

AP REPORT

H1 2024 Performance Insights



REPORT METHODOLOGY

This report reflects [global client performance](#) for all Acceleration Partners clients in [H1 2024](#).

DATA SOURCE

The data used in this document is compiled from our [200+ clients](#) in [over 40 countries](#) to identify trends across the affiliate partner and influencer marketing ecosystem.

EXTERNAL CONSIDERATIONS

Our report includes a variety of data points and insights that highlight how [consumer buying behavior shifts](#) and [external factors](#) impact our clients and have the potential to shape our industry in the coming years.



EXECUTIVE SUMMARY

- TRAFFIC REBOUNDS:** Traffic saw declines in Q1, however started to rebound in Q2 as consumer sentiment and desire to buy grew. With the increase in traffic came a **24% Y/Y increase in conversion rate** which contributed to a **26% Y/Y increase in actions** and **double/triple digit revenue growth** across all 4 mega regions.
- VERTICAL VARIABILITY:** Performance across brand verticals varied due to a variety of economic and external factors. Notably, the **Beauty** vertical saw performance shifts in Q2 due to promotional events by major beauty retailers, while the **Home** vertical saw performance shifts from Q1 to Q2 due to the tough housing market.
- PARTNER TYPES & SAVINGS:** **Card-Linked Offer** and **Buy Now, Pay Later** partner types continue to show strong Y/Y growth as consumers seek to find new and more convenient ways to save money and stretch their dollars.
- THE IMPACT OF INFLUENCE:** Influencers continue to grow as a source of generating down funnel revenue, showing a **65% Q/Q increase in revenue** and **increasing Reach per Post by 33% Q/Q**.
- HOLIDAY PREVIEW:** **Holiday 2024 has several factors in play compared to last year that may impact when and how consumers decide to buy.** Factors include the US presidential election, a reduced # of shopping days due to Cyber 5 falling later than usual and finding what best resonates with holiday shoppers to encourage them to buy while they're paying close attention to their budget.



Affiliate Channel Insights

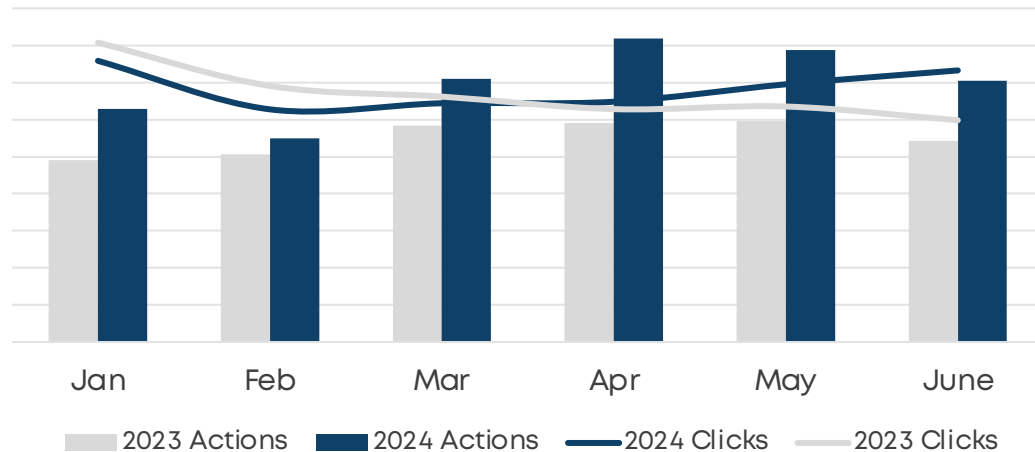


AFFILIATE CLIENT PERFORMANCE

OVERALL

+2%
CLICKS Y/Y

+26%
ACTIONS Y/Y



+27%
REVENUE



+24%
CONV RATE



-2%
AOV



-4%
ROAS



Conversion Rate Increase Drives Y/Y Action & Revenue Growth

Consumer sentiment and desire to buy is growing this year compared to last, as seen by the steady increase in Clicks and Actions Y/Y starting in April. Although the desire to buy is improving, consumers are watching their spending as noted by the **-2%** Y/Y decline in AOV.



AFFILIATE CLIENT PERFORMANCE

BY REGION

All regions saw Y/Y Revenue* growth, a signal that consumer sentiment is improving across the globe. EMEA and APAC both saw a Y/Y decline in Clicks for H1, however click traffic is rebounding as both regions saw an increase in Q2, EMEA up +10% and APAC up +6%.

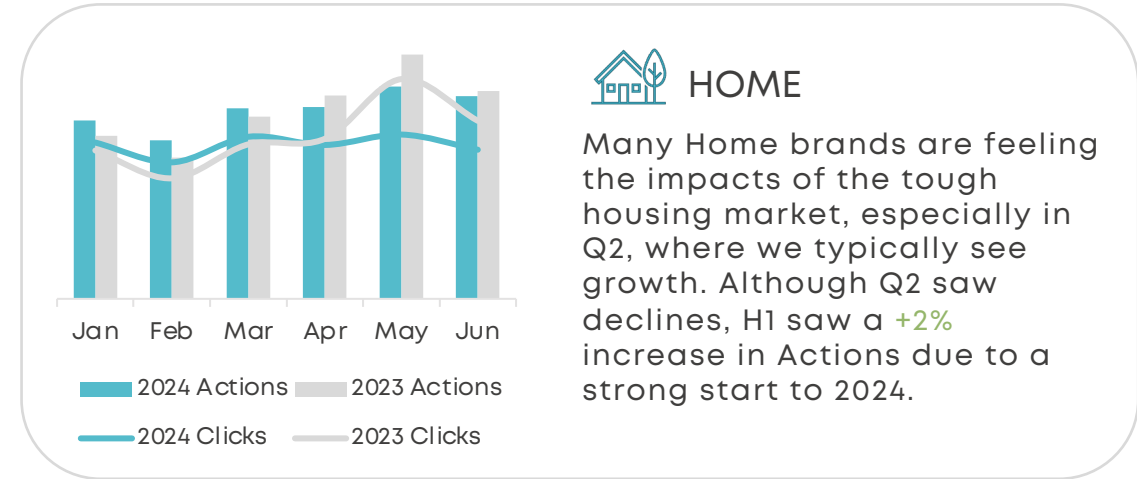
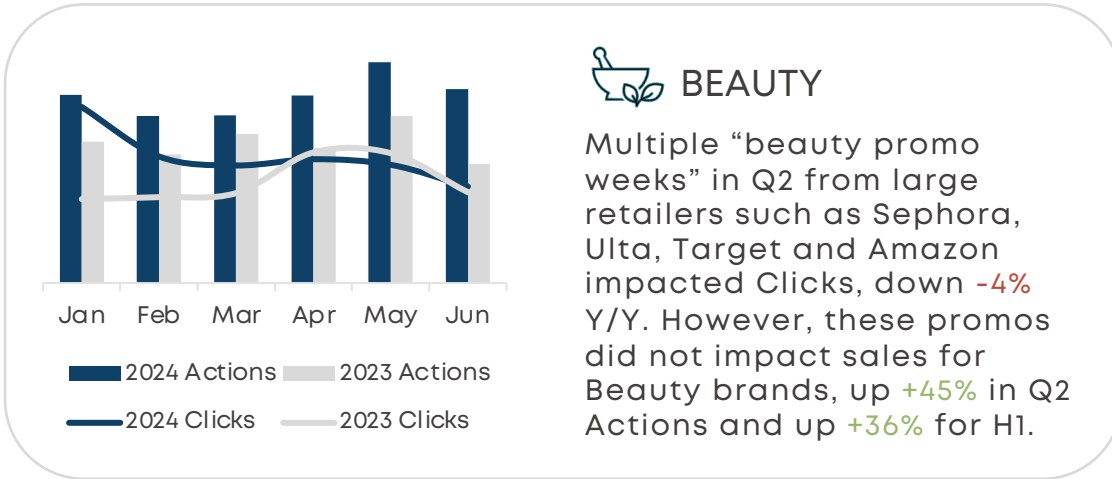


* Not all affiliate platforms share country of purchase. Growth metrics may vary from other metrics within this report.



AFFILIATE CLIENT PERFORMANCE

BY BRAND VERTICAL



APPAREL & ACCESSORIES

-6% CLICKS Y/Y

-4% ACTIONS Y/Y

B2B

+106% CLICKS Y/Y

+5% ACTIONS Y/Y

DEPARTMENT STORES

+7% CLICKS Y/Y

+33% ACTIONS Y/Y

FINANCE

+3% CLICKS Y/Y

+45% ACTIONS Y/Y

FOOD & BEVERAGE

+100% CLICKS Y/Y

+93% ACTIONS Y/Y

HEALTH

-16% CLICKS Y/Y

+51% ACTIONS Y/Y

SPORTS & RECREATION

+26% CLICKS Y/Y

+19% ACTIONS Y/Y

TRAVEL

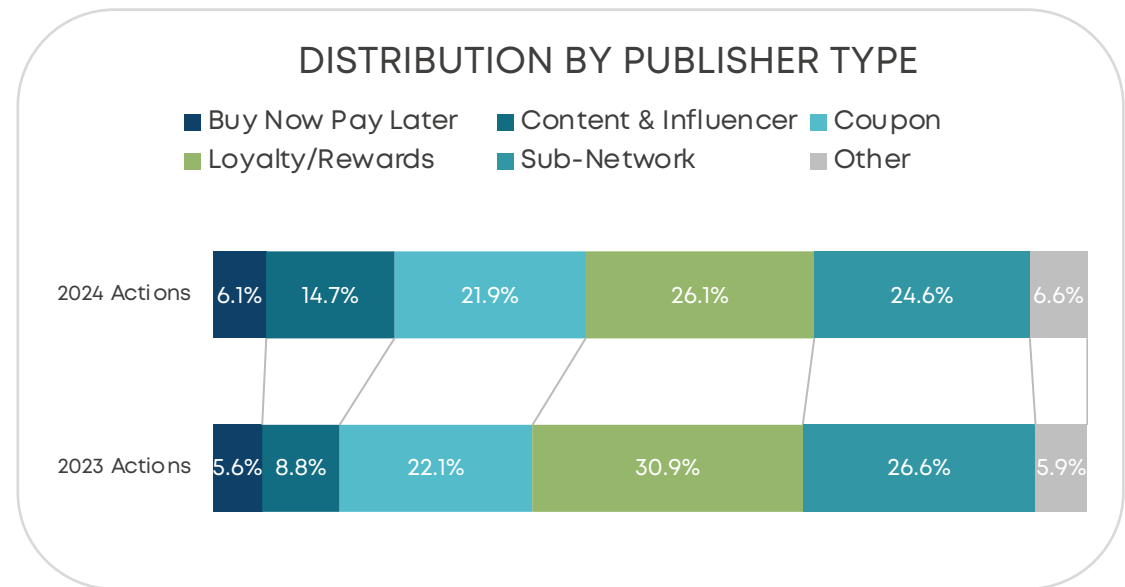
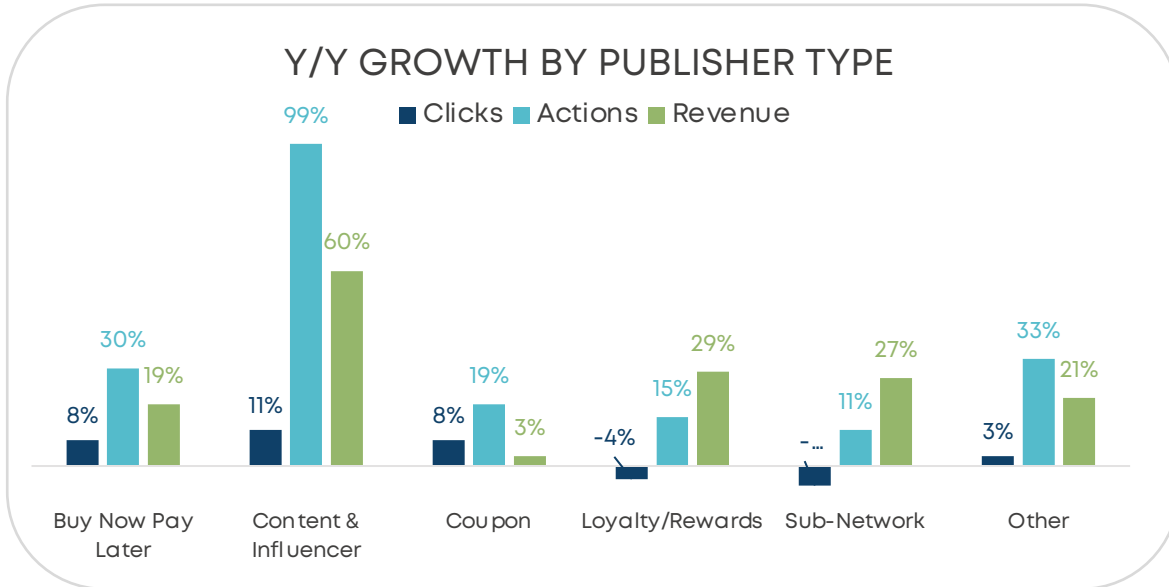
+57% CLICKS Y/Y

+42% ACTIONS Y/Y



AFFILIATE CLIENT PERFORMANCE

BY PUBLISHER TYPE



All publisher types had Y/Y growth in all performance KPI's, except for Loyalty/Rewards and Sub-Network, who had small Y/Y declines in Clicks.

Content / Influencer had the strongest performance and increased their contribution to total Actions by 6 percentage points Y/Y. This is primarily due to the increase in Creators working through the affiliate channel and strong performance from Mass Media partners.

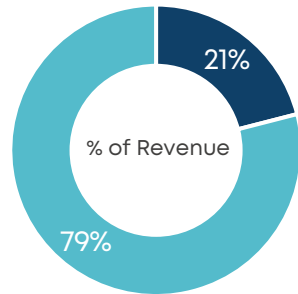


AFFILIATE CLIENT PERFORMANCE

RISING PARTNER TYPES

CARD-LINKED OFFER PARTNERS

■ Platform ■ Out of Platform

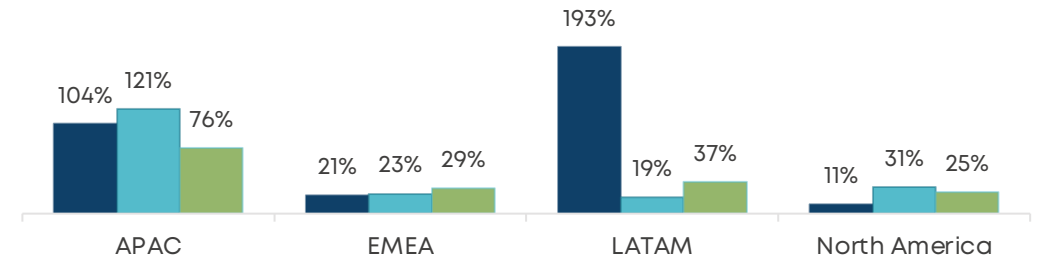


Card-Linked Offer partners generated \$24M* in revenue for AP clients in H1 2024, up over 300% Y/Y.

AP has exclusive partnerships with many Card-Linked Offer partners. Please reach out to your Account Team to learn more!

BUY NOW, PAY LATER PARTNERS

■ Clicks ■ Actions ■ Revenue



Buy Now, Pay Later partners continue to grow across all regions at a double-digit rate. We expect Buy, Now Pay Later partners to continue to grow as their market share as a payment method increases. Per an [eMarketer](#) survey, 11% of digital transactions are paid using Buy Now Pay Later.

A continuing trend from Q1, consumers are hyper focused on saving money and stretching their dollars. Discounts connected to credit/debit cards are fueling Card-Linked Offer partner growth, while deals made available by Buy Now, Pay Later partners alongside their payment service continue to gain consumer interest.

* Includes revenue from out of platform tracked partnerships, which are not included in AP's total client portfolio performance throughout this report.



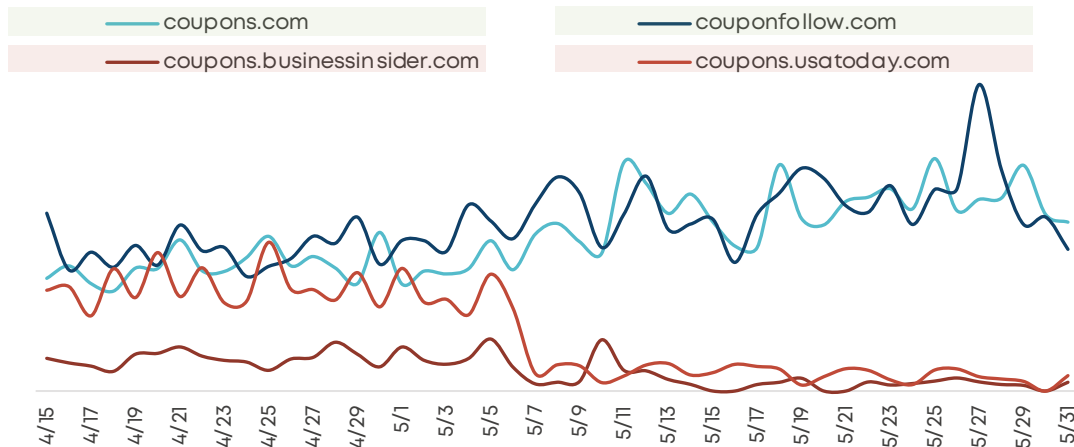
AFFILIATE CLIENT PERFORMANCE

GOOGLE ALGORITHM IMPACT

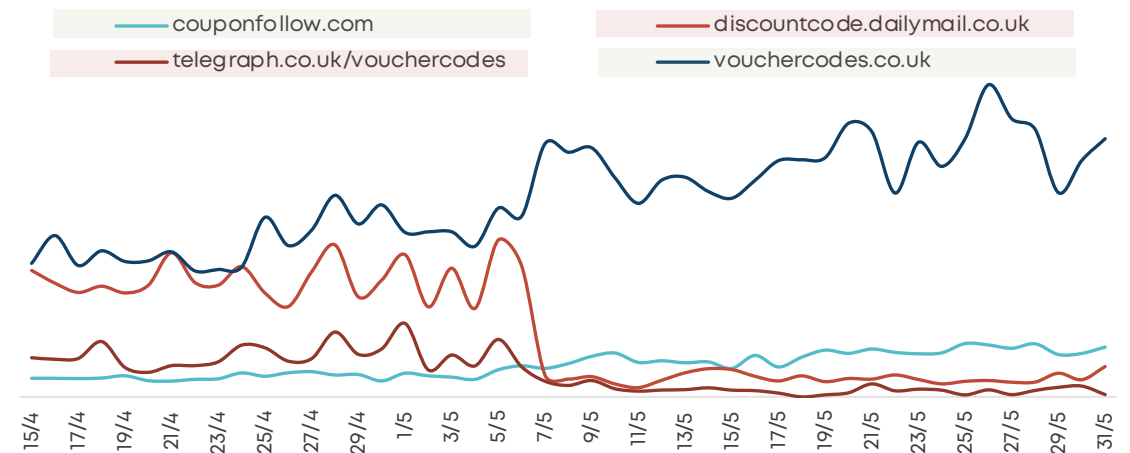
The second phase of Google's most recent [algorithm update](#) was released on May 5, focused on site reputation abuse. Google used "*news sites hosting coupons provided by a 3rd party*" as an example of site reputation abuse – which has been a growing partner segment through the affiliate channel over the last few years. Upon release, many of the coupon pages hosted on top major news sites were removed from search results and saw an immediate decline in traffic.

With this shift in search engine rankings for coupon terms, many traditional coupon partners saw their rankings and traffic increase.

EXAMPLE TRAFFIC SHIFTS - US



EXAMPLE TRAFFIC SHIFTS - UK



AFFILIATE CLIENT PERFORMANCE

GOOGLE ALGORITHM IMPACT

-38%

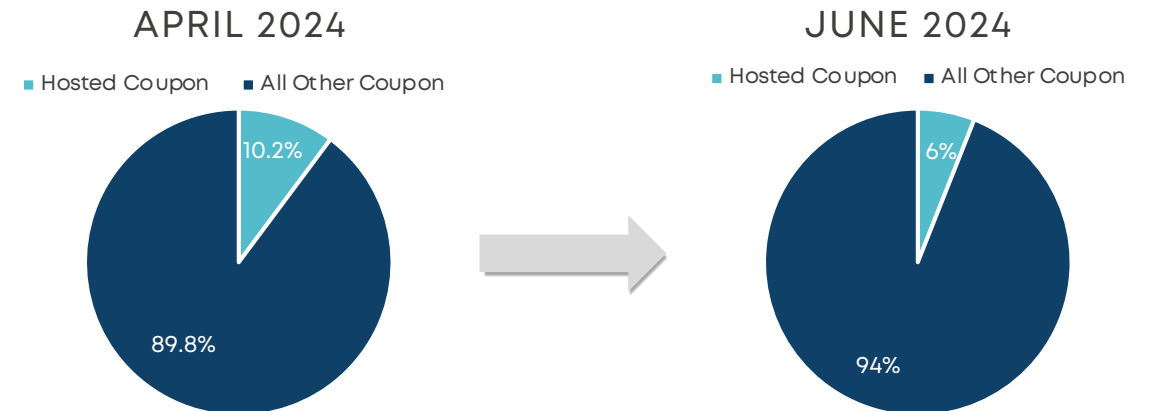
HOSTED COUPON
PARTNER ACTIONS

+50%

ALL OTHER COUPON
PARTNER ACTIONS

Although Hosted Coupon partners saw a significant decline Y/Y in total actions, all Other Coupon partners saw strong growth throughout Q2 2024.

Across AP's client portfolio, we saw Hosted coupon partners shift from 10% of total actions in April to 6% total actions in June.



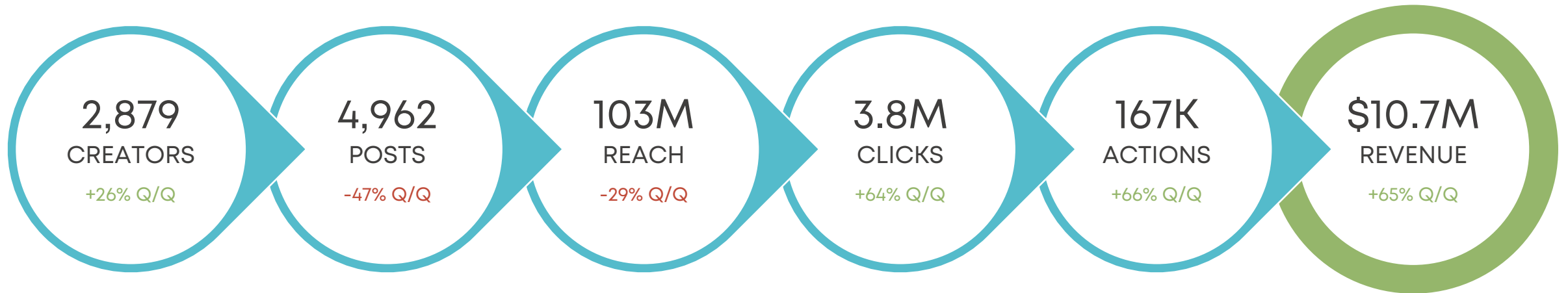
Influencer Insights



INFLUENCER CLIENT PERFORMANCE

GROWTH IN THE RIGHT PLACES

Full funnel affiliate influencer campaigns generated \$10.7M in tracked revenue in Q2, up **65%** Q/Q.



Affiliate influencer campaigns in Q2 were focused on optimizing relationships with influencer partners that are known to drive results through quality posts.



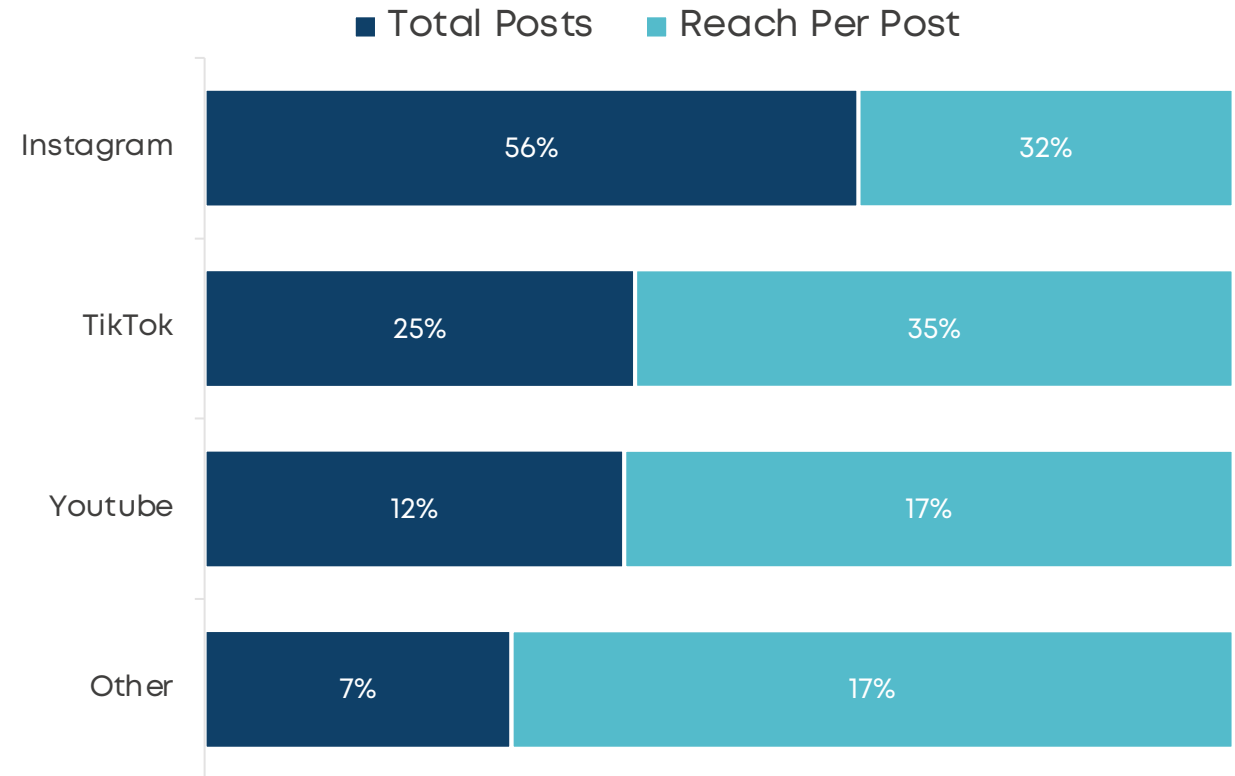
- Posts were down **-47%** Q/Q, however Q/Q Actions were up **+66%**.
- Average Reach per Post grew **33%** Q/Q, while average Click per Post grew **208%**.



INFLUENCER CLIENT PERFORMANCE

PERFORMANCE BY CHANNEL

Although Instagram is the top channel for volume of posts, TikTok, YouTube and other social channels have much better Reach per Post.



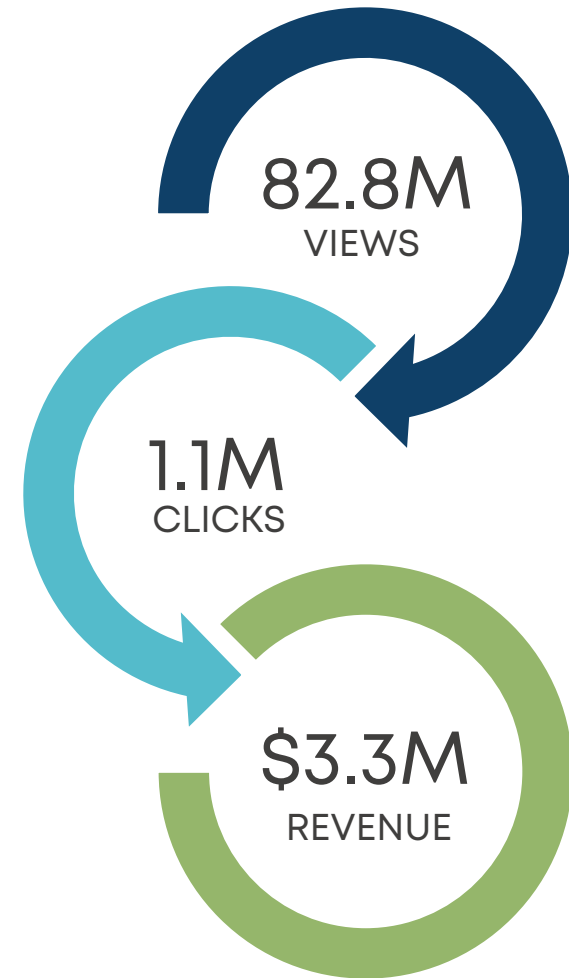
INFLUENCER CLIENT PERFORMANCE

PAID COLLABORATION PERFORMANCE

Paid collaboration campaigns with mid and macro influencers saw strong performance in Q2 across key metrics that drove performance and increased efficiencies.

13%
CONV. RATE
+83% Q/Q

\$39
COST PER ACQ.
-44% Q/Q



Holiday 2024

Expectations & Strategies for Success



HOLIDAY

HOLIDAY SHOPPING WILL LOOK DIFFERENT THIS YEAR

- Cyber 5 starts 5 days later
- Cyber 5 is split between November & December
- Key holiday shopping days decrease by 7

Cyber 5	2023	2024
Thursday (US Thanksgiving)	11/23	11/28
Friday (Black Friday)	11/24	11/29
Saturday	11/25	11/30
Sunday	11/26	12/1
Monday (Cyber Monday)	11/27	12/2
Key Holiday Shopping Time	2023	2024
Black Friday	11/23	11/28
Tuesday, Week Prior to Christmas	12/19	12/17
Key Holiday Shopping Days	27 days	20 days

EXPECTATION FOR HOLIDAY BUYING SHIFTS

With the late kickoff and reduced number of days to the key holiday shopping period, we expect to see shoppers start buying earlier compared to 2023, as they look to get ahead of potential shipping delays in December.

RECOMMENDED STRATEGIES

- Be aware of the condensed buying timeframe. Ensure shipping cut-offs and delivery time estimates are communicated on-site to holiday shoppers and through messaging to affiliate/creator partners.
- Capture early shoppers by running compelling offers and exclusive discounts that are similar to, or as strong as, Cyber 5 deals



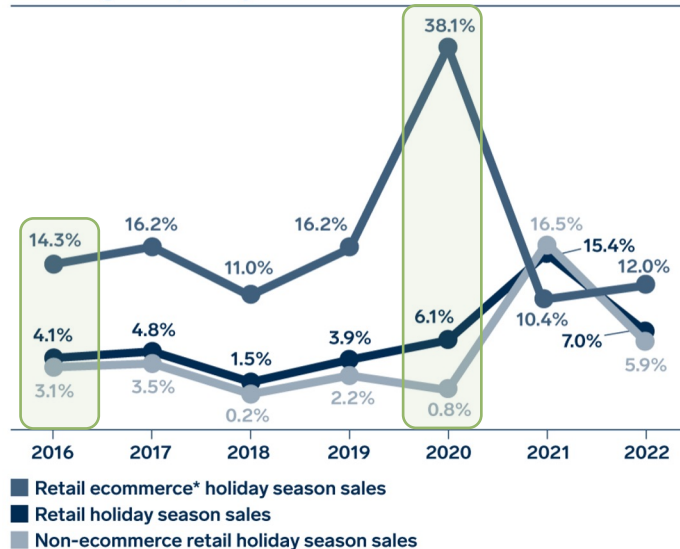
HOLIDAY

IMPACT OF THE US PRESIDENTIAL ELECTION

Per [Epsilon](#), the 2016 and 2020 US elections saw a **-6%** drop in Y/Y consumer sales during election week. However, overall holiday Ecommerce sales growth is typically not impacted during election years.

US Retail and Retail Ecommerce Holiday Season Sales Growth, 2016-2022

% change vs. prior year



2020 Ecommerce growth peak is due to consumers shopping from home due to the COVID-19 pandemic.

2020 AP Client Portfolio Election D/D Performance

-4% **-12%** **-10%**
 CLICKS ACTIONS REVENUE

D/D performance for the first Tuesday in November for surrounding years, 2019 and 2021, **orders are up 8%** on average and **revenue up 5%** on average.

RECOMMENDED STRATEGIES

- Help cut through the political ad noise by leveraging your affiliate & influencer partners to promote refreshing content about your brand. Focusing on healthy living, value, sustainability or any type of positive messaging about your products or service.
- Have strong promotions ready for your affiliate & influencer partners post-election to allow them to capitalize on the lift in expected holiday shopping.



HOLIDAY

PROVIDING VALUE TO KEY SHOPPER SEGMENTS

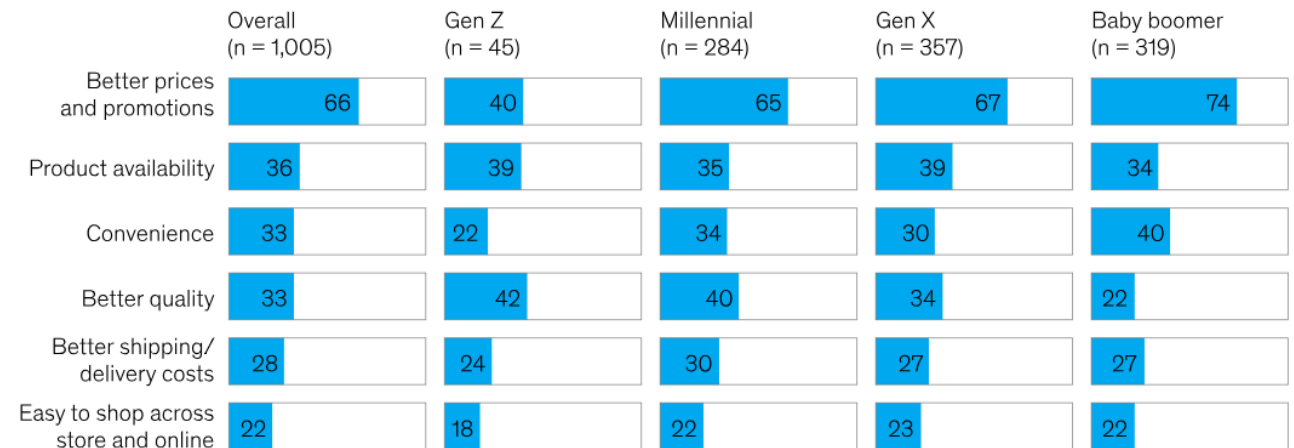
Although consumer sentiment is improving, holiday shoppers will still be watching their budgets – looking for discounts, low-cost alternatives and new ways to save.

RECOMMENDED STRATEGIES

- Ensure your pricing and promotional strategy is inline with or better than competitors, especially if your brand is targeting Millennials and older generations.
- Launch and optimize partnerships in Q3 with Card-Linked Offer, Loyalty/Rewards, and Buy Now, Pay Later partners to provide holiday shoppers with a balance of convenience and value.

Consumers' concerns are impacting their approach to holiday shopping.

Top shopping considerations in 2023,¹% of respondents selecting as top 3 consideration



HOLIDAY

ADDITIONAL ECONOMIC IMPACTS

2024 Holiday Predictions



\$160B

digital sales on Chinese apps outside China

Chinese shopping apps take market share



+97%

more in middle mile costs

Middle mile shipping puts strain on margins



3x

greater conversion rate from site search

Shoppers embrace AI to search for the perfect gifts



7%

Black Friday in store sales moving to online

Black Friday becomes Cyber Friday



2 of 5

holiday purchases from repeat buyers

Retailers tap loyal shoppers to avoid skyrocketing digital marketing costs

Salesforce released their 2024 Holiday Predictions on economic factors that may play a key part in overall global performance during the holiday season.



Thank You!

To leverage these insights,
contact your Account Director or
marketing@accelerationpartners.com

