



PERFORMANCE MARKETING

Whether it's through the use of an affiliate marketing program or display and retargeting campaigns, performance marketing is seeing massive growth. The advancement in data and tech have progressed these channels and through the accuracy of targeting and growth of dynamic creative fuelled by data insights, these marketing techniques now represent a significant percentage of online revenue and often offer the strongest return on ad spend.

Rakuten Marketing MD Anthony Capano says performance marketing's growth in the past 18 months, has been "extraordinary," with more of the top 100 retailers than ever before now engaging with the channel. Rakuten Marketing's Affiliate Network saw same store sales increase 102% in 2016, with mobile accounting for 40% of all clicks and 24% of all orders

Key points:

- Affiliate Marketing in Australia continues to scale with traditional publisher models such as loyalty, deals and rewards sites being joined by new and innovative players such as mobile and video publishers.
- Marketers are taking advantage of the low-costs and low-risks of performance marketing to expand their global reach and enter new markets such as the US, UK and Asia-Pacific.
- The alignment of brand and performance is becoming more important for advertisers and no longer is it acceptable to place an ad online, unless the positioning marries up with the brand guidelines of the advertiser.

Top five trends to be aware of in performance marketing:

- The role of creative in retargeting - coupled with data insights and personalisation are proven strategies for increasing the effectiveness of retargeting campaigns
- The importance of cross-device targeting (and retargeting), due largely in part to consumer adaptation of smartphone usage.
- The rise of content sites such as influencers and bloggers in affiliate largely due to the leveraging of social media, in particular Facebook, Instagram and Pinterest and the creation of the 'micro-blogger' through these platforms.
- Affiliate dominates the intersection of online-to-offline through a number of innovative publishers building out on-line-to-offline solutions.
- The importance of attribution measurement and transparency into campaigns to allow for greater optimisation and accurate budget allocation. [A](#)

In a nutshell

What is performance marketing?

Performance marketing is when advertisers pay for their marketing costs based purely on a performance basis. It's usually conducted on Cost-Per-Click (CPC), Cost-Per-Acquisition (CPA) or Cost Per Engagement (CPE) basis. The rise and growth of performance marketing in Australia, for many reasons, has not gone unnoticed. Performance marketing has professionalised in recent years. At its core, the low-risk nature of the channel, given you only pay when there is a sale/action driven and ability to drive significant revenue, is driving the rapid growth.

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