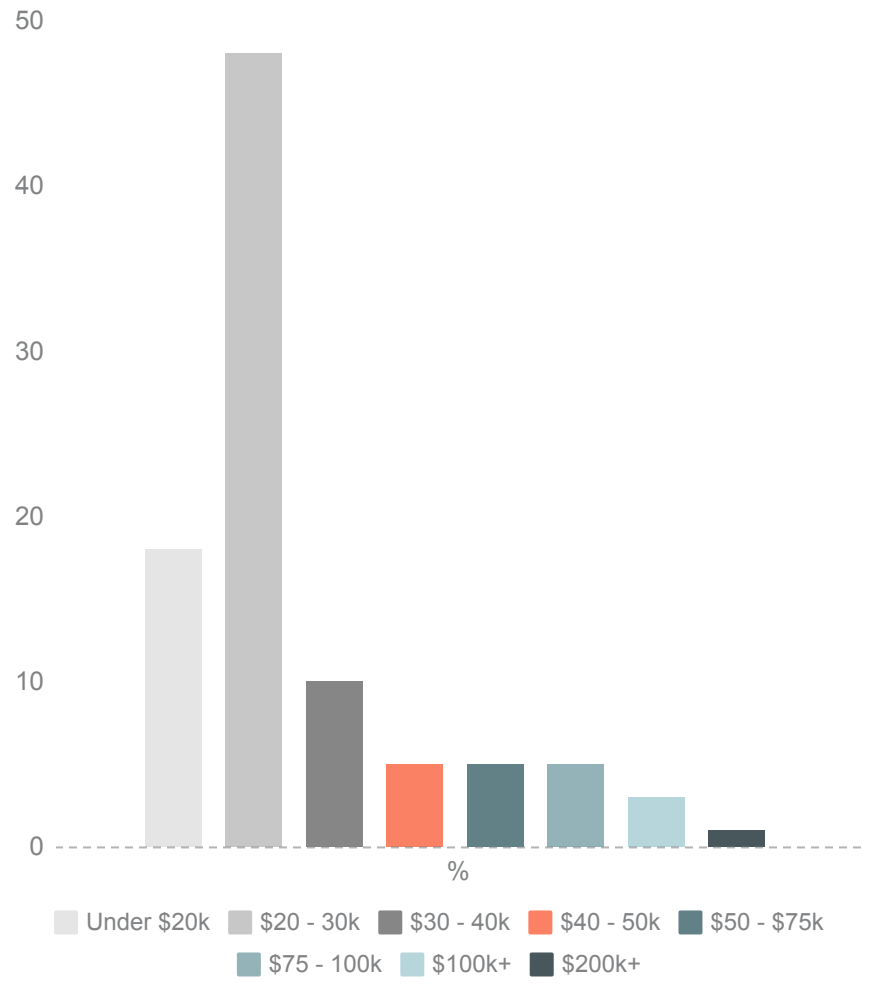
Thirdly, make sure you do some research on the affiliate network as there are some networks that will only pay you once a month which might not work for you or worse they could not pay you at all. We are not telling this to discourage you from being an affiliate marketer, but instead we want you to succeed infinding the correct network and products to market and make your commission.

There are affiliate networks that resort to "shaving", a very common exercise in affiliate marketing where the networks display a discounted number of sales than what you referred, consequently paying you drastically less in commissions.

Hence, to avoid been a victim to this action we would suggest that you stick to known and trusted affiliate networks. In any case, they only way you will succeed with a network is if you are comfortable with them and the products you are promoting.

Annual revenue from affiliate marketing activities

Some people go into affiliate marketing with the intention of creating a second income. Some people want to make big money. Depending on how much time you can dedicate to your affiliate business, and how dedicated you are to it, is a big factor in determining your results. Results vary from person to person. With a large advertising budget and the right business model, some affiliates have replaced their living in 6-12 months. For others it can take years before it replaces their existing income. Depending on your approach, advertising budget, and business model, it can take between 3 months and several years to build it to a point where it can replace an existing income.



Why am I struggling with my affiliate business?

A lot of people struggle with their affiliate businesses. This can be for a number of reasons. Firstly building up an affiliate business takes time. You need to dedicate a lot of time to an affiliate business in the first place. Only when you reach a 'tipping point' do you really start to see your progress. Many affiliates simply don't realise how much work is involved. They underestimate how much time they need to dedicate to their online business to make it work.

Paid advertising can allow you to grow your affiliate business quickly. But it costs money and you need the right products too. You can't advertise small value items with paid advertising. You won't generate enough profit to cover your advertising costs. You need a range of products and an email list to advertise through.

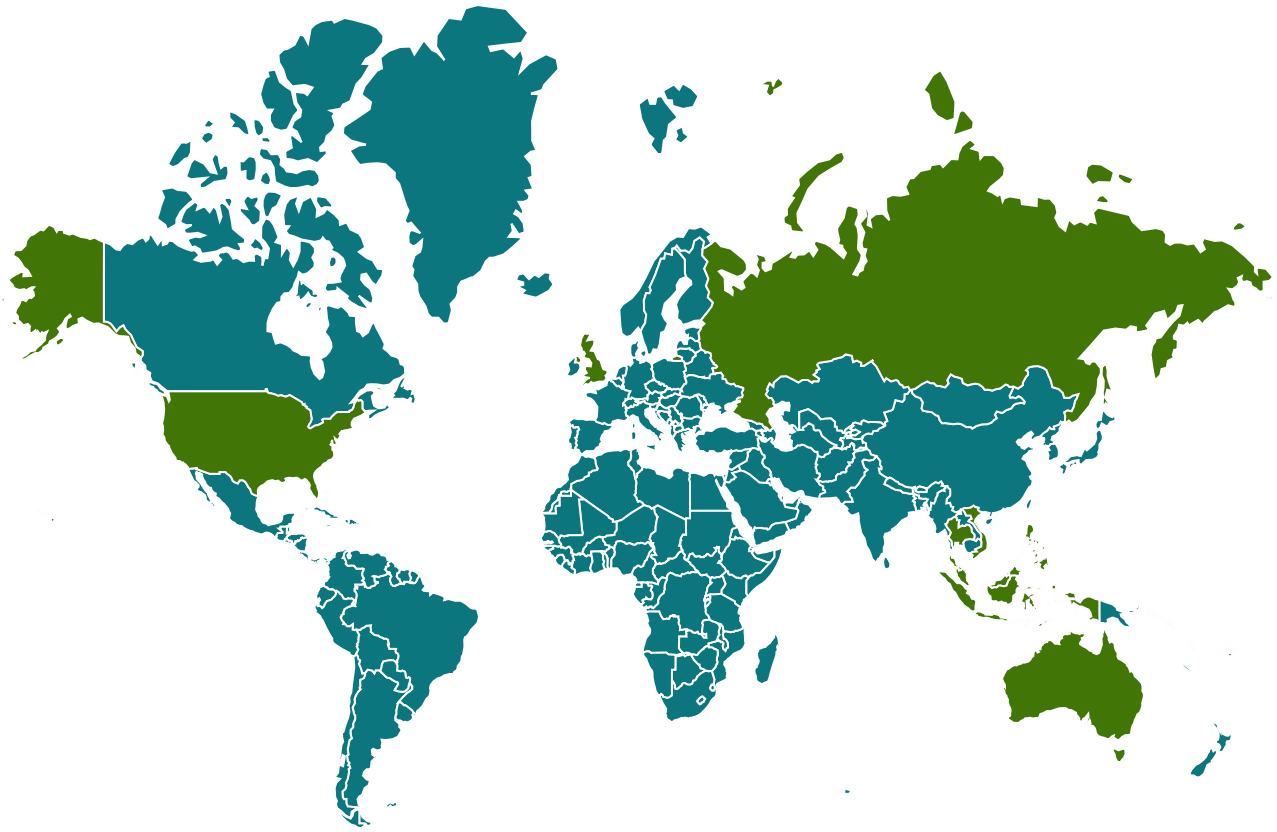
Content marketing takes much longer to work, depending on your chosen area of business. If you find an untapped niche to market your blog in, you can make some fast progress. However, with a competitive niche you will struggle to get noticed above all the other content which you will have to compete with. There's several reasons why you might struggle. The main one is lack of knowledge. Get the right\education first and your affiliate business will move much faster.

How to Maximize the Reach in Your Selected GEO

This is what you need to be doing.

- Create Quality Content – this is always important in SEO because Google algorithms detect poor content and penalize the site where it's published by pushing it further down on the search list.
- Do not Copy and Paste Content – Google robots will also detect duplicate content and in most cases, they will prioritize the site that had published the content first.
- Add Your Selected Geo in Your Meta Data – you should be adding your geo in your Meta description, alt text, and Meta tags.
- Put Your Selected Geo in Your Links – create your links in a way that includes the geo too. Structure the links like common Google searches related to your topic.
- Add to the keyword selection – It will be easier for Google to push your site up in local searches if you add the location in your keyword selection.
- Add Preferred Geo on Google Console – this will give great results and you are practically telling Google you are only interested in that particular market.

The top converting GEOs: US, UK, AU, MY, ID, PH, TH, VN, RU



The top GEO is accurate for Indoleads' publishers only. Please, rely on your own A/B testing, as well as multivariate testing. You can always consult your publisher manager on the best converting geo for a particular offer. Deeper understanding of what geo works for you the best will yield better results for you.

Brazil

General info

211m
Population

3.05 %
Average CR

157
Number of Advertisers

$3
Average Payout

$0.05
Average ECPC

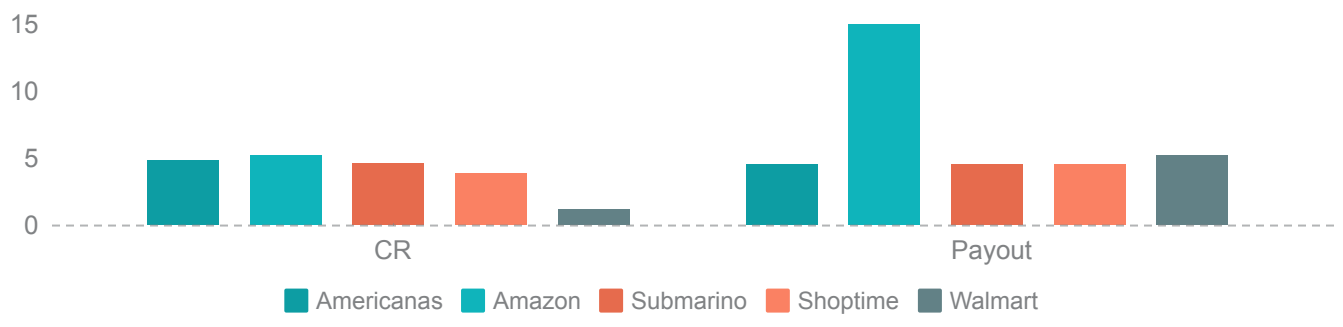
4501
Number of Publishers

The Brazilian eCommerce market is expected to maintain momentum over the next four years, to be worth R$146.91bn – (US$38.5bn) by 2022, according to new data from Worldpay Inc. (NYSE: WP; LSE: WPY).

The rapid adoption of eWallets has been a major factor fueling global eCommerce growth. In Brazil, eWallets are growing at an annual rate of 27 percent, forecast to increase their market share by 9.5 percentage points between now and 2022. As shoppers increasingly crave the ease and simplicity of a one-touch checkout process, security is a major factor contributing to the rise of digital wallets.

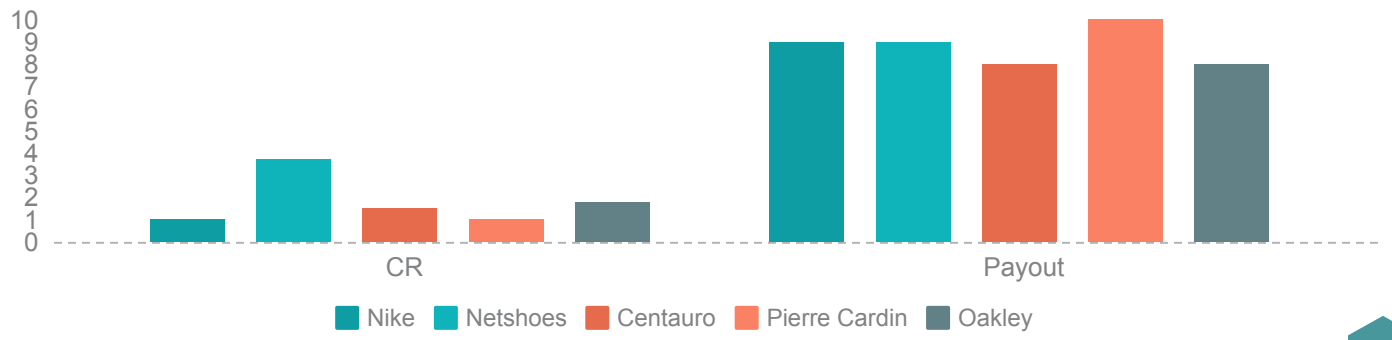
E-commerce

CR and Payout of the most popular affiliate programs 2019



Fashion

CR and Payout of the most popular affiliate programs 2019



Southeast Asia

General info

641m
Population

0.6%
Average CR

134
Number of Advertisers

$1.5
Average Payout

$0.03
Average ECPC

4301
Number of Publishers

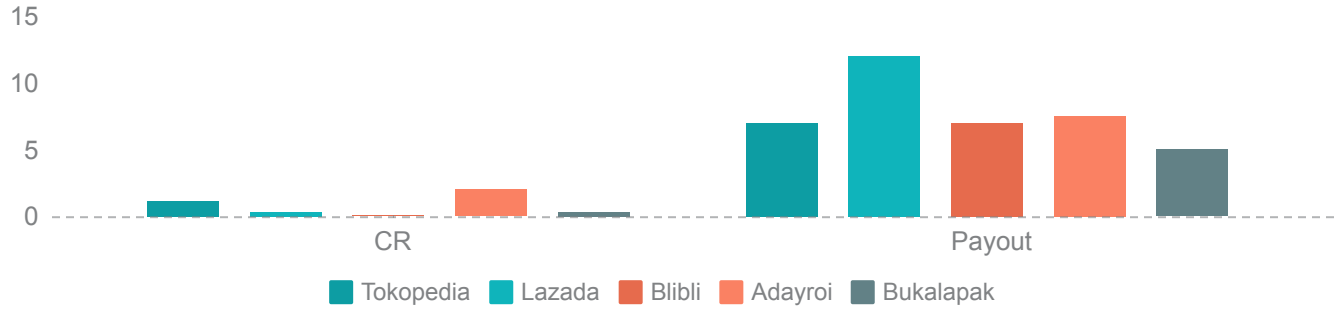
Affiliate marketing generates between 5-20% of a brand's online revenue, thereby emphasizing the growing opportunities for affiliates.

Google-Temasek e-Conomy SEA reported that South East Asia is the fastest growing internet region in the world, it is vital for advertisers to understand that the big tech players (BATX), will greatly affect their businesses and the way in which their customers consume their products and/or services.

Practices that are common in the USA and Europe do not have a guarantee of being adopted and working in Asian markets.

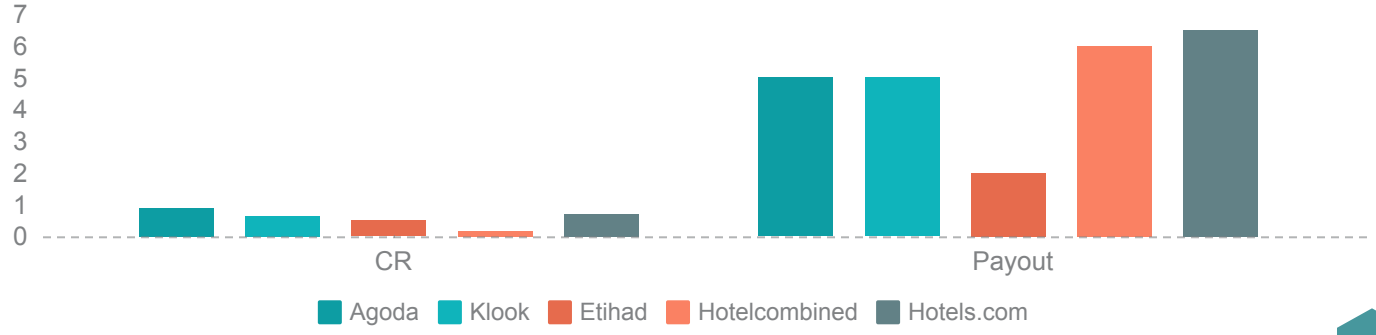
E-commerce

CR and Payout of the most popular affiliate programs 2019



Travel

CR and Payout of the most popular affiliate programs 2019



USA

General info

66m
Population

3.05 %
Average CR

64
Number of Advertisers

$3
Average Payout

$0.05
Average ECPC

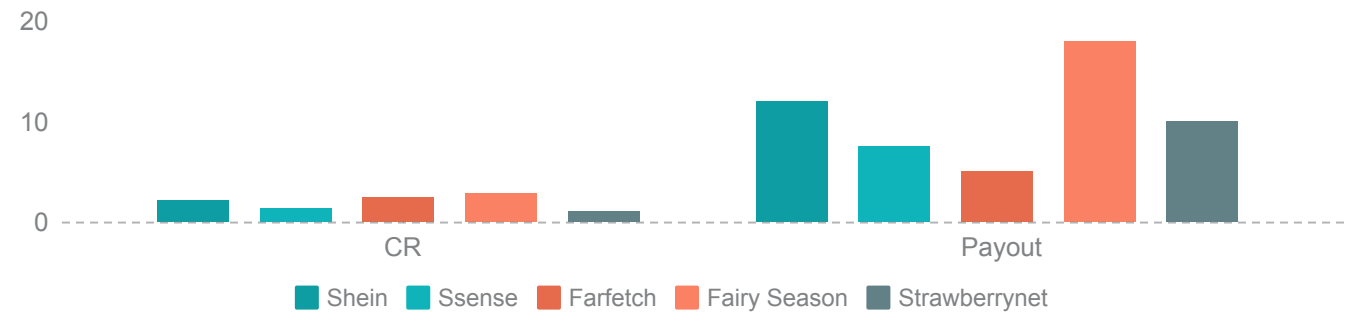
2468
Number of Publishers

US affiliates are more likely to be full-timers Just over half of the 2238 US affiliates (51%) surveyed work full-time in the industry, as opposed to being part-timers or hobbyists. This compares to a third of UK affiliates who work full-time on affiliate marketing.

The U.S. affiliate marketing industry is expected to reach $6.8 billion by 2020, with more than 80% of brands utilizing this potent way of marketing.

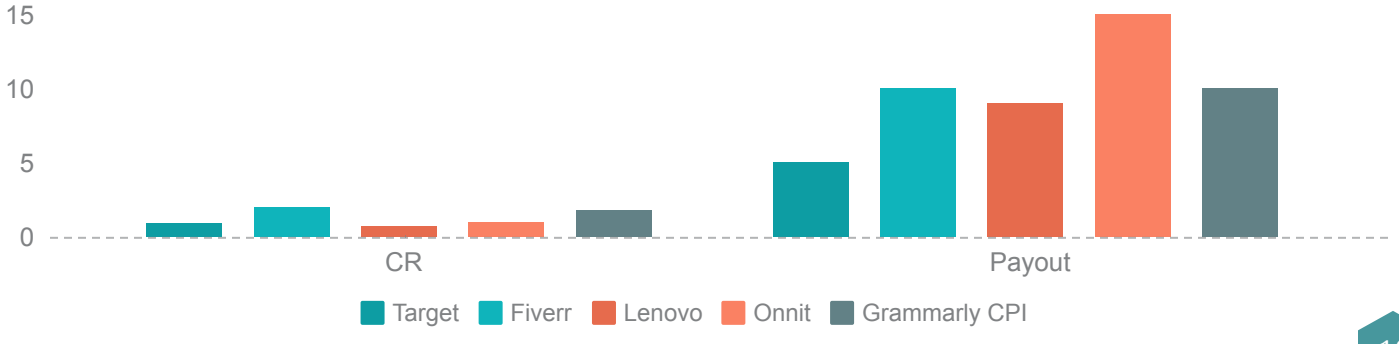
Fashion

CR and Payout of the most popular affiliate programs 2019



E-commerce

CR and Payout of the most popular affiliate programs 2019



Australia

General info

24.6m
Population

1.3 %
Average CR

71
Number of Advertisers

$1.8
Average Payout

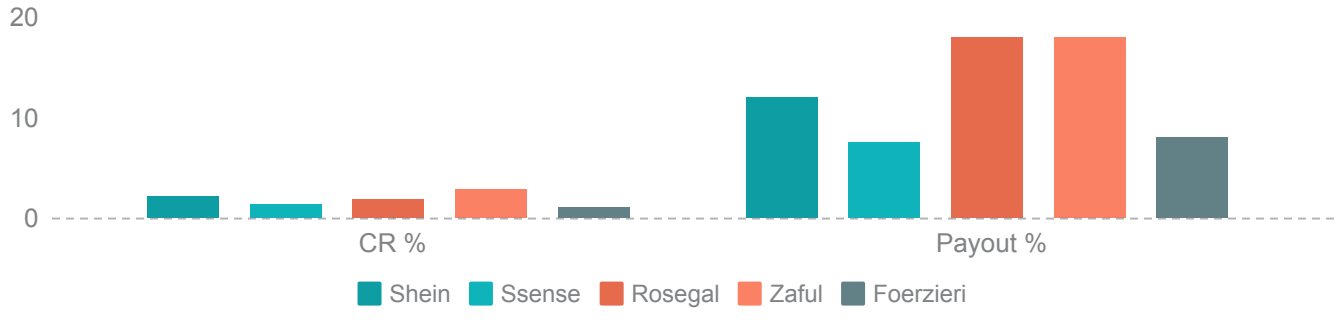
$0.03
Average ECPC

1280
Number of Publishers

Affiliate marketing has become an integral part of marketing activities in Australia with over 70% of the top 100 retailers now with an affiliate program and seeing up to 20% of their new customers coming from the channel. This growth led to the launch of Affiliate Summit APAC in 2018 – a much desired event for the region with many Australian advertisers, publishers, networks and agencies converging on Singapore.

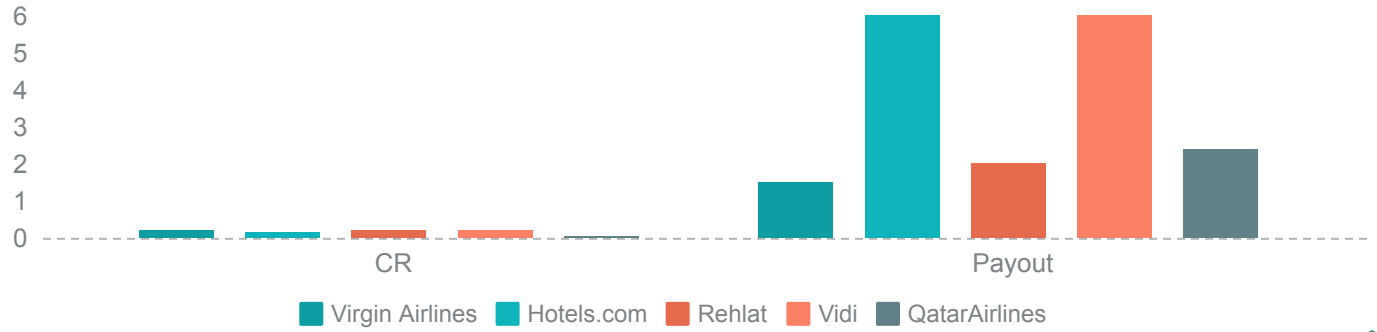
Fashion

CR and Payout of the most popular affiliate programs 2019



Travel

CR and Payout of the most popular affiliate programs 2019



Airlines

General info

564B
Annual spent

0.4 %
Average CR

7
Number of Advertisers

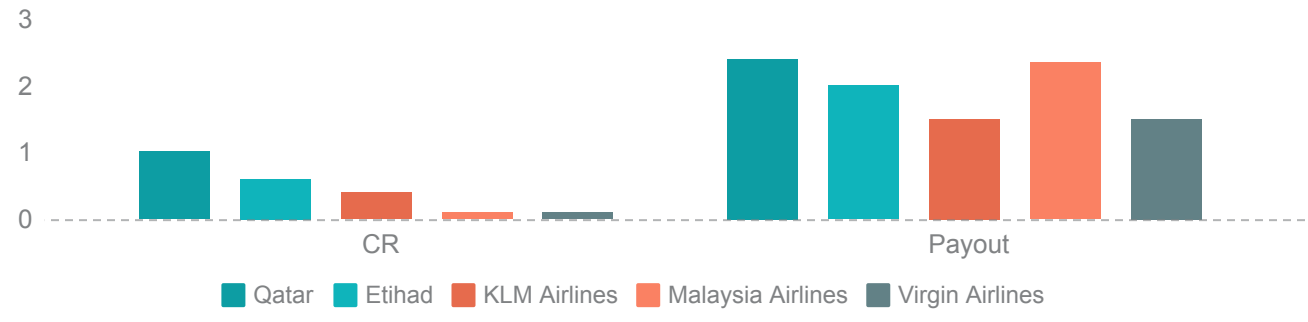
$9.3
Average Payout

$0.06
Average ECPC

701
Number of Publishers

Travel

CR and Payout of the most popular affiliate programs 2019



Key features of the travel niche:

- Low marginality;
- Long conversion window.

Low marginality in travel relates mostly to flight tickets, as you get 1.6% of the cost of the ticket price. In the "Tourism and Travel" category, finding higher rates is possible, too:When setting up an advertising company, it's better to focus on deep segmentation and narrow targeting. To do this, use the statistics of search queries from the Google keyword planner.

Always remember the long conversion window. The effect of arbitration in the travel niche arrives in about 3 months. Don't handle short-term events such as promotions of flight tickets, tours, etc. Because such proposals are short-term, in most cases you won't have time to pay back your investments.

Advertise in specific areas, such as countries and cities of departure or arrival. You can prepare in advance and provide h dvert r exa ut the New Year or Easter holidays.

Travel Services

General info

564B
Annual spent

0.6 %
Average CR

71
Number of Advertisers

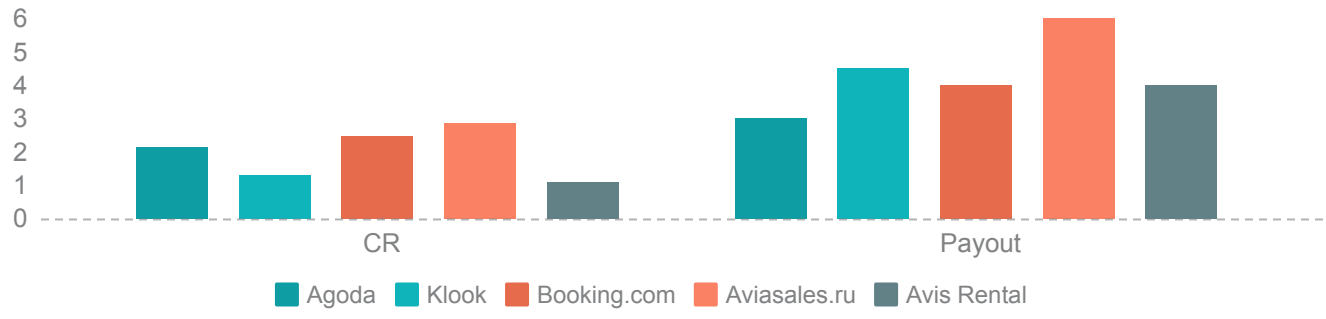
$6.7
Average Payout

$0.02
Average ECPC

6324
Number of Publishers

Travel Services

CR and Payout of the most popular affiliate programs 2019



$564.87 billion.

That's how much people spent on travel purchases online last year.

The travel industry is one of the world's largest and most enduring industries. Trends might come and go,but people will always need (and want) to travel for work and for pleasure.
Little wonder that across all the sectors, the travel industry contributes over $7 trillion to the globaleconomy.

With so much money being spent, the competition in travel affiliate marketing is tough.
Is it still worth promoting airline and travel affiliate programs? And if it is, how much can you actually make from the best affiliate programs in the industry?

Meet Indoleads Team

Indoleads.com is one of the leading affiliate platforms in South-East Asia. They have 500 CPS/CPL/CPA direct affiliate offers from over 60 countries around the globe. The main focus is APAC, LATAM, US and UK. White offers, transparency, and high payouts are their top priorities. Sign Up Now!

INDOLEADS unites **13 000+ active publishers** who generate **$4 000 000 sales monthly**

Sergey Gaydar, 36

Founder

Extroverted entrepreneur in Kuala Lumpur, motivated by achievement, growth, success and power. Frustrated by lack of capital and competition. Influenced by startup events, tech media, and investors.

Nanthoni Jacob, 30

Sales Director

Nanthoni is a key member of the agency's executive team, responsible for driving growth and efficiency across all capabilities and clients. She has earned a reputation in the industry for her ability to tackle complex challenges with an exceptionally high standard of integrity.

Durrah Sahari, 30

Senior Account Manager

Durrah is known for his impressive track record of success, commitment to culture and human values, and true strategic consultative approach.

Kateryna Zaika, 27

Senior Publisher Manager

Skype live: k.zaika_1

Kateryna's a visionary and dedicated PM with extensive executive-level experience in affiliate marketing and deep commitment to fostering a culture of inclusion and diversity.

Veronika Iver, 28

Senior Publisher Manager

live:publishers_32

Veronika is an energetic and innovative team member. She is passionate about our customer satisfaction, so she's known for her ongoing innovation and an optimized user experience for our publishers and partners.

Nik Shigov, 28

Senior Business Development

Nik oversees the Strategy and Insights team, responsible for helping brands capitalize. He and his team use the power of creativity to solve business challenges and act as a strategic business partner for our clients.

Thank you! Let’s talk and discuss your action plan!

Indoleads.com

publishers@indoleads.com