

# UK Affiliate & Publisher Survey 2023

Publisher perspectives on the affiliate channel





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*In this report you'll find both hard numbers and anecdotal feedback, the quantitative sitting alongside the qualitative.*

## Introduction

You may have heard, but just in case you haven't, the affiliate and partner marketing channel is thriving.

Latest numbers from the Internet Advertising Bureau report strong double-digit growth, with eight prominent UK businesses tracking fees and commissions just shy of £1.1bn in 2022.

With return on investment figures that are the envy of other paid media channels, it's no wonder that it is attracting ever bigger budgets.

If you work in the industry, congrats. Your work punches above its weight for many of the metrics that matter to brands: average baskets, conversion rates, bang for your buck, even new customers.

Personally, I've always loved it because it doesn't matter how niche or specialised an advertiser is, there will always be an affiliate partner who is their perfect match. A publisher who shares their goals, audiences and ambitions.

And the pool of publishers brands can choose from is growing both in size and diversity. In the past few years, we've seen the industry embrace new tech offerings, influencers, shopping comparison solutions and fintech partners to rub along with the cashback, content and incentive stalwarts.

So, as we approach 2024, how do we judge the health of the channel?

It's one thing to see the overall good news as a massive pat on the back, but is the wealth being spread evenly across the whole diverse patchwork of publishing models? How are they embracing new tech? What do they like and dislike? And what would make their lives easier?

That's where this affiliate survey comes in.

It is a first stab at capturing what affiliates, publishers, partners (and I do ask which term they prefer) honestly think and feel.

In this report you'll find both hard numbers and anecdotal feedback, the quantitative sitting alongside the qualitative.

If you want to get under the skin of the UK's publishers, this report is for you. Thank you to the 180 who took the time to fill out the 27-question survey and to the networks and agencies who helped me get this out to their affiliate bases.

I hope there will be some nuggets that, at the very least, make you think about something you thought you knew, in a different light. That spark that helps you work more smartly and triggers a new idea.

Happy reading and here's to another successful year...

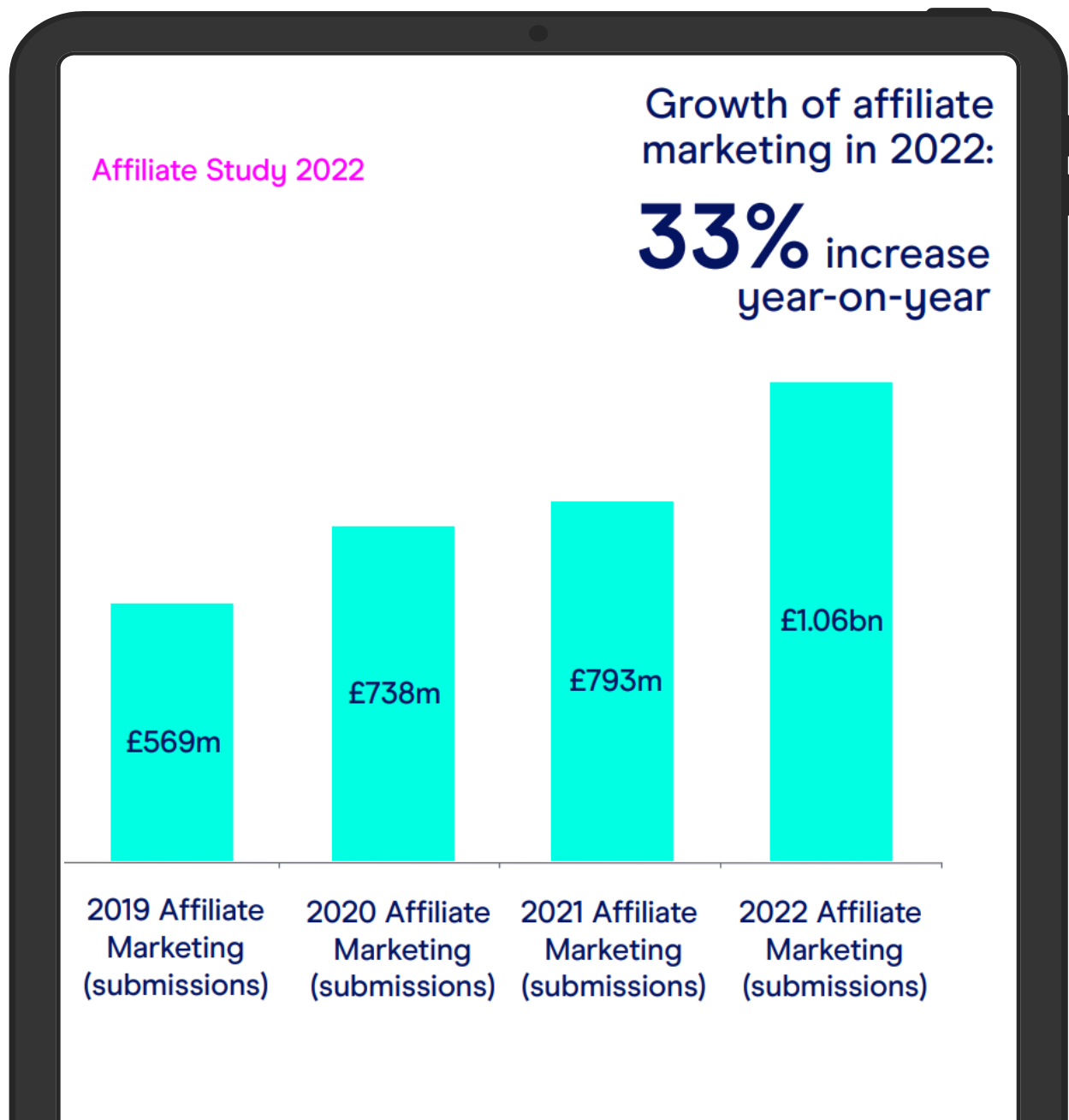
## An industry that keeps on growing

Every year the UK's Internet Advertising Bureau asks some of the largest affiliate networks and platforms to submit their commission and fees towards their annual Adspend survey. They then split that affiliate revenue out for us.

You can see the latest data, from 2022, against the previous few years below. Surprisingly, growth trumped that of the Covid years, perhaps boosted by the surge in inflation that automatically added 10% growth without anyone needing to grow their revenue at all.

The stats remain the only go-to 'size of industry' numbers we have, but in isolation they don't tell much of the ongoing affiliate story. They also don't account for a large chunk of performance that isn't captured by those networks (notably Amazon).

While this publisher survey didn't ask for businesses to submit their precise, individual commissions, it has attempted to provide a snapshot of the sheer range, scope and reach of publishers in 2023. And it's impressive, especially as this data is taken from just 180 companies who comprise a fraction of the UK's active publisher community.





## Publishers are an experienced bunch

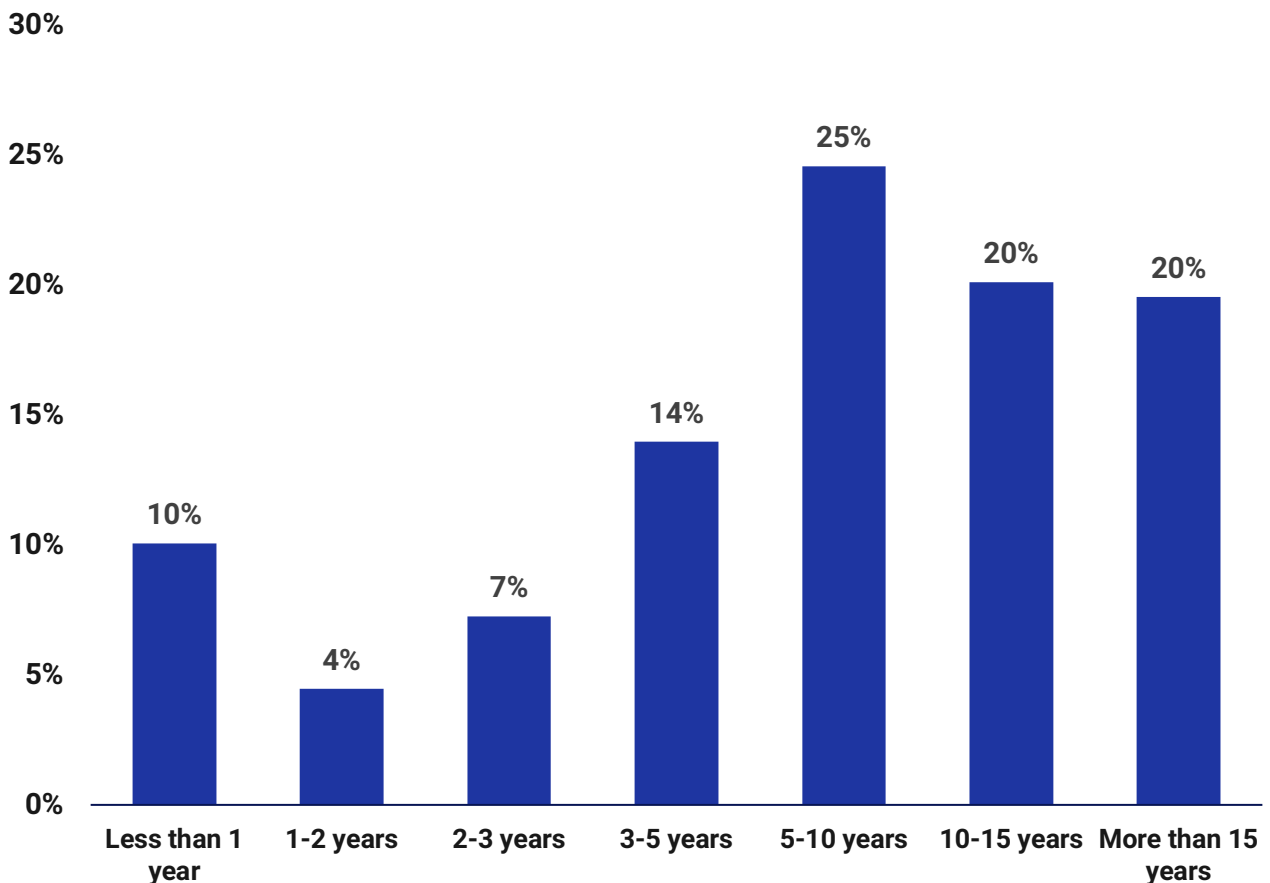
Knowing the expertise that brands and agencies can call on from their affiliate partners provides significant reassurance.

Data from the survey showed they're in safe hands.

Asked how long they (or the business they work for) have been an affiliate, two in three said more than five years, with 20% earning the badge of 'industry stalwart' thanks to more than 15 years in the game.

Unsurprisingly, the new kids on the block - influencers - had the least experience, reflected in the relatively recent addition of this marketing channel to the mix. Around half of those who identified as influencers have been doing it for less than 12 months.

While tech partner offerings may appear similarly recent, those of us with experience of working with them recognise them and their teams from their previous publisher incarnations, which provides the comfort to brands that they are tapping into significant expertise when they add to them to their programme mix.





## The publisher economy employs thousands

There is a prevailing myth that affiliates are part-time hobbyists. And while some definitely use it as a side-gig, publisher businesses are significant UK employers.

Our data showed that more than three-quarters of those responding to the survey have multiple employees, with 30% boasting workforces in excess of 50 people.

While data captured in the survey doesn't give us a precise average number of employees per publisher business, the ranges respondents could select show it is at least 52 and could be as high as 100.

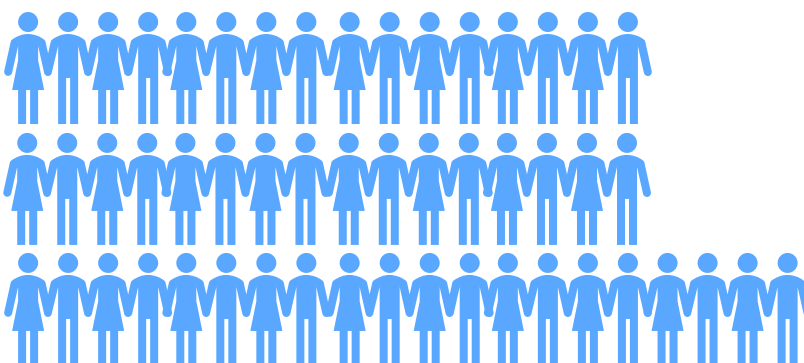
Many of them are thriving operations with large account management, product development and marketing teams, all geared to generating billions in revenue for UK brands.

What's more, we can have a stab at quantifying what their collective salaries amount to and are contributing to the UK's economy.

If we multiply the average salary of a British affiliate marketer (£43,000, Glassdoor, 2023), by the lower end figure from the survey of around 10,000 people employed by the respondents, they are collectively earning well in excess of £400m.

And that figure could be as high as £1bn.

Scale that up across the industry as a whole and the affiliate channel is a significant contributor to the UK's economic coffers.



52: average number of people per company



## Affiliate...? Publisher...? Partner...?

Now no one will say terminology is the most important issue facing affiliate marketers. But, as we know, words matter and the channel's relentless internal discussion about how we talk about ourselves shows no sign of abating.

So, rather than leave it to networks, agencies and brands, why not ask the group of people we're labelling to have the final say.

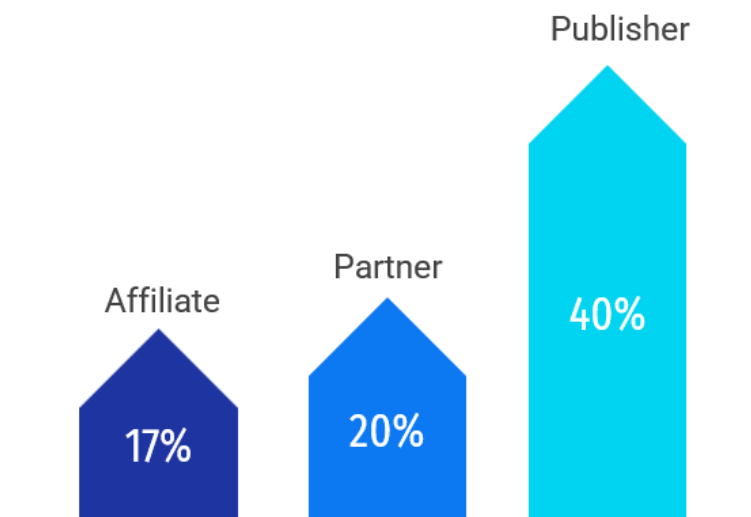
So, which is it? If you're a publisher do you recognise affiliate or do you feel partner is more reflective of the current way you do business with advertisers? Which do you prefer?

That, it would seem, depends on what your business does. 50% of tech solutions are adamant they're partners, which logically fits. They're partnering with brands (rather than promoting their own audiences) to offer technical plug-ins that help with on-site conversion or basket abandonment, etc.

However, the term partner does not resonate at all with editorial sites, bloggers and influencers, with fewer than one in ten opting for the term: publisher being the preferred option.

60% of voucher sites identified as publishers; 50% of cashback and loyalty sites agreed.

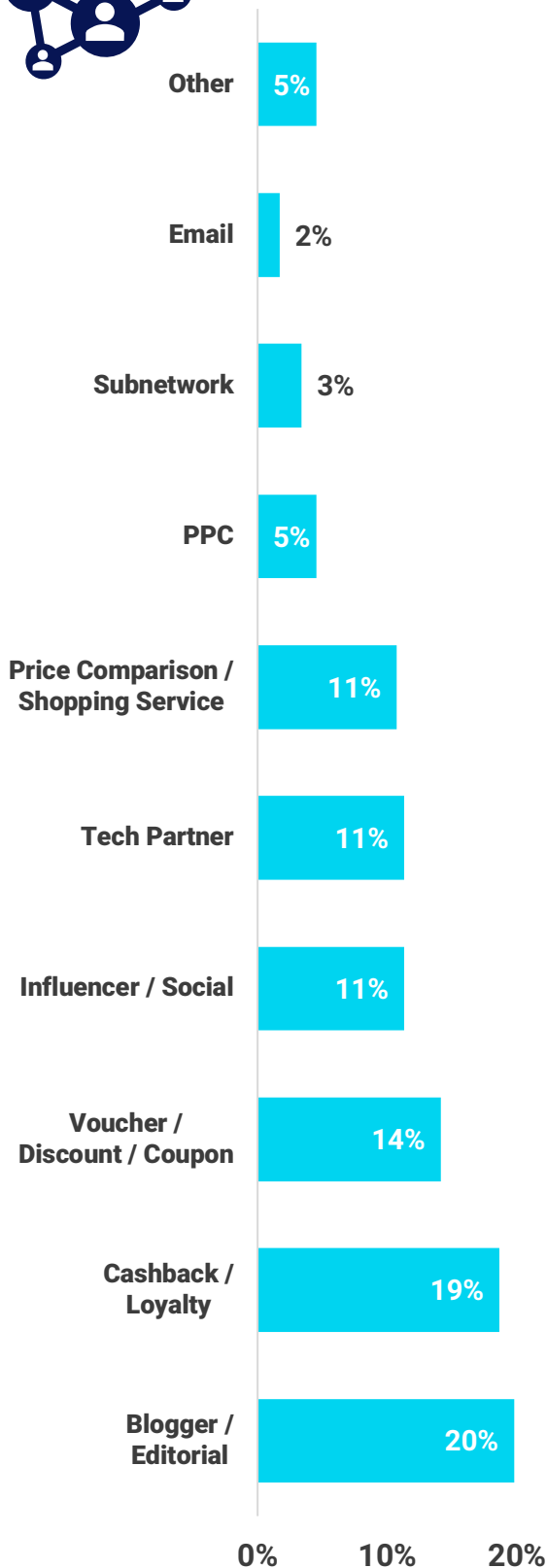
What may be most insightful, is not necessarily how few respondents preferred partner, but how affiliate is falling out of favour. Rather than cramming all activity into the new moniker 'affiliate and partner marketing', perhaps we plump for 'publisher marketing' and put the conversation to bed once and for all. (Or maybe not...).



**Sample: 179.**  
**13% said 'Don't mind', 4% said 'Tech Partner', and 4% said 'Other'.**  
**Numbers do not total 100% due to rounding.**



## The problem with categorisation



Sample: 178

Classic affiliate categorisation is used here to show the typical split of respondents, with the biggest cohort being bloggers and editorial sites.

There was no overwhelming bias towards one group of affiliates, so the dataset represents a pretty diverse mix of types from across the publisher spectrum.

The way we choose to classify affiliates is, however, problematic.

All networks and platforms will naturally require some element of categorisation: without it, reporting becomes impossible.

But affiliate classification is a problem with traditional reporting: at best it's misleading because it ignores the diversity of ways people promote, at worst it gives a false impression of what is happening within programmes, which can in turn lead to decisions based on flawed information.

Categorisation ignores the way a sale or click has been delivered (often bloggers will convert *with* a code, similarly, voucher sites often convert *without* a code being redeemed).

In each of these cases how would you classify the sale?

As the channel has grown, publishers have also become multi-channel brands in their own right. They don't just rely on a single way of driving a sale: instead, they pull on the levers of a whole host of marketing solutions, from social to blogs to email.

With that in mind, consider the 2% of publishers who identify as email affiliates and let's take a deep dive into the granular way publishers promote advertisers...







## We need to talk about email

Let's delve a little deeper into how publishers and affiliates are using email as a way of generating interest in advertisers' products and services.

When asked 'If you have an email database, and, if you do, how large is it?', two-thirds of respondents replied positively.

While they weren't asked what percentage of their traffic and sales are driven by their email efforts, it clearly remains an important channel for it to be used so ubiquitously.

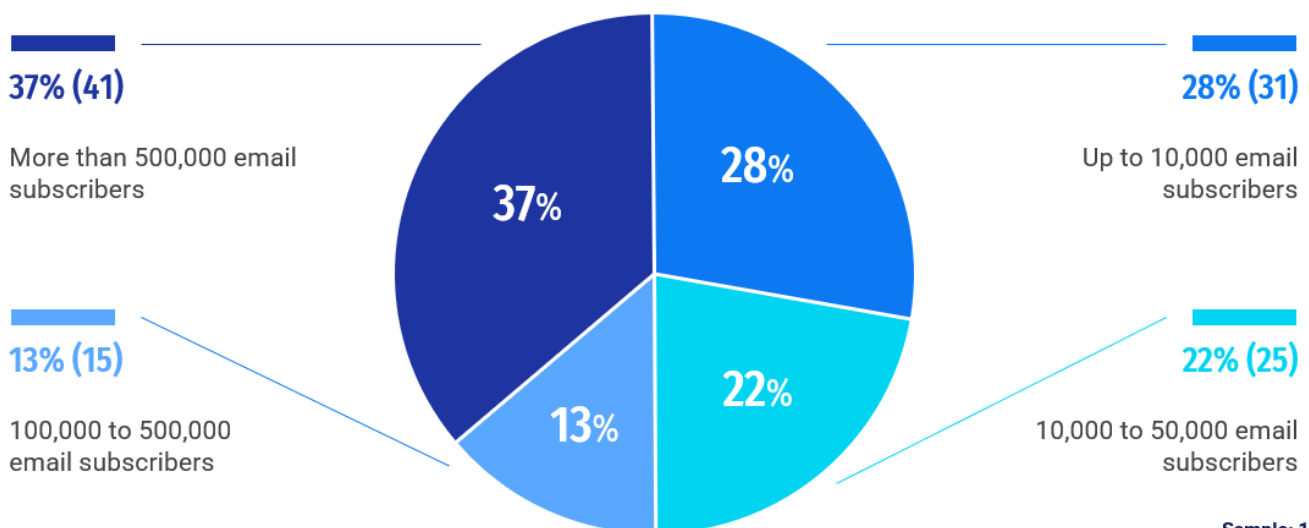
It's not possible to pinpoint an exact number of UK consumers who can be targeted through publisher emails via the affiliate channel - respondents were asked to select from a set of number ranges as shown below - but we can give a rough estimate.

One in four respondents (or one in three who use email for promotional purposes), can boast an email subscriber list in excess of 500,000.

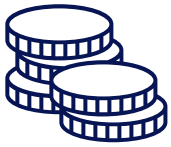
While there is undoubtedly double accounting to take into consideration where consumers are signed up to multiple affiliate lists, the potential addressable audience is in excess of 40m UK shoppers from our 180 publishers.

It is, therefore, worth asking for greater clarity on how email is driving revenue, especially when only 2% of our respondents identified as email-first publishers.

### Two-thirds of those who responded said they have email database subscribers to contact



Sample: 169



## Show me the money

Now we know a little bit about who our respondents are and how they're driving clicks and sales, what can we say about the amount of commission they're earning?

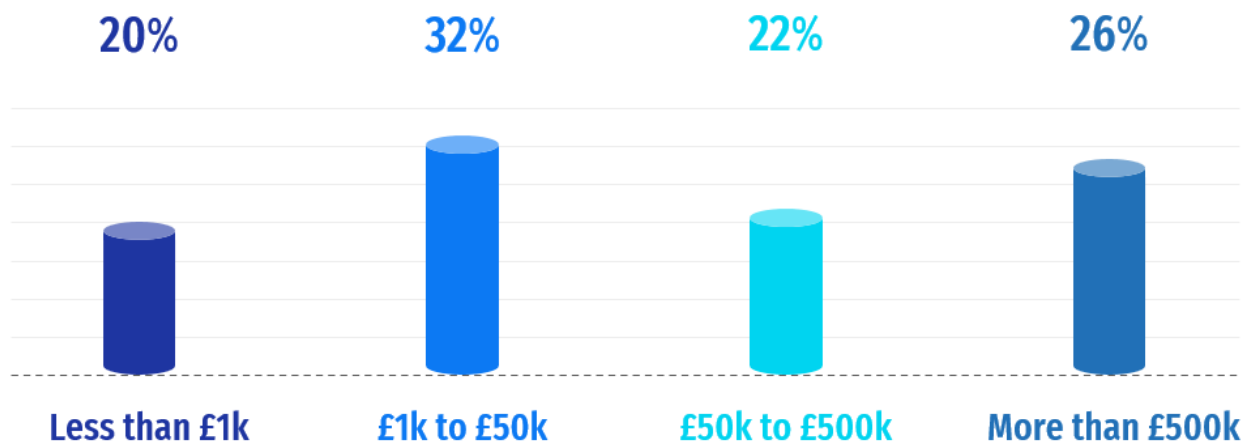
The question in this instance was how much do publishers earn, on average, per month. The largest contingent of respondents were people working for large businesses: one in four own or are employed by companies that turn over at least £200m a year.

Scaling up monthly earnings, we can also conclude that 50 of the 133 who answered are involved in multi-million-pound enterprises.

Looking at the data on a more granular level shows that 80% of influencers who responded earn less than £5k a month, which would indicate their work could be supplementary income: it is worth asking next year whether their affiliate marketing activity is a full-time job or a side hustle.

Unsurprisingly, given how long and well established they are as part of the affiliate marketing landscape, a majority of voucher and cashback sites track at least seven-digit commissions every year.

Half of the tech companies responding (seven from 14), also pulled in more than £1m in commissions last year, proving the effectiveness of the tech to drive sales, while often operating on different cookie overwriting rules to most other publishers. They have quickly established themselves as an important part of the affiliate marketing ecosystem.



### £250m

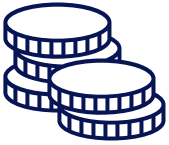
Collective commissions scaled up across the year are at least £250m

### Multi-£m businesses

50 (30%) of the companies are multi-million-pound enterprises

### Influencers

Half the influencers earn less than £50k a year, but 1 in 10 earn £1m+



## How important is affiliate marketing... to affiliates?

It's probably fair to say that many agencies, networks and advertisers assume that publishers earn pretty much all their revenue from the affiliate channel.

But how does this assumption stack up? The next question our 180 were asked was what percentage of their ongoing earnings are drawn from their affiliate and partner marketing activity.

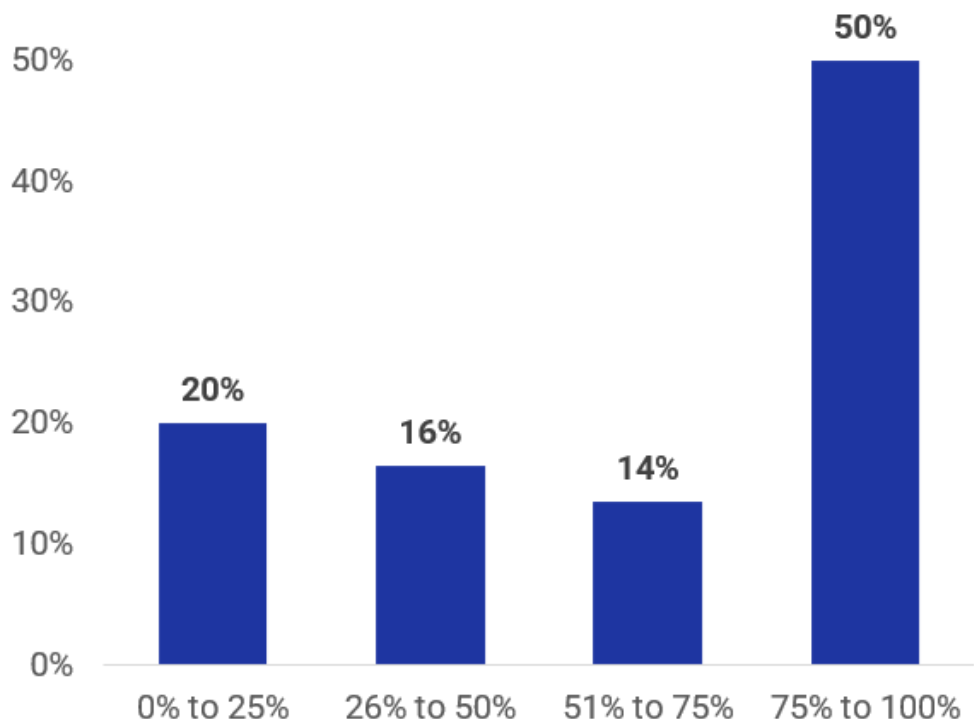
It may surprise people that one-third of publishers draw 50% or less of their revenue from affiliate marketing and for one in five it is less than a quarter of their income. By contrast, for half it is between three-quarters and their entire revenue.

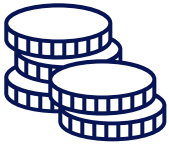
Almost 40% of bloggers and editorial sites generate a quarter or less of their revenue from the affiliate and partner channel.

For the major affiliate types, price comparison is most reliant, and influencers the least, with almost two-thirds of the latter tracking 50% or less of their revenue from the channel.

All of this indicates that, when we work with publishers we are competing with other channels for their attention. They do not have an exclusive relationship with the channel and are diversifying their revenue. It is for networks, brands and agencies to convince them to invest more. Those earning 25 to 50% saw the lowest year-on-year growth; those earning 75%+, the highest. What can we read into that?

*We talk about wanting to capture a bigger share of brands' marketing budgets: what about a campaign to capture more publisher revenue?*





## Payment types over the past year

For a channel still predicated on an overwhelmingly last-click cost-per-acquisition payment model, the diversity of payments that our 180 publishers received in the past year is surprisingly diverse.

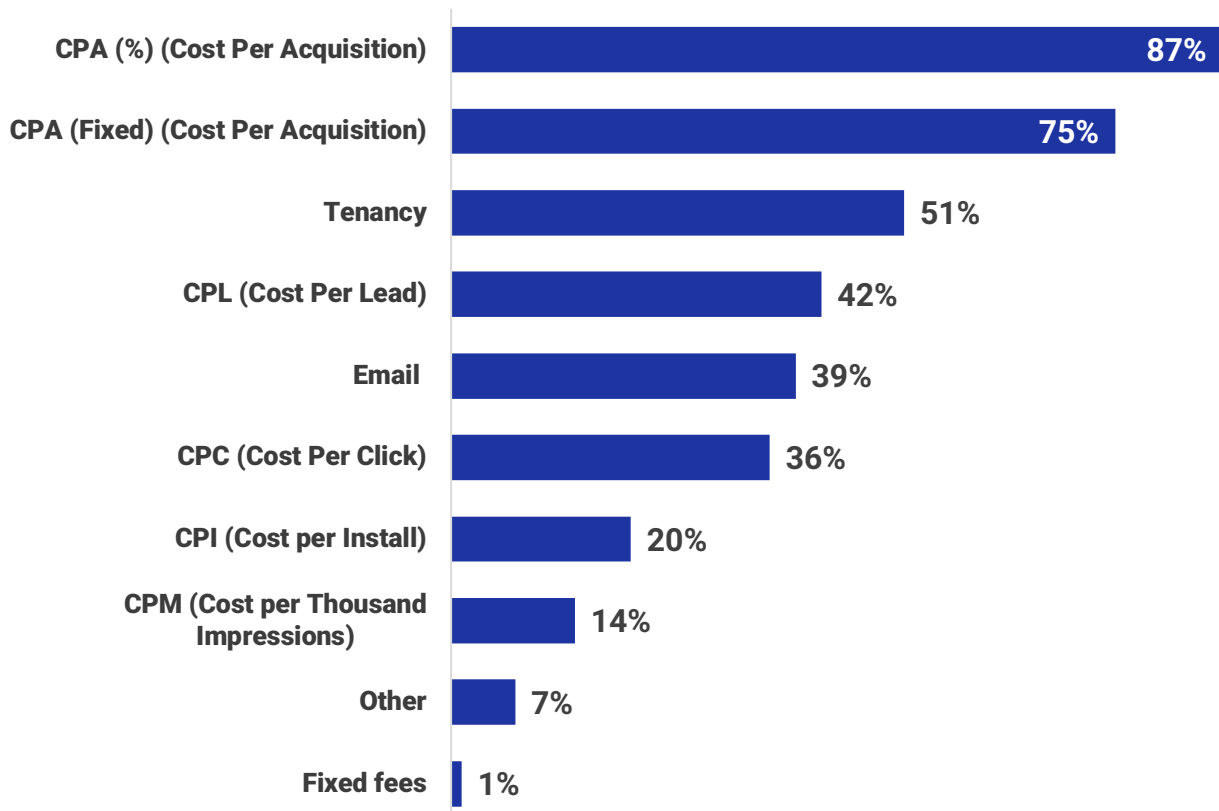
It's logical that CPA (both as a percentage of basket and fixed fee per transaction), should come out on top, but tenancies are enjoyed by a small majority.

In keeping with our earlier findings about email, publishers are monetising the function, with four in ten earning revenue off the back of their email sends.

Cost per lead is still popular, despite a drive towards harder, performance orientated payments and, with little fanfare, one in five have been rewarded for mobile cost-per-installs.

That publishers have been rewarded in such a variety of ways indicates how they've adapted their propositions to offer advertisers a range of options in targeting consumers across devices and at different stages of the purchase cycle.

It is for publishers to demonstrate through their outcomes how effective they are at driving customers across all these payments.





## To pay or not to pay

The past couple of pages have dealt with commissions and payments, but what happens when an advertiser stops paying?

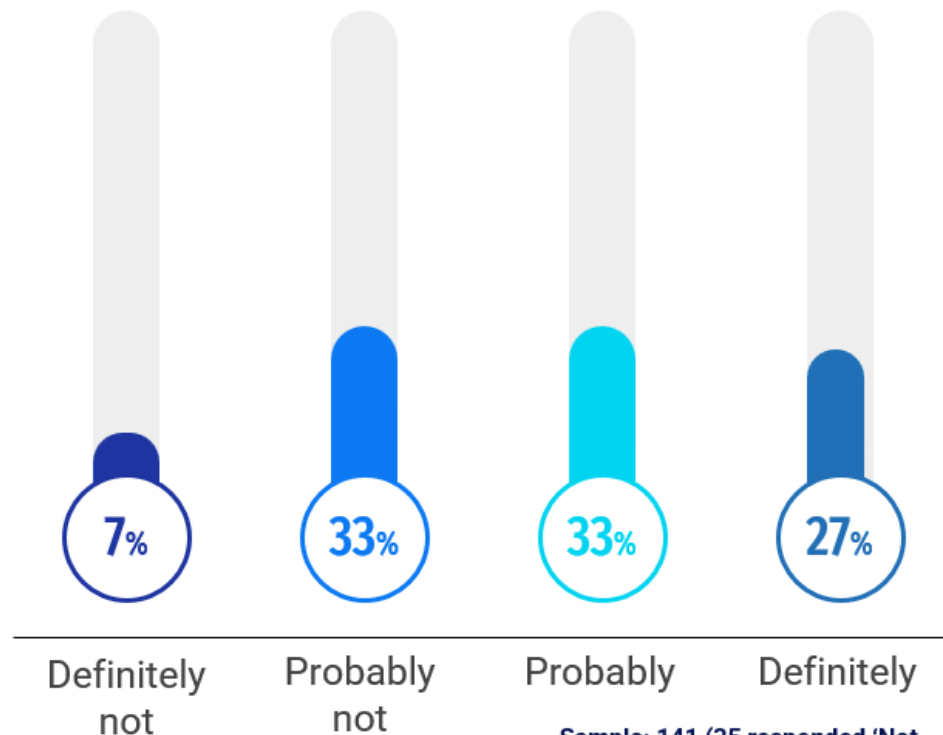
Zeroing commissions, at certain times or on certain products, while not commonplace, exists and remains a perennial bugbear of publishers.

The survey asked, 'Would 0% commissions stop you promoting a brand?'. And the results show that it will almost certainly lead to a diminished affiliate programme, with just over a quarter saying they would definitely quit pushing an advertiser who made this move, a further 33% saying they probably would stop.

Yet publishers who are unhappy about the practice continue to promote the advertisers who pursue it. That said, perhaps programmes with zero commissions are being shunned and we have little public insight to show how negatively impacted campaigns are. A 'before and after' analysis would be useful here.

The warning, however, is clear for advertisers who pursue a zero-commission policy: publishers may ultimately shun them, restricting the size and growth of their affiliate programme.

*Advertisers who pursue a zero-commission policy may see publishers shun them, restricting the size and growth of their affiliate programme.*



Sample: 141 (35 responded 'Not sure' and have been removed).



## To pay or not to pay

One additional insight that emerged from the zero commissions question came when the data was drilled down by affiliate type.

Isolating the data for bloggers and editorial sites, shows a clear indication that these publishers expect to be rewarded for their contributions to driving sales.

60% indicated they were probably or definitely likely to spend their time, effort and resource elsewhere.

This should ring alarm bells for advertisers who pursue this policy, as these are the exact types of publishers that brands often identify as those that they want on their programmes.

Perhaps specialist affiliates who focus on building content, rather than just harvesting as many inbound links as possible through SEO, have to be more particular about which brands they promote. Given these publishers tend to be smaller, they also need assurances that any upfront investment is fairly rewarded.

The situation is summed up in the comments section of the survey, with one content publisher simply concluding, “stop paying rubbish rates for existing customers!”.

*“Stop paying rubbish rates for existing customers!”*





## Fair rewards for fair efforts?

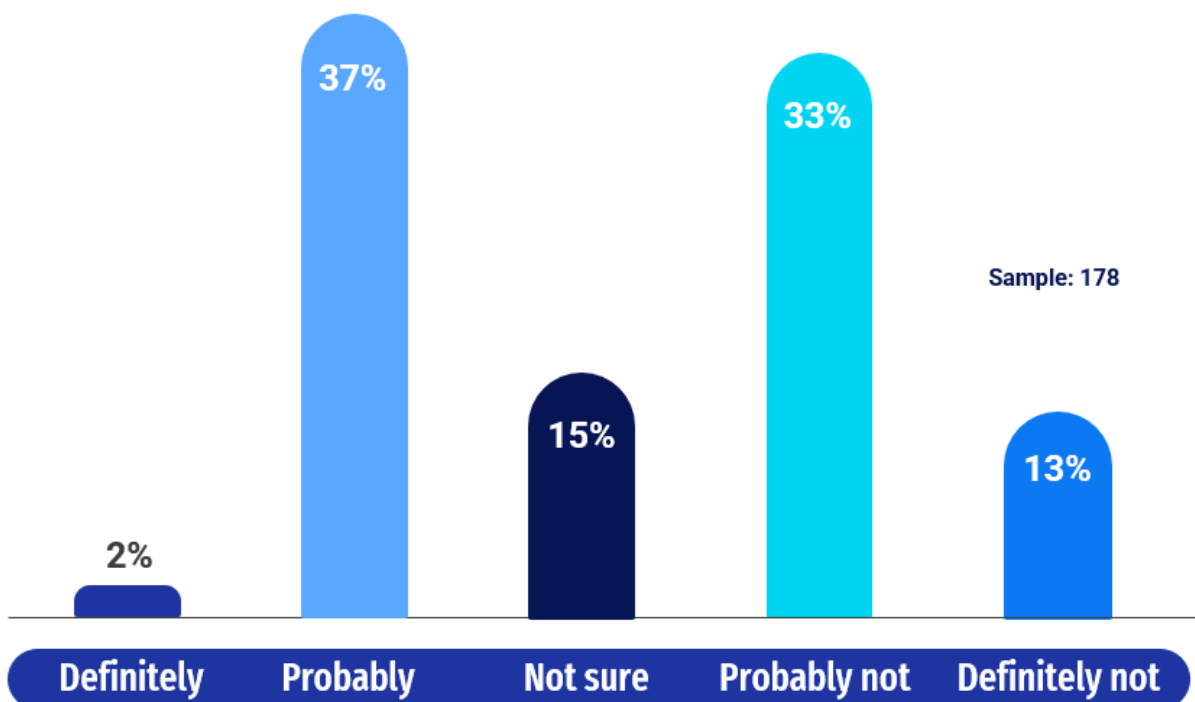
Questions about zeroing commissions inevitably focus minds on whether publishers feel they are fairly rewarded for their efforts.

That formed the basis of another survey question, 'Do you feel that advertisers, in general, pay fair commissions for sales you generate?'. The data, at a top level, is inconclusive. The biggest tranche of respondents feel they 'probably' do, coming in at 37%, but the next largest, at 33%, think they probably don't.

What is clear is there is very little enthusiasm for the idea that advertisers are definitely fairly rewarding with just one in 50 respondents indicating this, versus around one in eight who are adamant they're not being adequately compensated.

The last available return on investment numbers for the affiliate channel from 2017, show a figure of around £16 generated for every £1 spent, more than double the return from spending on Google ads. Our channel accounts for more than 10% of UK retail sales, but only 4% of marketing spend, which shows that it punches way above its weight, but does that come at the expense of not paying fair rewards for sales generated?

With budgets being squeezed, commissions can be first on the chopping block, but is there a point at which publishers will start to pull back on specific activity as it doesn't financially stack up?





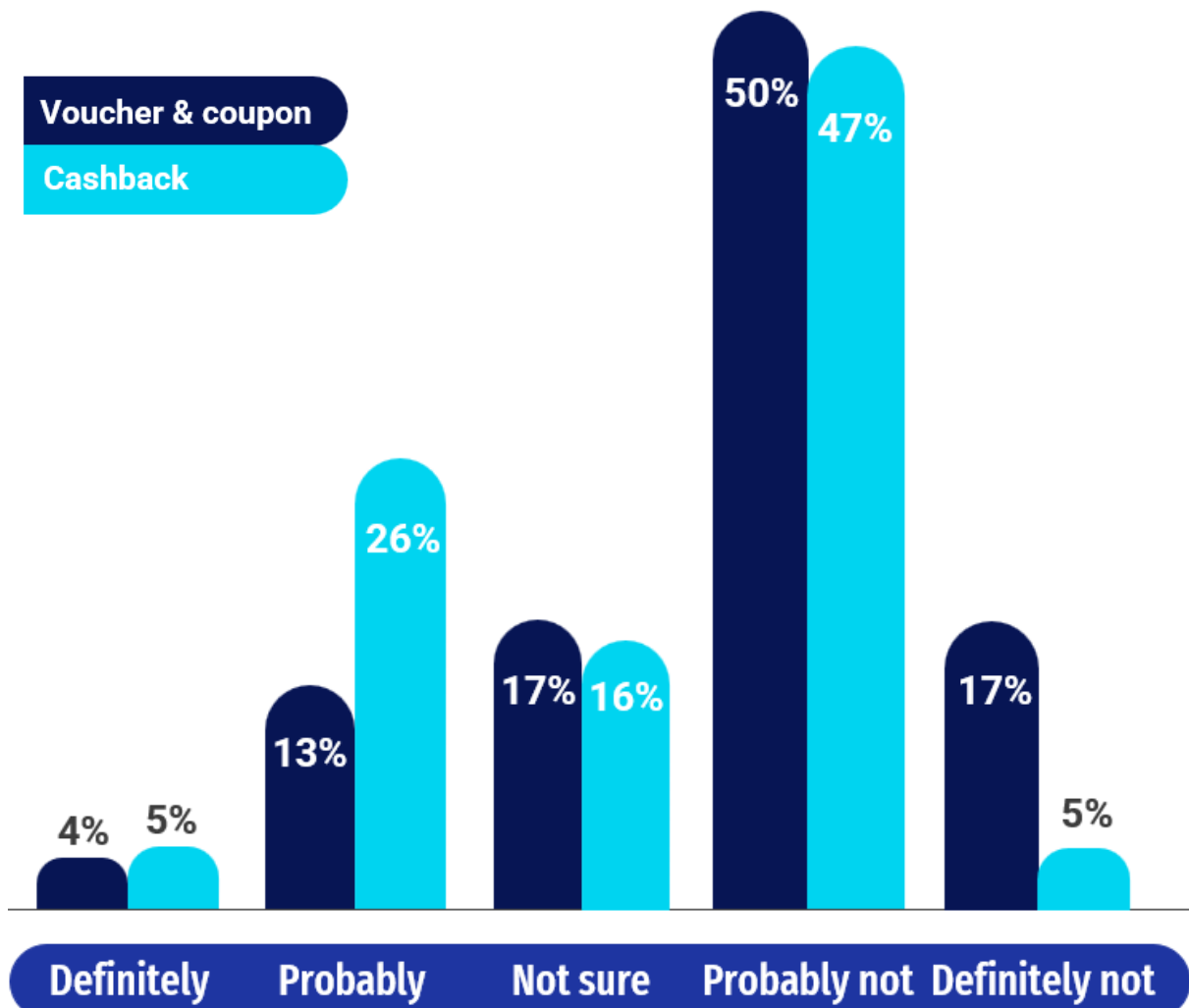
## Fair rewards for fair efforts?

Where the data starts to get interesting is when it is separated out by the two major incentive publisher types, voucher and cashback sites.

When asked the same question about whether commissions match efforts, publishers in these categories are far clearer in their dissatisfaction, especially voucher and coupon companies, with two-thirds of them having a negative view, a small majority of cashback sites feeling the same.

It is important to note the datasets are still fairly small but voices from many of the major players in the space were represented.

The results of the survey seem to support general advertiser approaches: if making cost savings, reducing commissions here has the biggest impact and, as earlier data shows, these publishers may be most resistant to pulling their links.





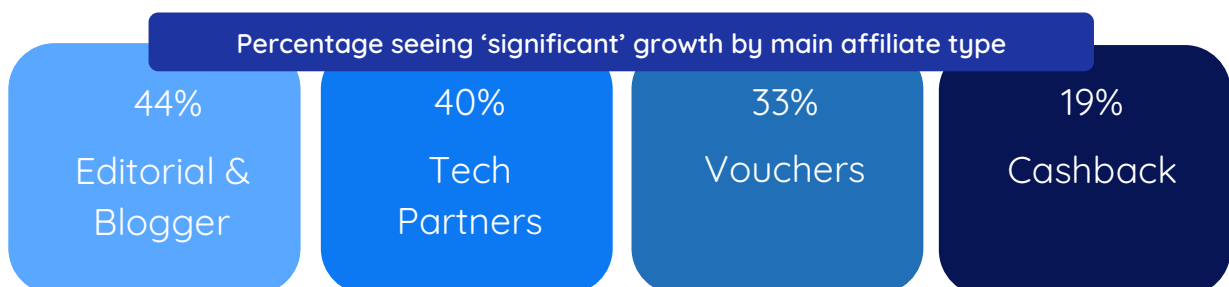
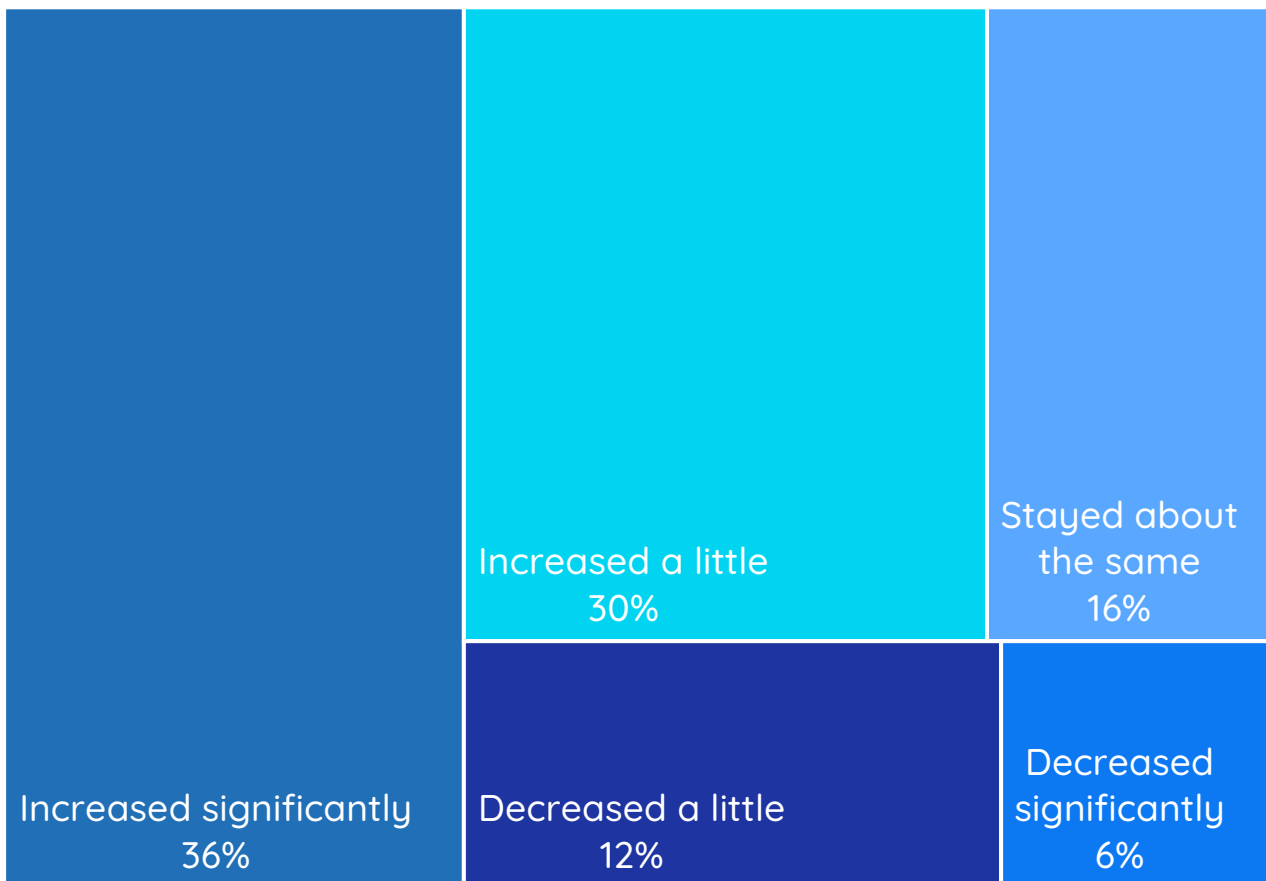


## How important is affiliate marketing?

We asked the general question, whether affiliate commissions had changed over the past year.

The biggest cohort, 34%, said it had increased significantly, another 28% saying commissions had increased a little. Only 17% reported a drop.

Breaking the data down shows editorial and tech companies posting the highest year-on-year hikes, but even cashback - experiencing the lowest growth from any of the major affiliate types - still saw 19% of respondents witnessing significant growth.





## How important is affiliate marketing?

We're living in straitened times, and while inflation is falling, that still means average household budgets are under strain.

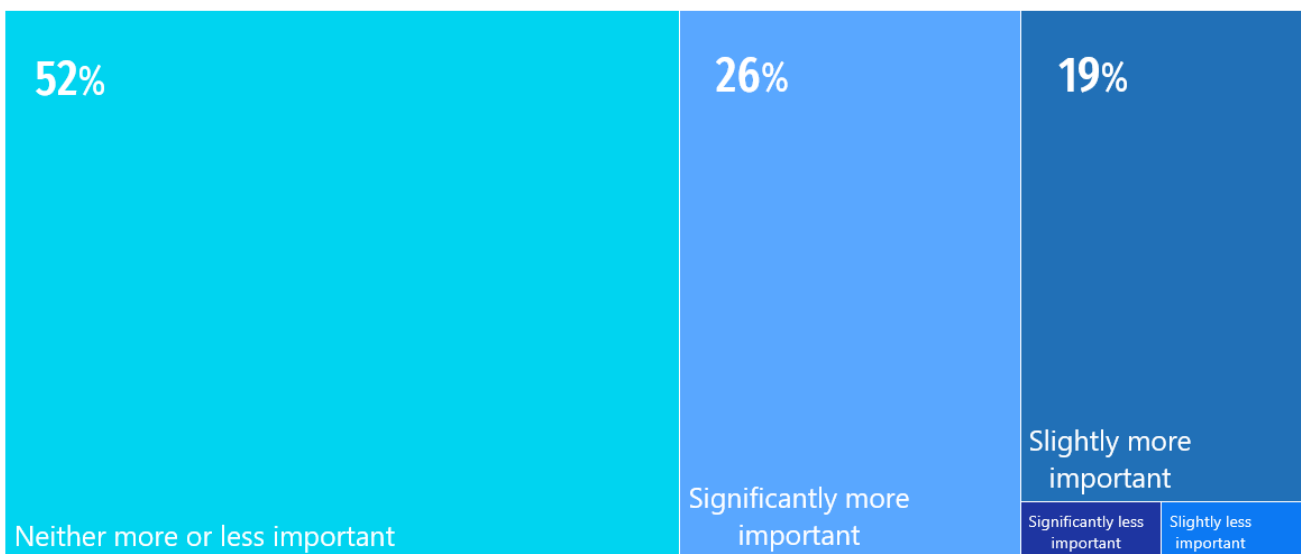
It is therefore logical to assume that, in a bid to save money, consumers are seeking out the best deals and prices: natural affiliate marketing territory.

As mentioned at the start of this report, the channel is witnessing impressive growth, so we wanted to find out whether that was translating into how publishers feel.

We asked whether they felt that the affiliate channel had become more important considering the cost-of-living crisis, as more consumers find their content and make use of their services.

One in four feel it has become significantly more important, compared to just 1% saying the opposite. While the biggest response was there had been little change, the net benefits of those replying positively is reflected in general channel growth.

We can potentially conclude that these more muted numbers, compared to just a straightforward question about general growth, show the cost-of-living crisis is not the primary reason publishers believe they are growing.



Sample: 175



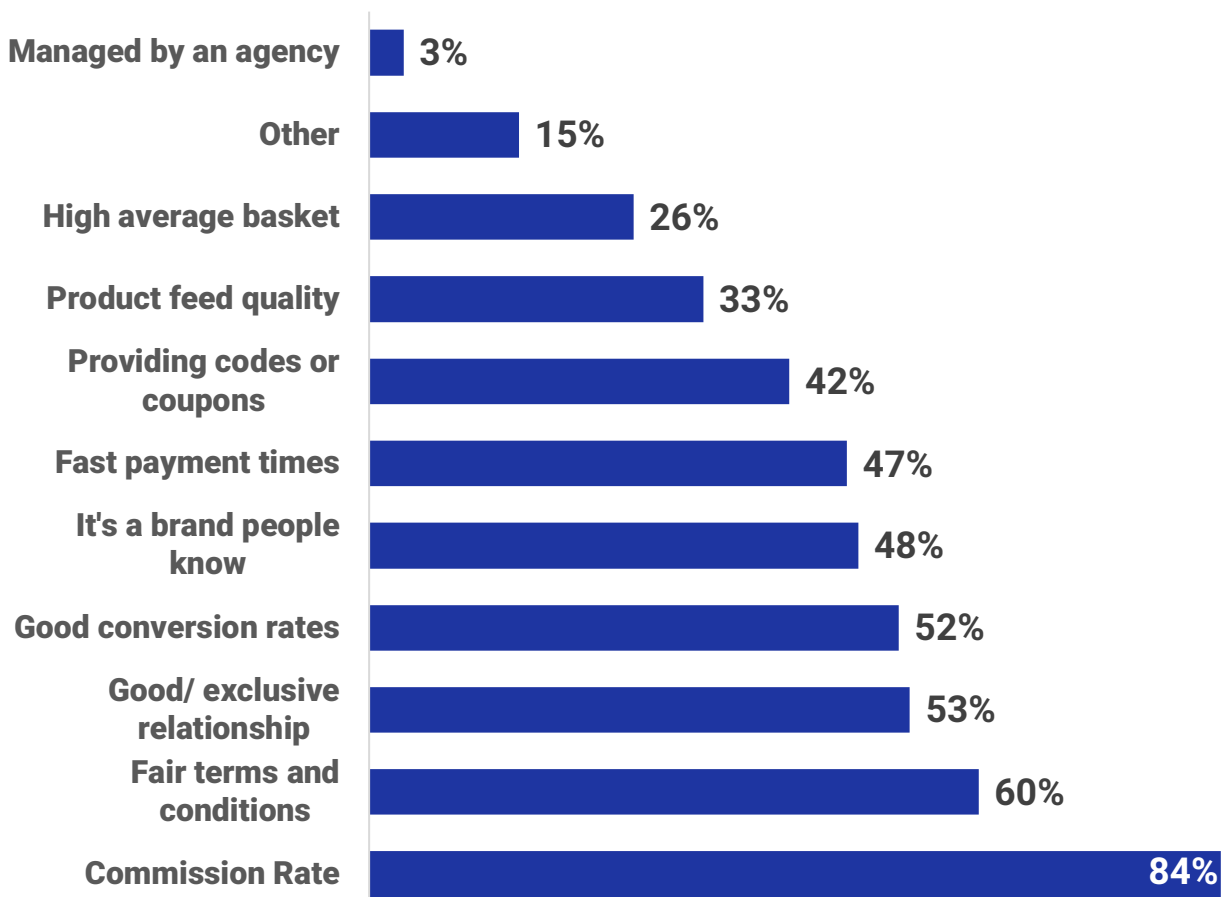
## Show me the money!

Responding to the multiple-choice question ‘when promoting advertisers, what factors are important to you?’, it is unsurprising that earning potential came out on top.

In keeping with the industry’s rebranding exercise towards partnerships, collaboration and relationships were favoured by half of those surveyed. There has been a noticeable shift towards more equitable partnerships between publishers and brands, perhaps signified here.

And despite the shift towards automation and self-serve, the channel remains one that is built on relationships, and they clearly still matter, especially in an age where working from home has become the norm for many businesses, starving people from the types of human interactions we used to take for granted.

For brands, focusing on how well they convert customers when a publisher has pushed them onto their site, remains something that their affiliates will keep a close eye on, with half saying click-to-conversion rates are important.





## How easy is affiliate marketing to do?

It is often stated that the affiliate channel is an accessible, low barrier to entry way to monetise traffic if you're an aspiring publisher. But just how easy is to do? Whether it's applying to a network, finding creative or building links, what do publishers think about the technology they use?

The first question posed about usability was 'When you're approved onto an advertiser's programme, how easy, in general, is it to create a link or creative?'

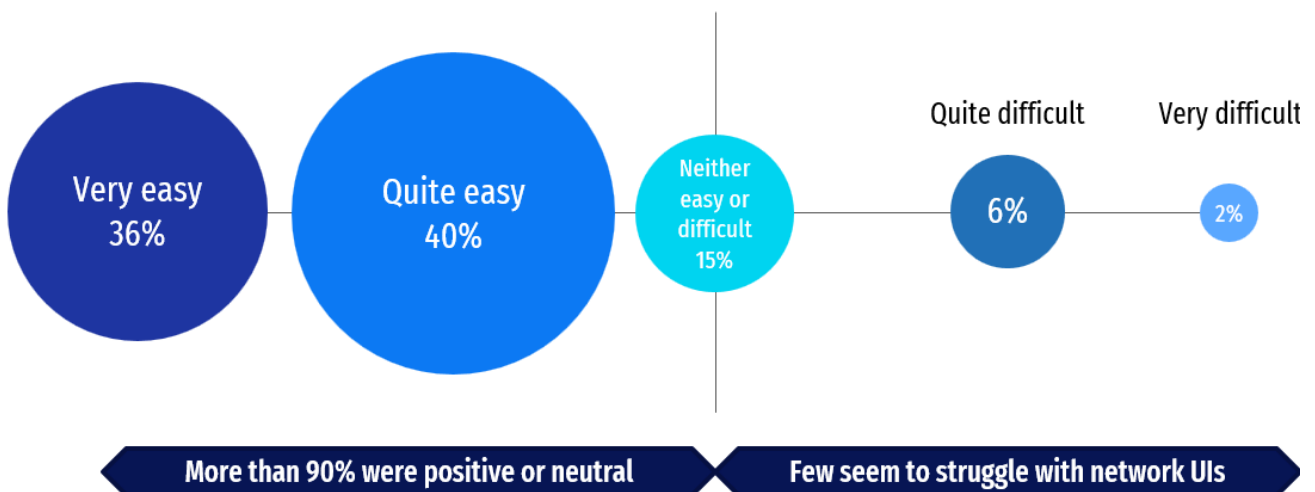
The good news for networks is that, by and large, generating a link to promote an advertiser doesn't appear to pose too much of a challenge, with 91% responding positively, or at worst neutrally.

Only 8% of those surveyed felt it was fairly or very difficult to pull links from user interfaces, with three-quarters seemingly having few issues.

Encouragingly, there was no publisher type outlier.

While influencers tracked slightly higher for difficulty (perhaps unsurprisingly given it's a newer addition to the channel), the numbers were pretty consistent with the overarching results.

The data indicates that networks, from a usability point of view, are doing a decent job in providing technology that is intuitive and easy to use and it would seem that publishers have confidence in their ability to monetise their content.





## How easy is affiliate marketing to do?

So far, so good. If we then take a wider view, how much does the picture change? How do those numbers shift when we ask about network and platform user interfaces and their ease of use?

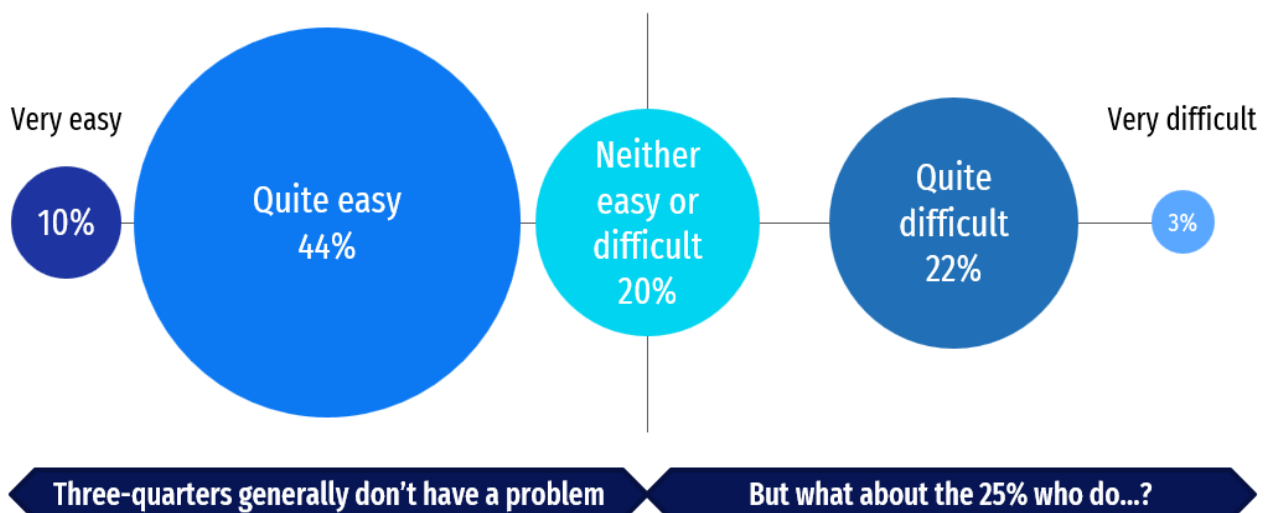
This is an important question because UIs are where publishers not only pull their links from, but they also monitor their performance, connect with advertisers, track their payments and evaluate which brands to work with next.

The picture is slightly less encouraging for networks and SaaS companies.

First the positives. Most respondents find them easy or very easy to navigate. But the percentage is down on the more straightforward act of just pulling links.

The more worrying stats show that around one in four publishers find user interfaces quite or very difficult to use. And that is important because networks and suppliers often state their publisher numbers run into the tens or hundreds of thousands. If a quarter of those are struggling to use their software, that should be a concern.

The logical conclusion is that networks and SaaS companies are leaving money on the table if they're not investing in customer research and product development to improve their interfaces. Let's hope that they have panels of publishers consulting with them on their next product releases.





## Small business success

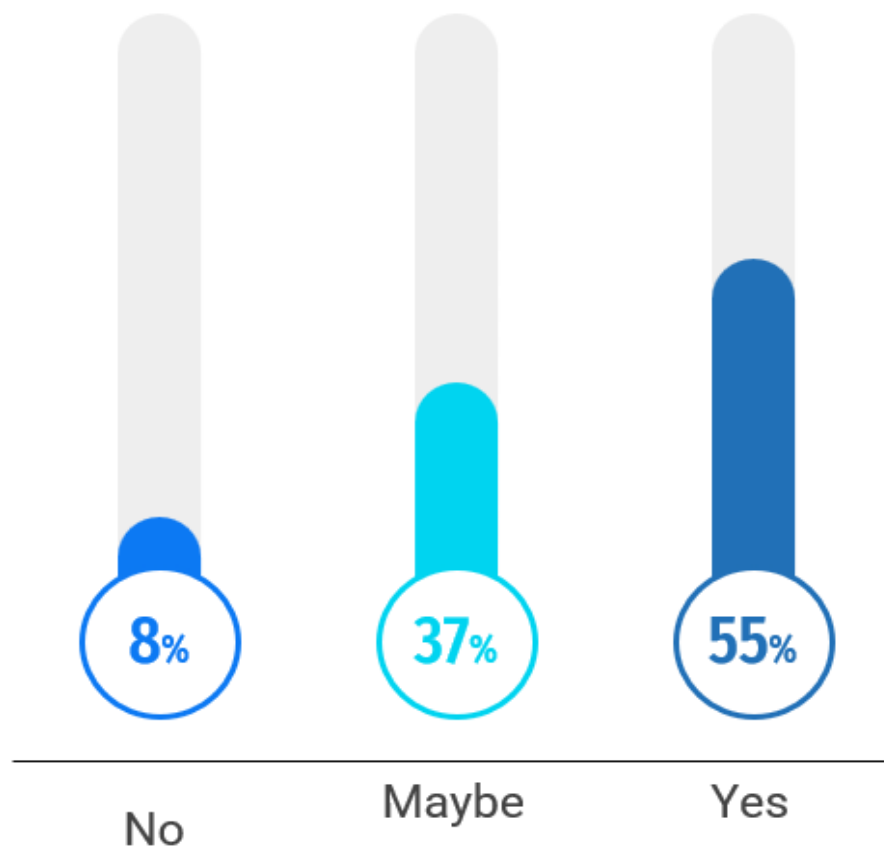
One of the biggest trends in the channel over the past three or four years has been the exponential rise of small businesses choosing to launch affiliate programmes.

It's fair to say that success for SMEs a decade ago was patchy. High costs, low returns and indifferent publisher interest meant that many closed their programmes, feeling jaded and out of pocket.

Fast forward to 2023 and networks are now clamouring to attract small businesses to their networks having developed low barrier to entry and affordable solutions. It's paying dividends with thousands embracing the channel as a place to grow their brand.

That's why we asked the question, 'Are you interested in promoting smaller brands?'

The results are hugely encouraging with 92% receptive, validating network investment in this area.



Sample: 174, 'Don't knows' excluded



## How easy is affiliate marketing to do?

The last few questions I asked were fairly open-ended ones. As these offered a free text field, I've attempted to collate the data and aggregated it around themes which I 'wordclouded'.

So, a hearts and minds question this: 'If you could change one thing to make affiliate marketing easier, what would it be?'

Inevitably payments were the most frequently mentioned topic with comments around the speed of payouts, transparency around processes and sophistication of payouts.

This is an area that could be the next battleground as networks and platforms compete to offer ever faster payouts, recognising the importance of cashflow to publishers.

Watch this space.

For an industry predicated on relationships, it was encouraging to see so many publishers asking for closer collaboration with brands, networks and agencies.

Whether it's through human interaction or automated technology, breaking down the barriers in order to do business remains a priority.

Many publishers still feel that the way they are measured and therefore rewarded needs an overhaul.

While last-click CPA dominates, the data on payment models may indicate that brands are receptive to working more creatively to reward their publishers across the sales path.





## The next big thing...

Given the affiliate channel has a proven history of assimilating the next big thing or latest piece of tech and then monetising it, where are the heads of our 180 when considering next moves and areas of investment?

This question asked whether there is a new technology or way of promoting advertisers that publishers are considering in the next 12 months.

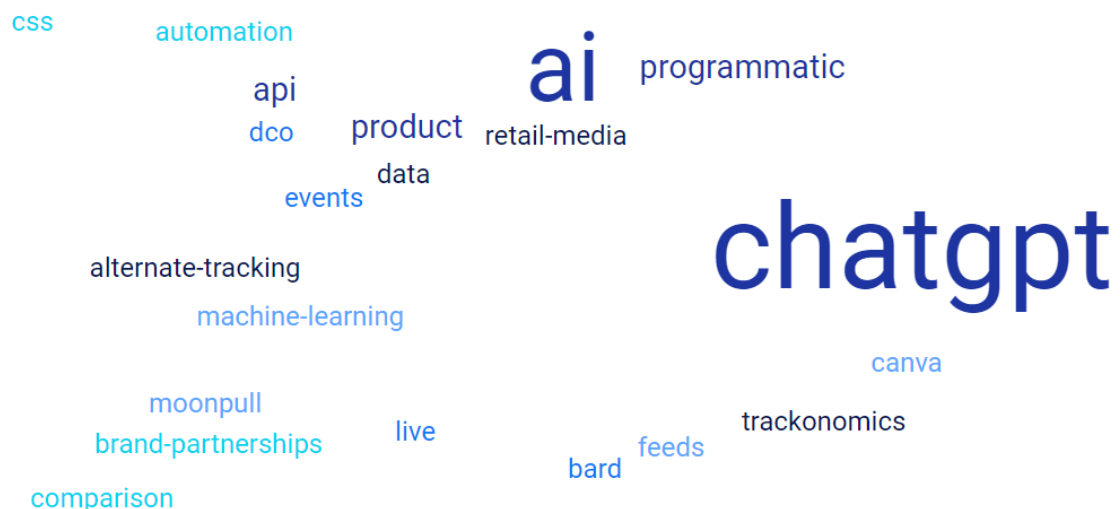
It will come as no surprise that machine learning, AI (and specifically) ChatGPT dominated the feedback.

While this question only elicited about 60 responses (publishers clearly like to keep their plans close to their chests), the focus is clear and unequivocal.

How that will manifest itself is up for debate and is still largely unproven. It will also be interesting to see what reaction there is to automated written content which may be seen as an attempt to game the system or flood the internet with bot-like activity.

The dust will settle, we will see some interesting work practices emerge from the use of machine learning (which are already being rolled out by networks and platforms) and this is one to watch.

It maybe that the more prosaic uses of AI and machine learning will prevail, making us more efficient. How publishers adopt and develop it as consumer facing offerings remains to be seen.







## A blueprint for success

So, let's pull all the strands from today together and consider what a blueprint for future publisher success might look like.

It effectively falls into three categories – transparency and communications, payments and commissions and technology and tracking.

Better communications between all parties will lead to greater insight into sticking points that throttle success.

Awareness of these will create smoother processes, free up time build confidence and make us more efficient.

If we crack payments this will also mitigate cashflow issues, leading to greater ongoing investment by affiliates in their media campaigns as well as new technology.

Investment will breed innovation and greater commercial sophistication, which will sharpen minds on how we fairly reward affiliates for their efforts.

And finally, that will all be underpinned by easy to understand, consistent and bullet proof tracking solutions, designed to provide transparency and fairness, enabling us to stamp out bad implementations ASAP.

And that will help to drive the next generation of affiliate models.

### Payments & Commissions

- ✓ Shortened payment turnaround times
- ✓ Guaranteed payments: cashflow and reinvestment
- ✓ Offer greater visibility on transaction processing and consistency between networks
- ✓ Provide flexibility with payment types, no to zero commissions and be open to creative terms
- ✓ Split commissions

### Technology and Tracking

- ✓ Time to track across the whole funnel, including on advertiser apps
- ✓ Harmonisation across platforms to reduce admin and improve visibility
- ✓ Tracking that works consistently and warnings if not
- ✓ Stamp out fraudulent affiliate activity
- ✓ Embrace new technologies and opportunities

### Transparency & Communications

- ✓ Improved transparency from advertisers about sales declines
- ✓ Better network interfaces, dashboards and APIs
- ✓ Faster response times and greater flexibility with new proposals and procedures
- ✓ Regular feedback loops
- ✓ Greater creativity from brands and networks: be more open to new ideas

## The APMA



Want to find out about the industry's first trade body for the affiliate and partner marketing industries in the UK?

Join us in the crusade to fight for bigger budgets, better standards and greater success.

For more information about membership and how you can get involved scan the QR code.



**Let's be radical and shape a brand new trade body, building from the ground up**



**Let's stamp out bad practices and maximise budgets for the channel**



**Let's create bullet-proof professional processes that are the gold standard**



**Let's celebrate success and shout about what makes affiliate marketing shine**



**Let's proudly celebrate diversity and represent all businesses large and small**