



Choots Humphries

# Are You Tossing the Baby Out, Too?

by Choots Humphries

How many times have you said or heard that coupon sites add no value to your affiliate program? The general premise of this statement is that coupon sites *only* drive sales based on a user searching for a discount *after* the potential customer has entered the shopping cart.

To combat this effect, merchants generally choose either to eliminate coupon affiliates from their program, or significantly reduce commissions for coupon affiliates to reflect perceived value. However, shopping cart window data from a 2017 LinkConnector (LC) study strongly suggests merchants may be over discounting these relationships.

LC analyzed data from about forty of its merchants with shopping cart window functionality, which measures when a potential customer starts the checkout process in a shopping cart and then bases attribution decisions on this event.

Over a period of several months, the study found that 45.5% of the time coupon affiliates made the referral *before* the user began the checkout process. For these referrals from coupon sites outside of the shopping cart window, the average time between the referral and a completed sale was 4.01 days with a median time of 2.59 days.

This data suggests that sometimes coupon affiliates act in a manner similar to content sites by introducing a potential customer to a product or service in the early phases of the sales funnel. If a merchant is significantly discounting coupon affiliates or

eliminating them from their program, they run the risk of missing out on valuable referrals.

So, what *is* the solution for a merchant that wants to eliminate or minimize credit to coupon affiliates that are simply dropping a cookie during the checkout process? Attribution functionality is the answer, and the good news is, many networks have existing functionality to help merchants overcome this issue and stop throwing the baby out with the bathwater.

For any network that offers attribution options for its merchants, the easiest answer is to switch from last click crediting to first click crediting. This will ensure that other affiliates involved in the sales funnel will be considered for crediting before the last click that occurred during the checkout process.

Of course, this can be an over simplistic approach for many merchants, given that a first click attribution model has its own set of challenges—just like the last click attribution model. A more sophisticated attribution may be a better approach ignoring any clicks that occurred in the shopping cart window. This setup allows merchants to reward all affiliates (regardless of affiliate type) for awareness or consideration referrals in the top of the funnel, which tend to be the more valuable referrals. Attribution in such a manner rewards based on promotional type, not affiliate type.

Performance marketing is about rewarding value, so it continues and grows. By structuring a program in a manner to do so, merchants can work with *all* affiliate types to reward and encourage behavior beneficial to program goals. **FF**