

affiliate & partnership marketing

australian advertiser and
publisher industry review

thank you to
our affiliate &
partnership
marketing group



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01. methodology.

This research was designed and conducted in March 2025 by the IAB Australia Affiliate Marketing Working Group to explore experiences and plans with affiliate and partnership marketing from both sides of the industry – agencies and advertisers, along with affiliate publishers and partners.

agencies and advertisers

- Responses were gathered from 74 advertiser and agency industry participants who operate affiliate marketing programs in Australia.
- This report makes some comparisons where available to previous IAB affiliate marketing industry surveys conducted amongst agencies and advertisers in April 2024 (n=95), March 2023 (n=94), December 2021 (n=140) and November 2020 (n=130).

publishers and partners

- Responses were gathered from 66 publisher or partner industry participants who operate affiliate marketing programs in Australia.
- This report makes some comparisons where available to the previous IAB affiliate marketing industry surveys conducted amongst publishers and partners in April 2024 (n=52), March 2023 (n=59) and May 2022 (n=60).

02. introduction.

The IAB and its Affiliate Marketing Working Group publish this annual industry review to explore current experiences and plans within affiliate and partnership marketing amongst advertisers, agencies and publishers in Australia. It provides key insights into the evolving landscape of affiliate marketing in Australia -

Contribution to achieving business goals: Affiliate and partnership marketing offers a powerful means for brands to drive sales, new customer acquisition and customer lifetime value. The channel also represents a growing revenue stream for affiliate publishers, driving sales, website traffic and diversifying revenue streams.

Economic impacts on marketing budgets have been a challenge for the industry over the last year. Despite the continued climate, both brands and publishers think that the affiliate and partnership marketing channel is **important in helping them achieve their business goals.**

Growth & future trends: 43% of **advertisers increased spend** on affiliate and partnership marketing last year, with 59% planning further increases. Similarly, 57% of publishers saw revenue growth, and 58% expanded their advertiser base.

Success & measurement: ROI and sales volume remain the top success metrics for advertisers, with **87% expressing satisfaction** in affiliate marketing's ROI. In comparison, amongst affiliate advertisers also using Retail Media, 71% are satisfied with Retail Media in delivering ROI over the last year. Publishers prioritise **tracking, compliance, and commission rates** when working with advertisers. **Content** is the primary method used by publishers surveyed this year for working with advertisers overtaking rewards from last year.

Challenges & opportunities: Publishers face **Google algorithm updates and economic constraints**, while advertisers are challenged with **attribution tracking, proving effectiveness and incrementality**. With upcoming **privacy legislation reforms**, a third of industry players remain unprepared.

This report highlights the strong growth in affiliate and partnership marketing which comes with greater scrutiny on budgets and **evolving industry priorities**. Further industry education and best practice guidance will support affiliate marketing as a **critical digital revenue channel** in 2025.



Negin Farhangmehr
Founder, Negin.Digital
& IAB Affiliate Workgroup Chair



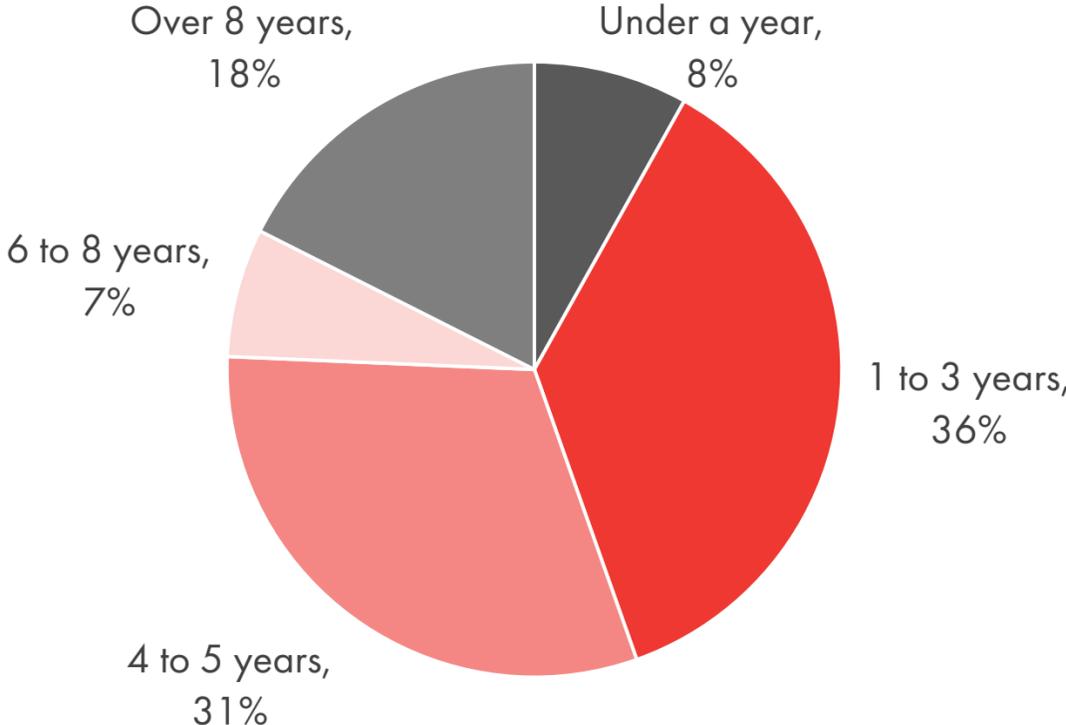
03. experience and engagement.

advertiser and agency experience.

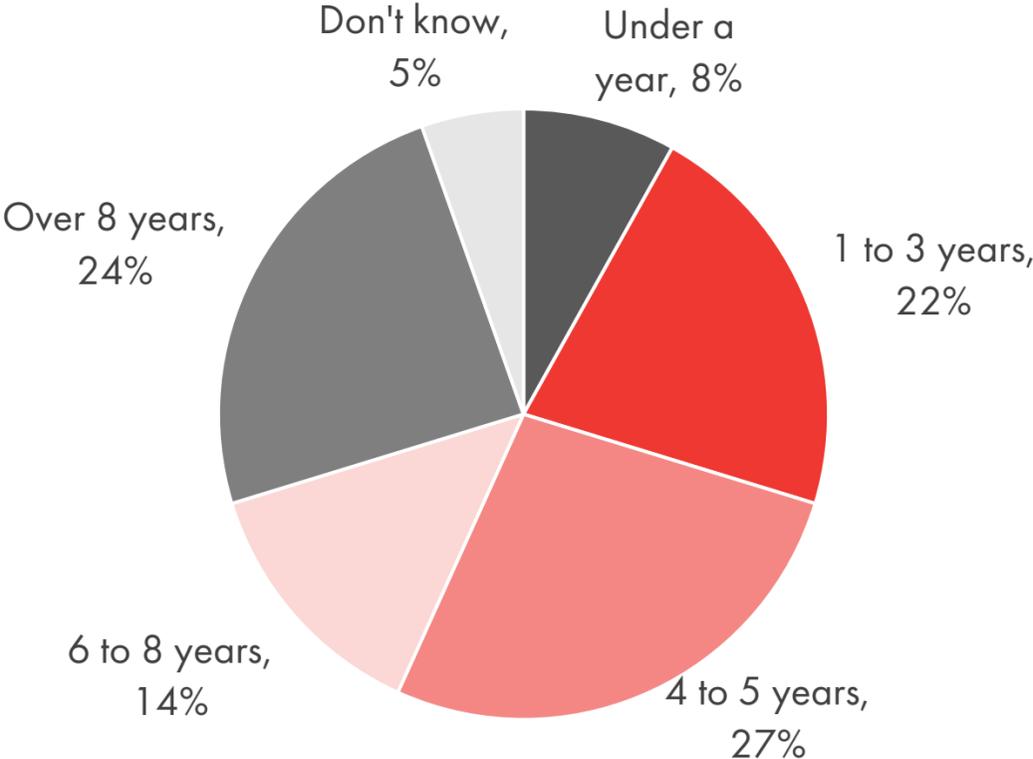
75% of advertisers and agencies surveyed have 5 years or less personal experience with affiliate and partnership marketing. The advertiser and agency respondents for this year's survey are slightly less experienced than last year. Company experience is varied but around 6 in 10 (57%) respondents say their company has 5 years or less experience.

advertiser/agency experience with affiliate and partnership marketing

personal experience



company experience

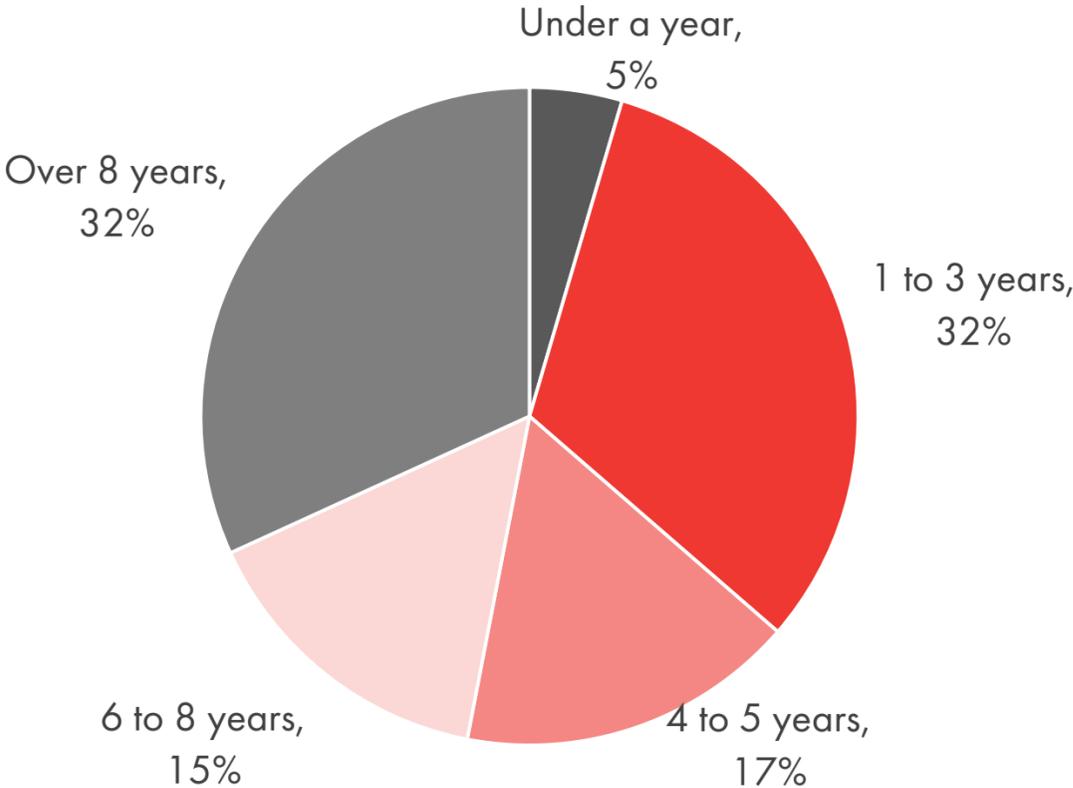


publisher experience.

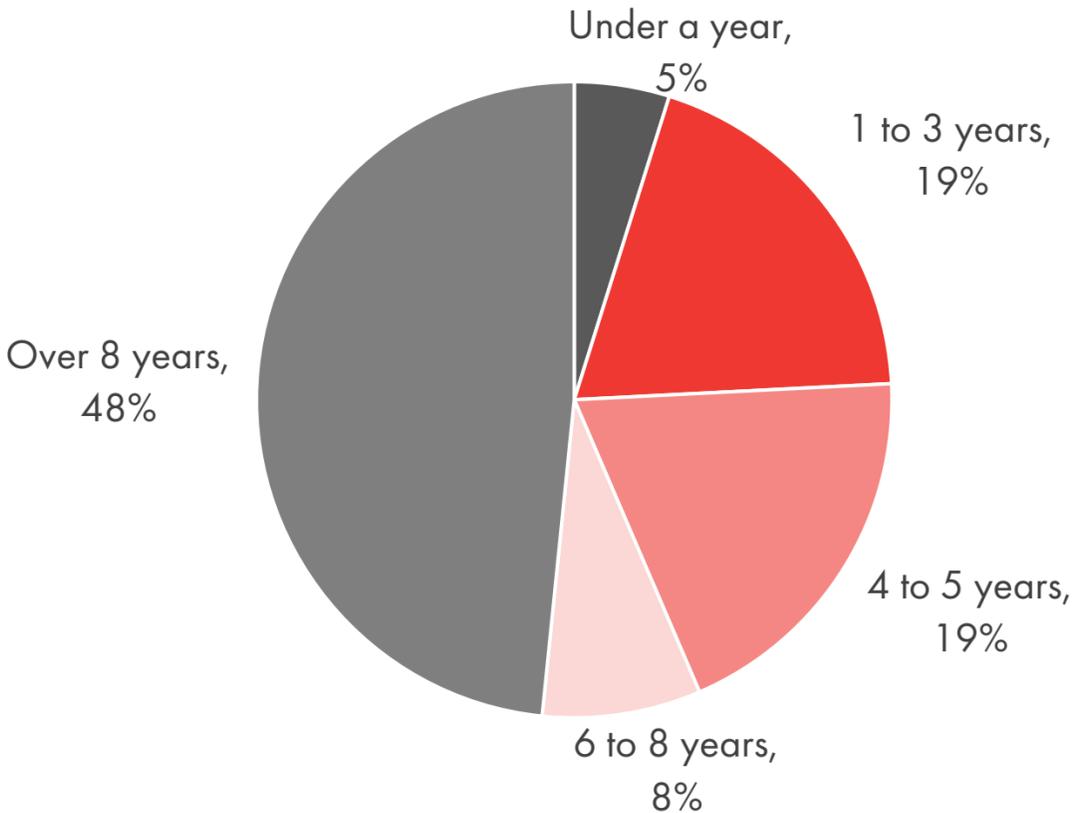
Over half (54%) of publisher respondents have 5 years or less personal experience with affiliate marketing, this was very similar to the previous survey last year. Publisher companies have more experience with 56% having more than 5 years experience, also similar to previous survey.

affiliate/partner/publisher experience with affiliate and partnership marketing

personal experience



company experience

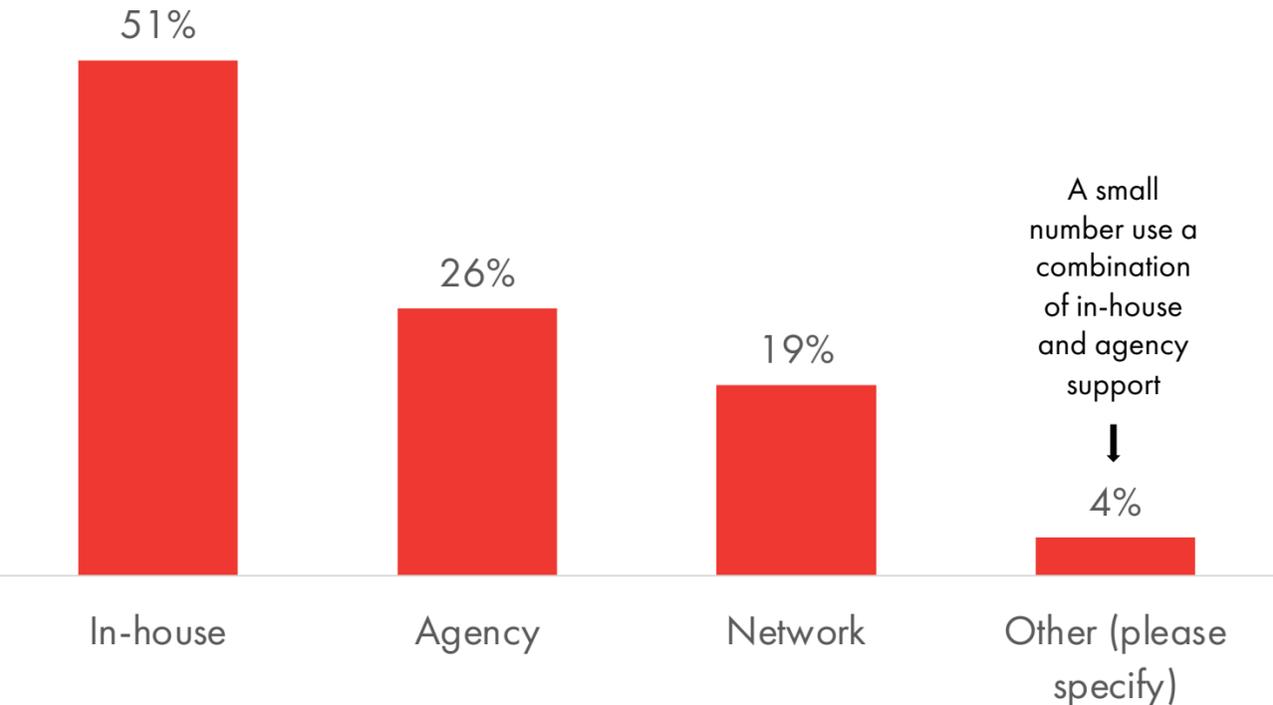


advertiser engagement.

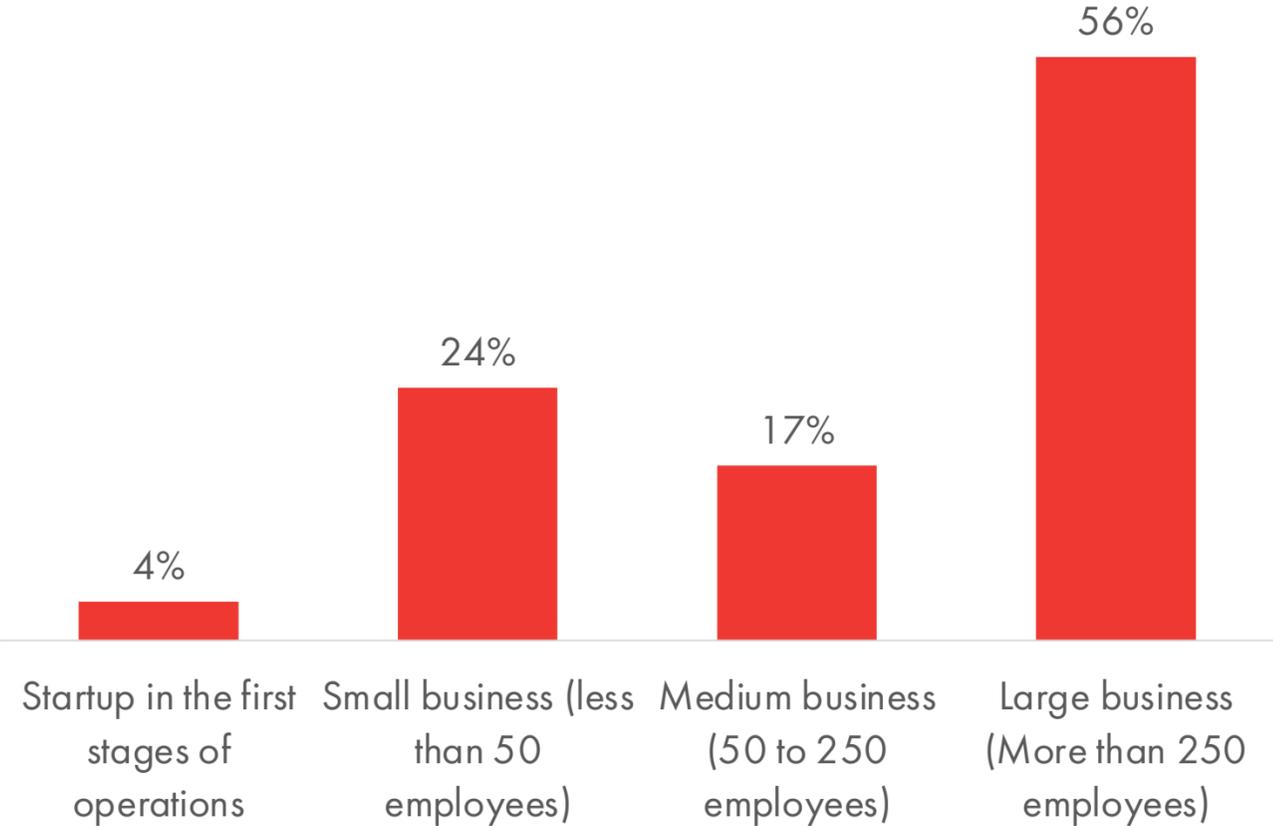
While half continue to in-house, a greater proportion of this year's survey sample of advertisers are using agencies and networks to manage their affiliate programs.

Advertisers engaging in affiliate marketing come from a range of company sizes, however 56% come from large businesses (with more than 250 employees), this is a greater proportion than last year (42%).

responsibility for managing affiliate program



size of advertiser company

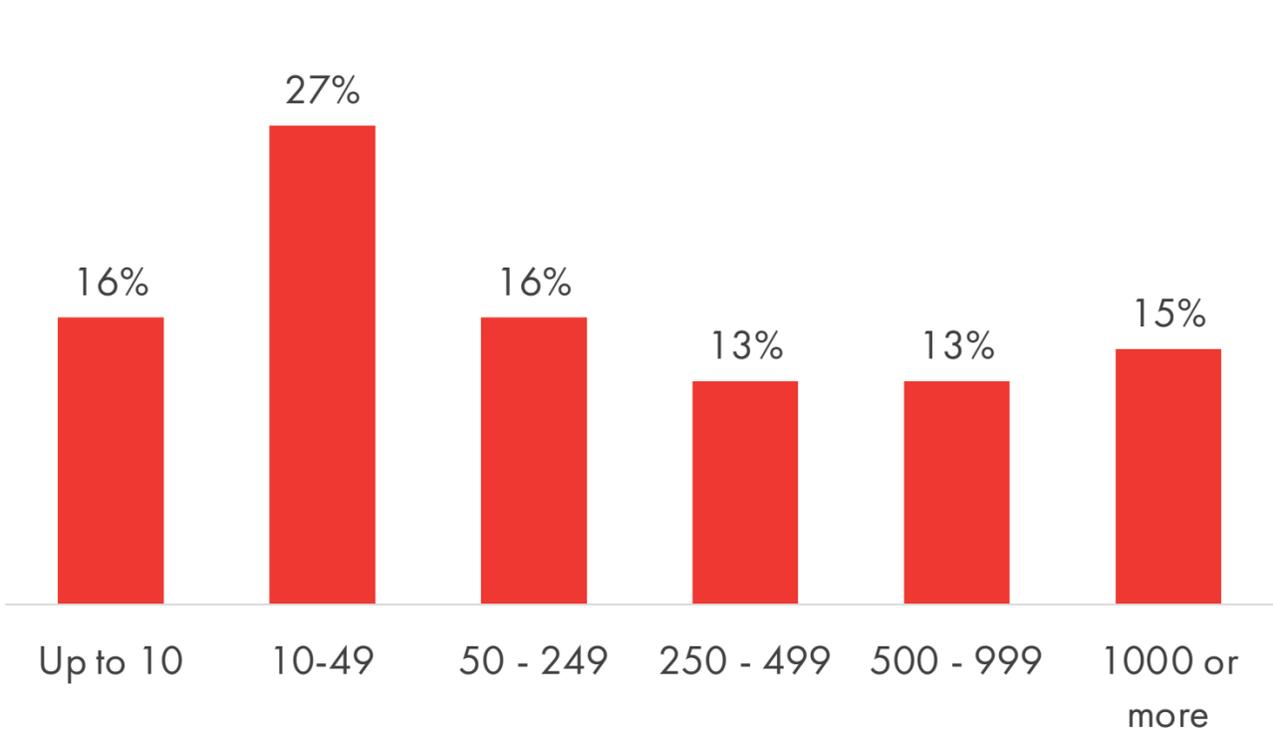


publisher engagement.

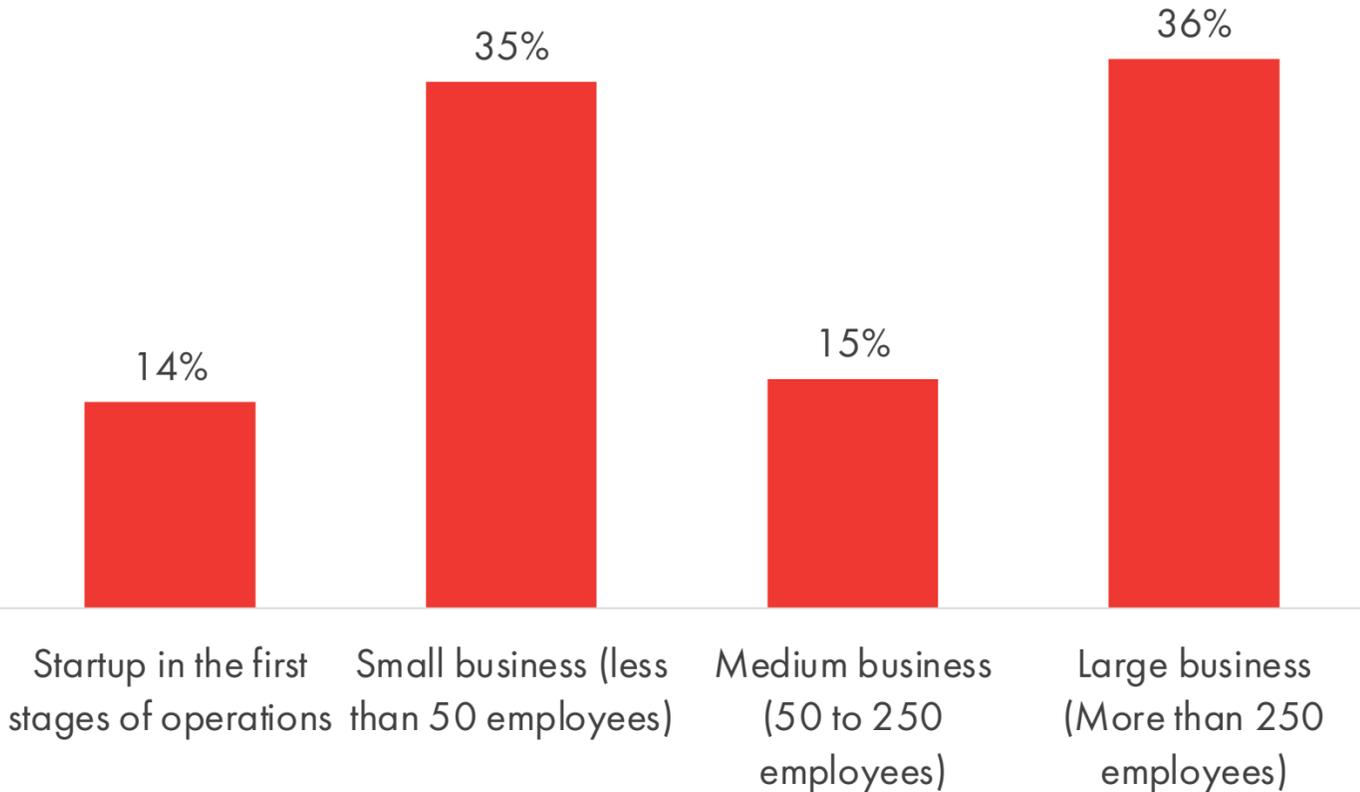
The number of advertising clients that publishers work with on affiliate partnerships varies. This year there is a greater proportion with under 50 clients (43% compared to 21% last year).

Small to large publishers are involved in affiliate marketing, with nearly half (49%) in the startup stage or a small business (this is a higher proportion of start up or small businesses than the previous two years of this survey, at around 35%).

number of advertiser clients with affiliate partnerships



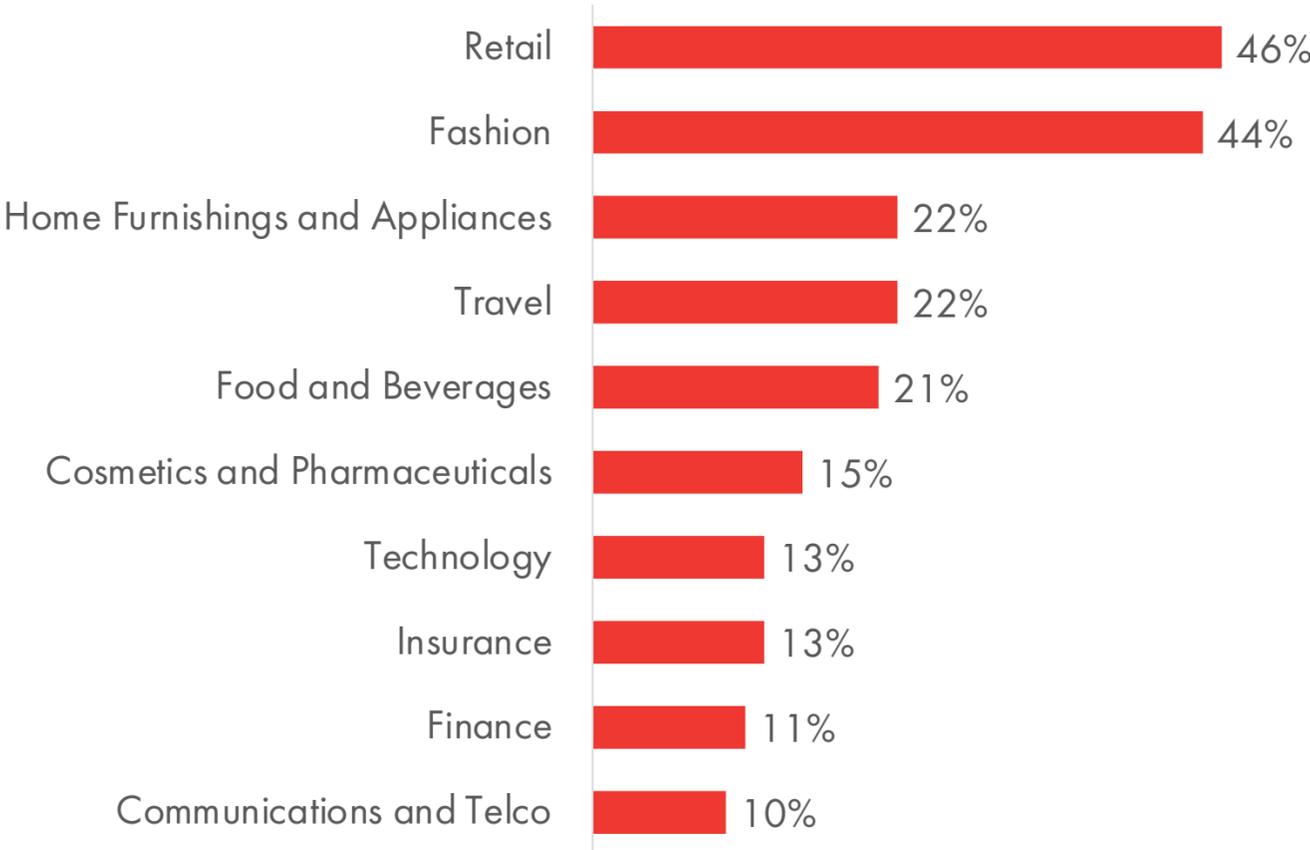
size of publisher company



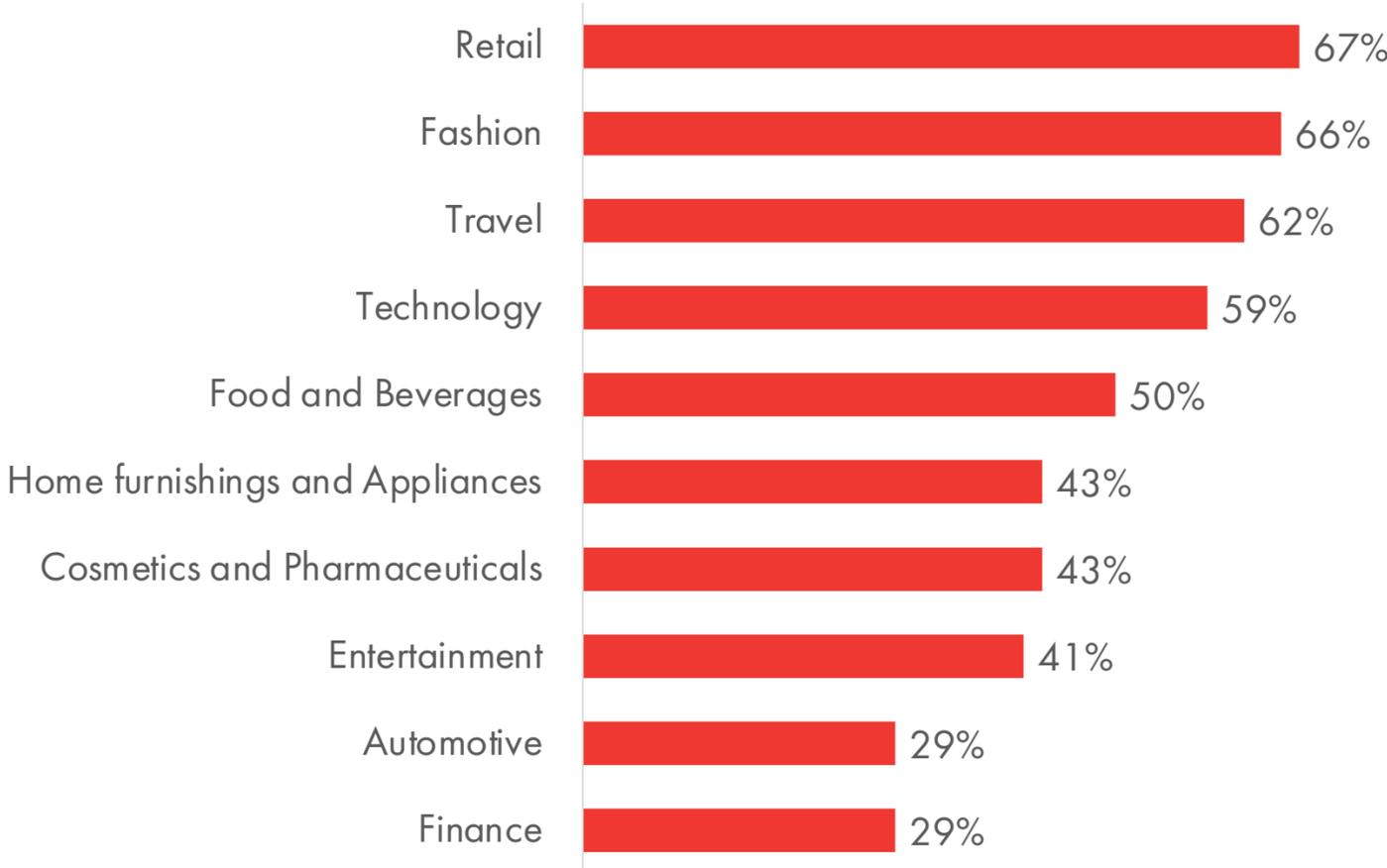
industries of operation for affiliate programs.

Affiliate marketers and publishers operate across a range of industries. The mix of top categories remains similar to last years survey with retail and fashion dominating. Retail has been the dominant industry of operation for affiliate and marketing partnerships across all previous waves of this survey (since 2021).

top 10 industries of operation for **advertisers/agencies**



top 10 industries of operation for **publishers**

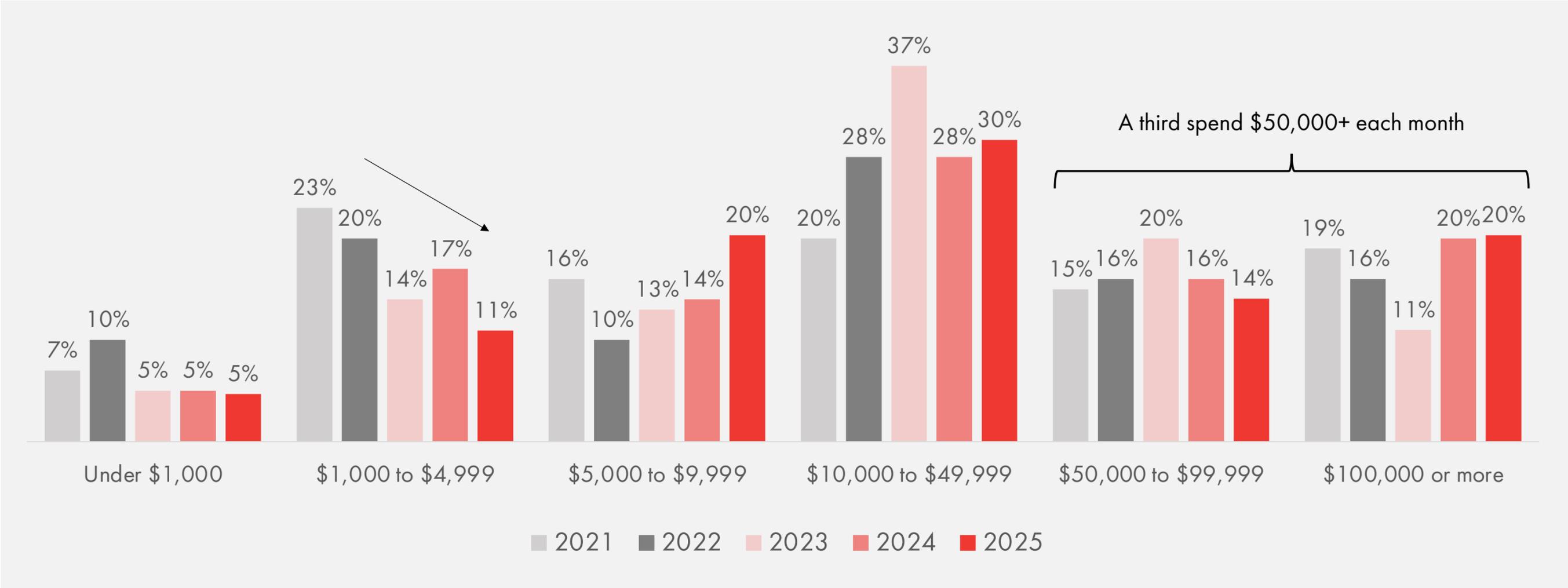


04.

investment and revenue.

advertiser average monthly spend.

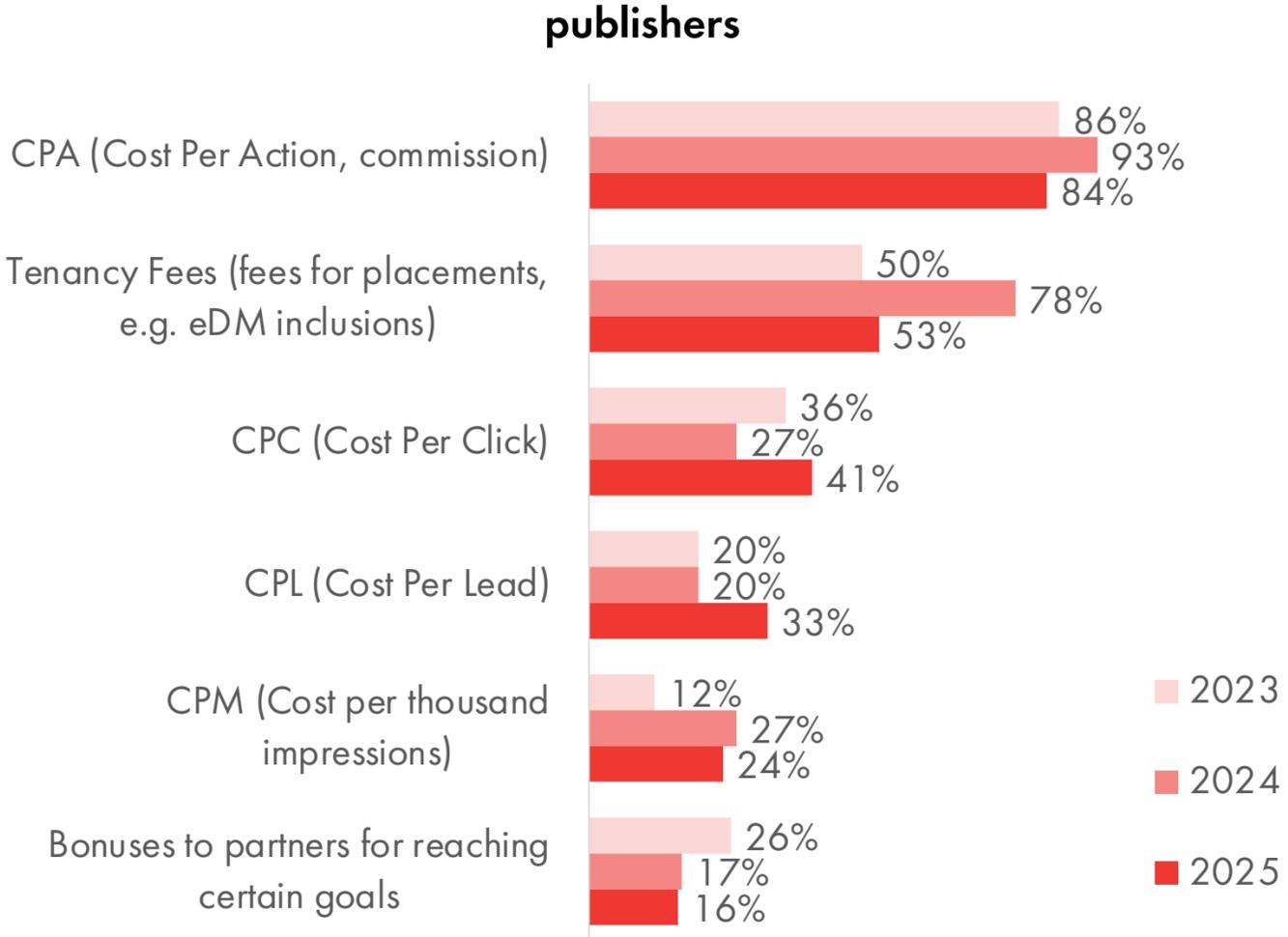
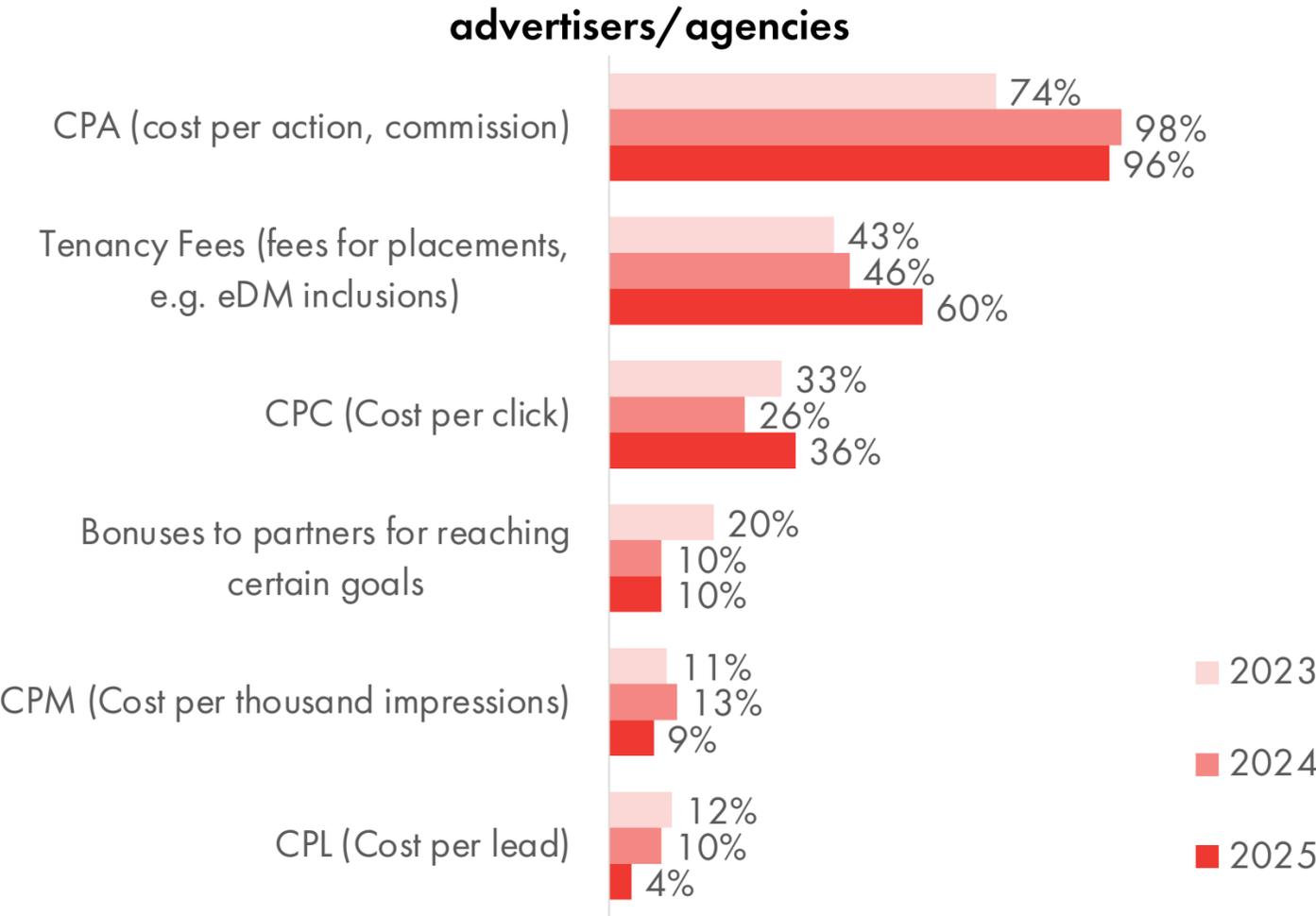
Advertiser investment remains stable on last year, with a third (34%) of advertisers spending \$50,000+ gross on average each month on affiliate and partnership marketing. Gradually over the last 5 years those spending in the lower \$1,000 to \$4,999 tier have moved into higher spending tiers.



payment models.

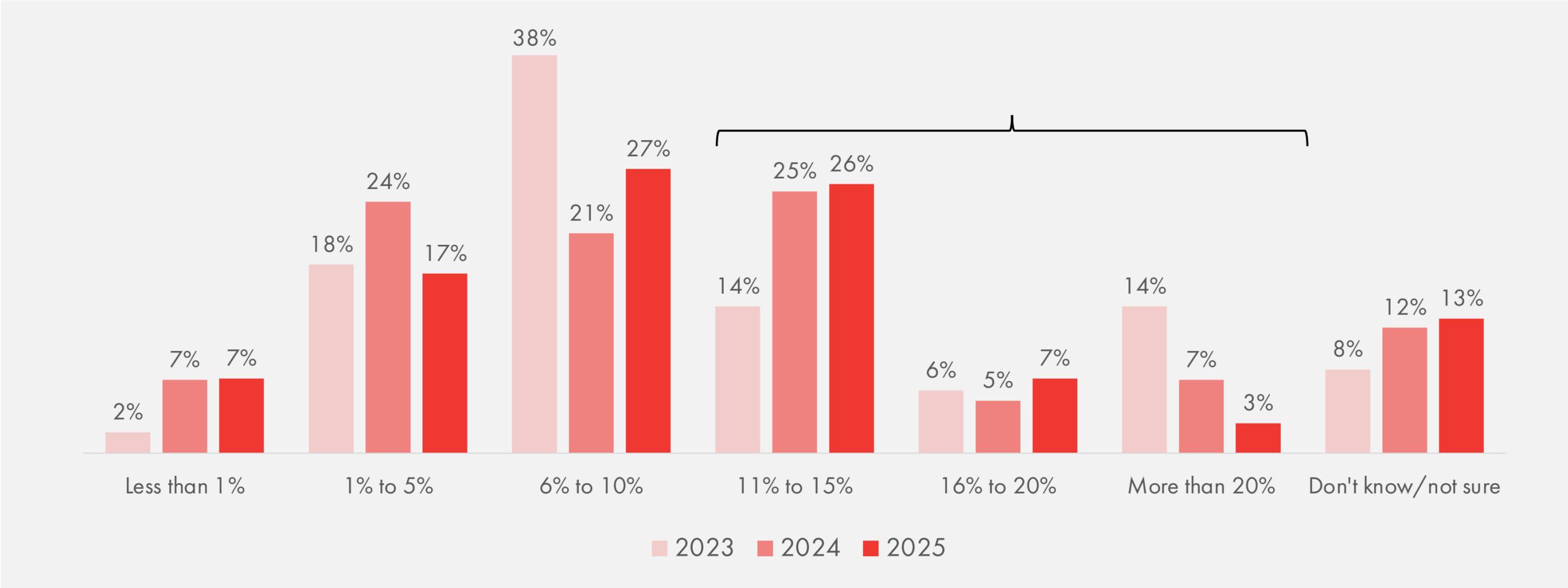
CPA remains the predominant way to reward publishers within affiliate programs. It is also common to use a combination of payment models. Usage of tenancy fees have increased this year compared to previous years.

The survey sample this year includes a higher proportion of small businesses (48%) compared the previous survey (35% last year). These smaller business have lower usage of tenancy fees. Amongst the larger publisher respondents this year, usage of tenancy fees is more closely aligned to the results for 2024.



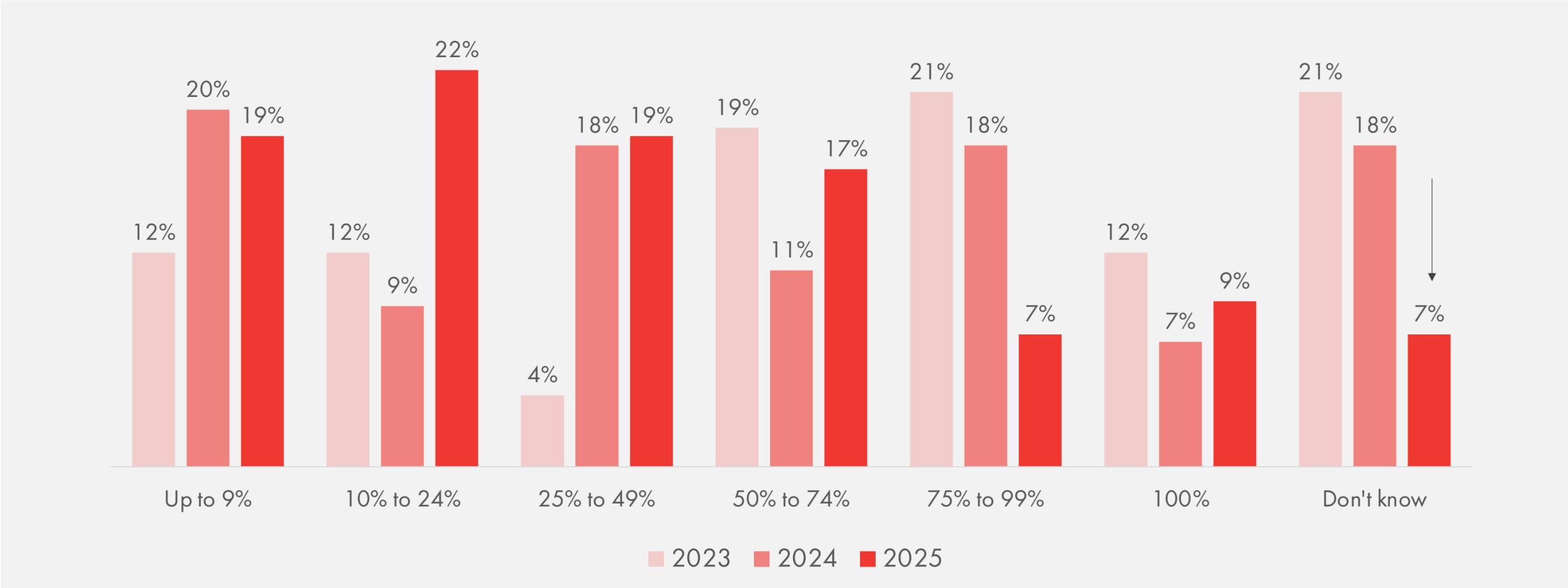
contribution to advertiser online revenue.

For over a third (36%) of advertisers surveyed, affiliate and partnership marketing contributes over 10% of the online revenue of their business or clients' businesses on average. Over the last 3 years the share contribution of 1-10% has declined with share contribution of 11-15% increasing.



contribution to publisher online revenue.

This year there is a general increase in respondents who are aware of the contribution affiliate marketing is making to their company's revenue. 6 in 10 publishers (60%) are seeing affiliate marketing contribute up to 49% of their company's revenue.

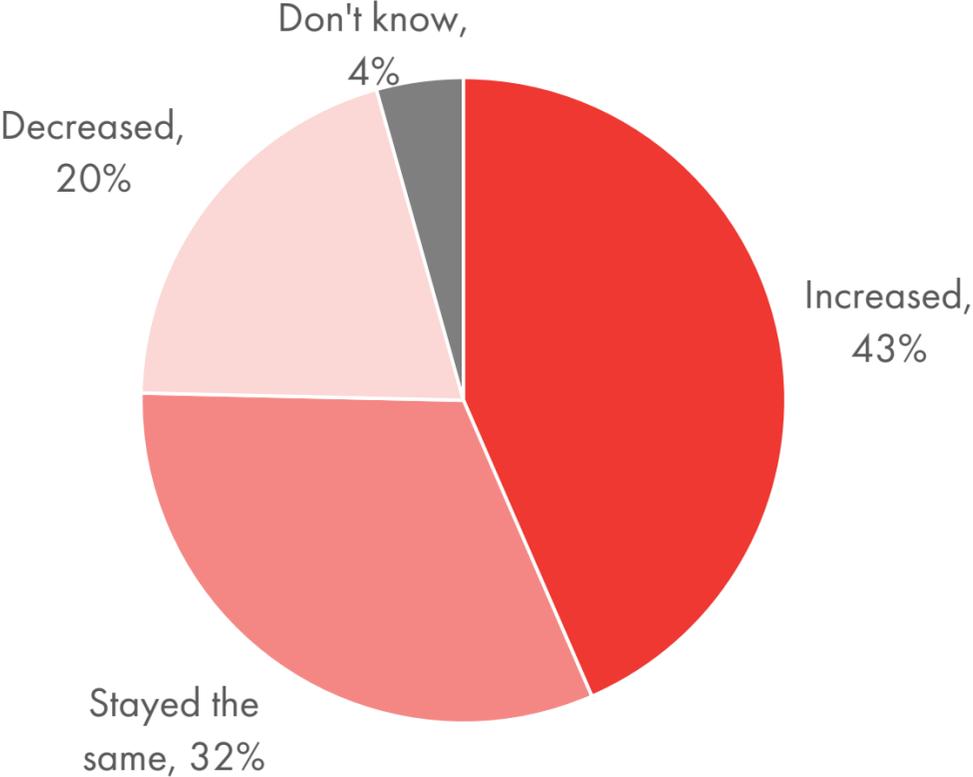


advertiser investment changes.

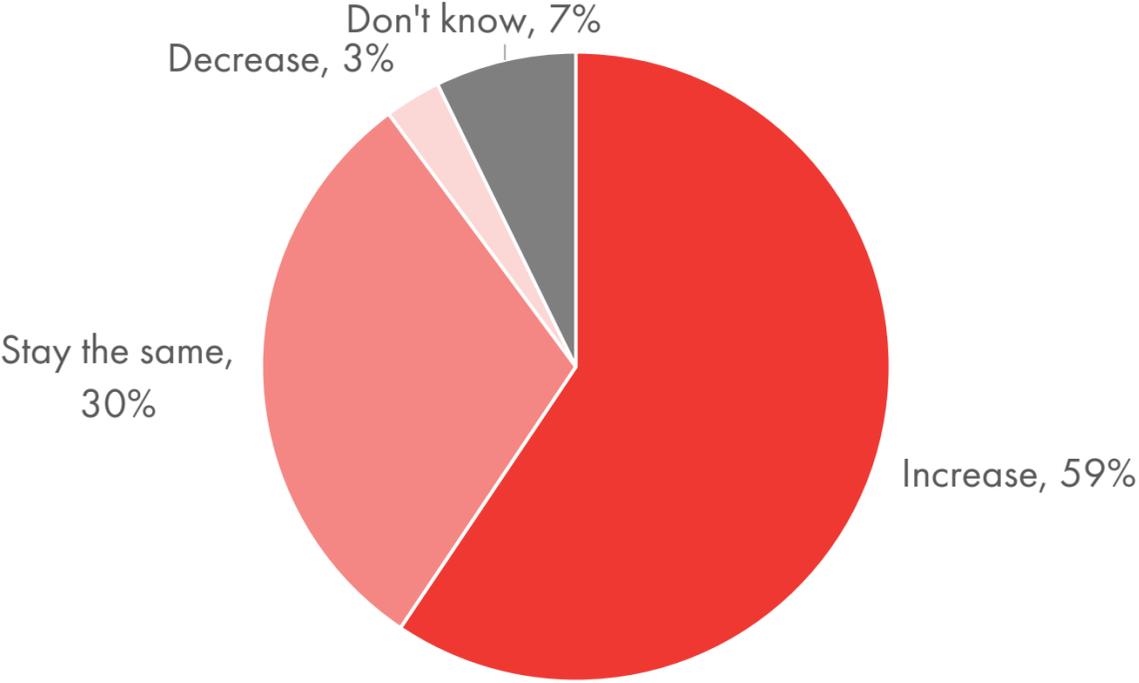
43% of advertisers and agencies have increased their overall spend on affiliate and partnership marketing over the last year. In the survey last year 63% of advertisers and agencies had intended to increase spend.

59% of advertisers and agencies intend to increase affiliate and partnership marketing spend over the next year.

past year changes in investment



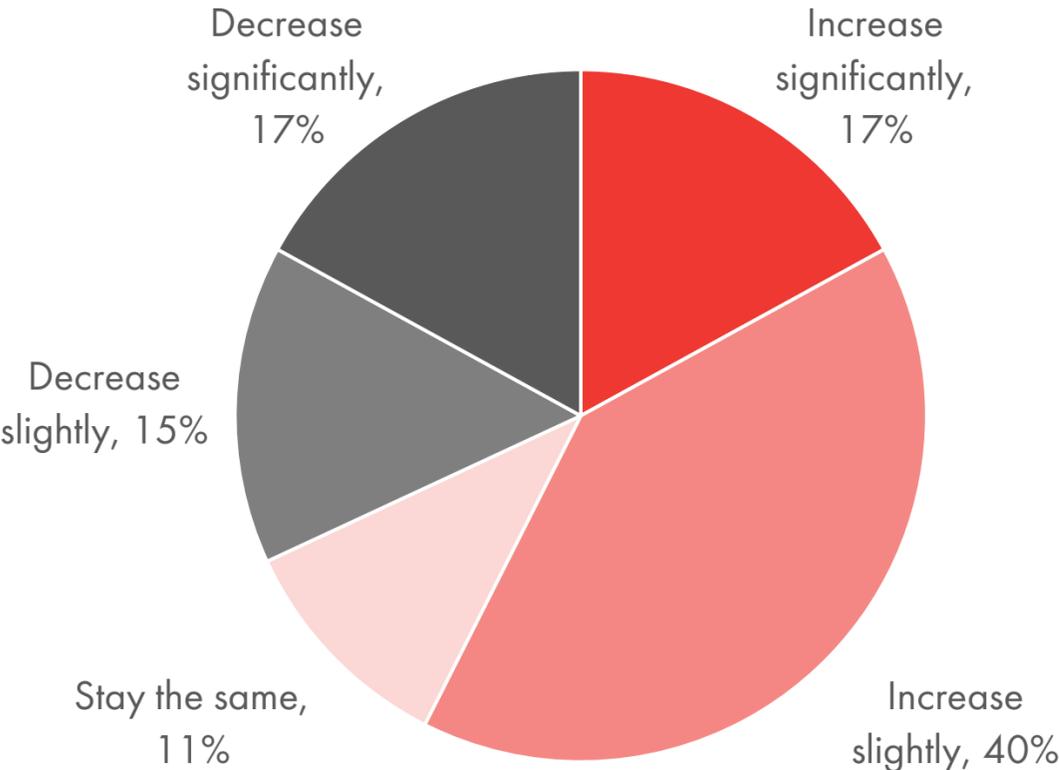
anticipated changes in investment next year



publisher revenue changes.

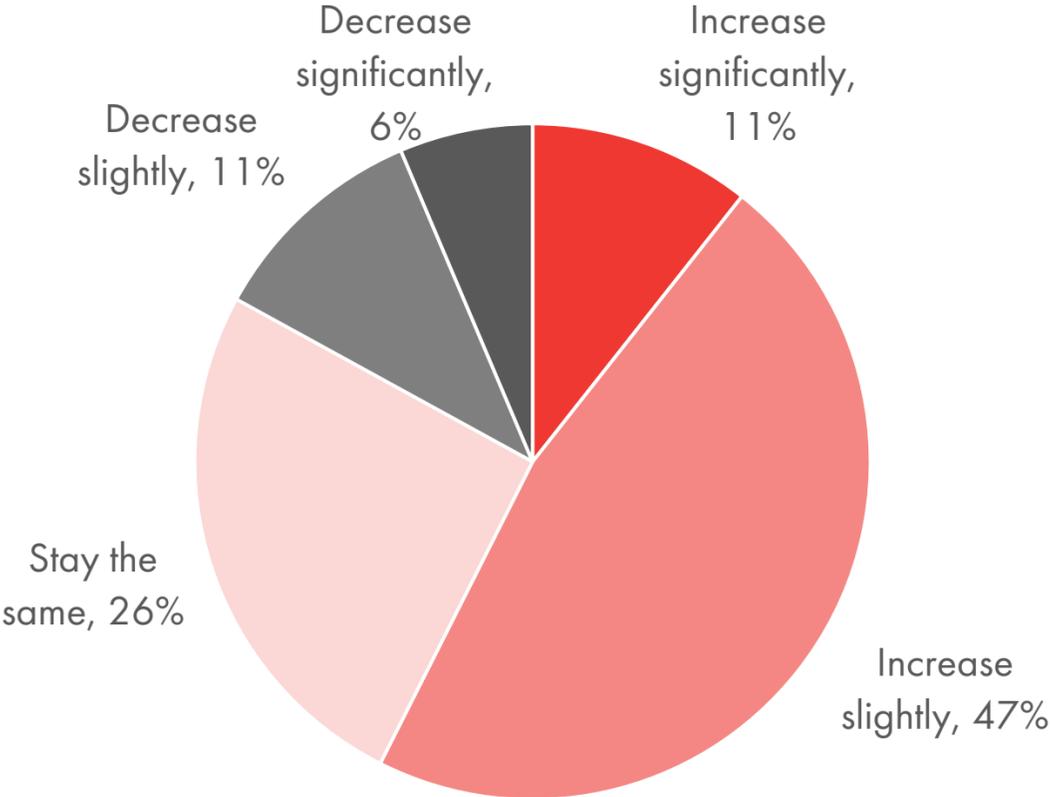
Nearly 6 in 10 (57%) of publishers have increased revenue from the affiliate and partnership marketing channel over the last year. 42% of publishers also indicated they had increased the cost of placements and inventory available to affiliate advertisers in the last 12 months (58% had done so the year prior).

past year changes in revenue



Nearly 6 in 10 (58%) publishers increased the number of advertisers they work with on affiliate and partnership marketing over the last year.

change in the number of advertisers in past year



05.

features and value.

objectives and challenges for publishers.

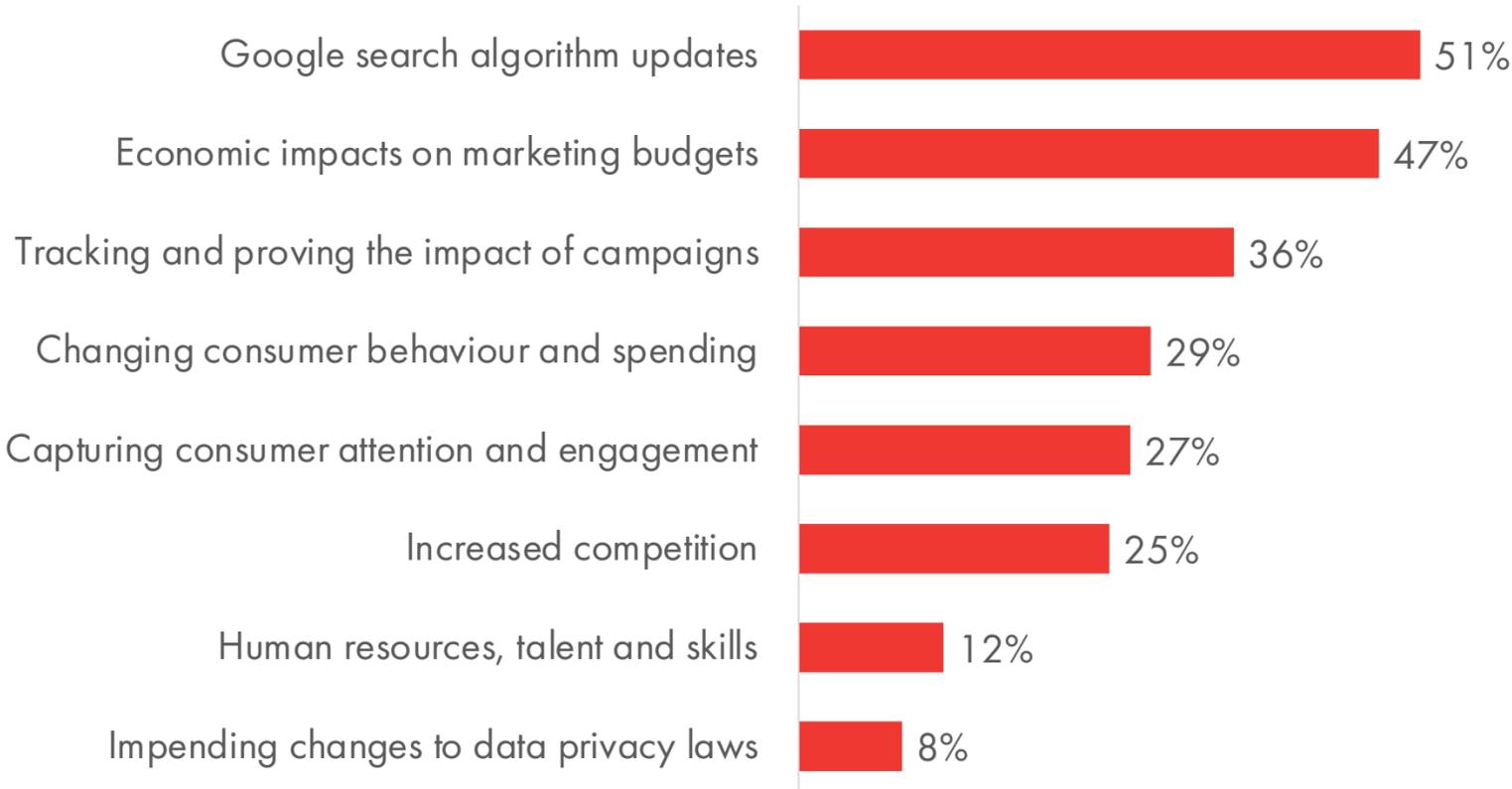
Publishers have a range of objectives for their company's affiliate and marketing practices in 2025, predominantly revenue or volume of sales, along with website traffic and diversifying revenue streams make up the main KPIs.

Over the last year the main challenges for publisher's affiliate and marketing practices are managing Google search algorithm updates and the economic impacts that have reduced marketing budgets.

business KPIs for affiliate activities this year



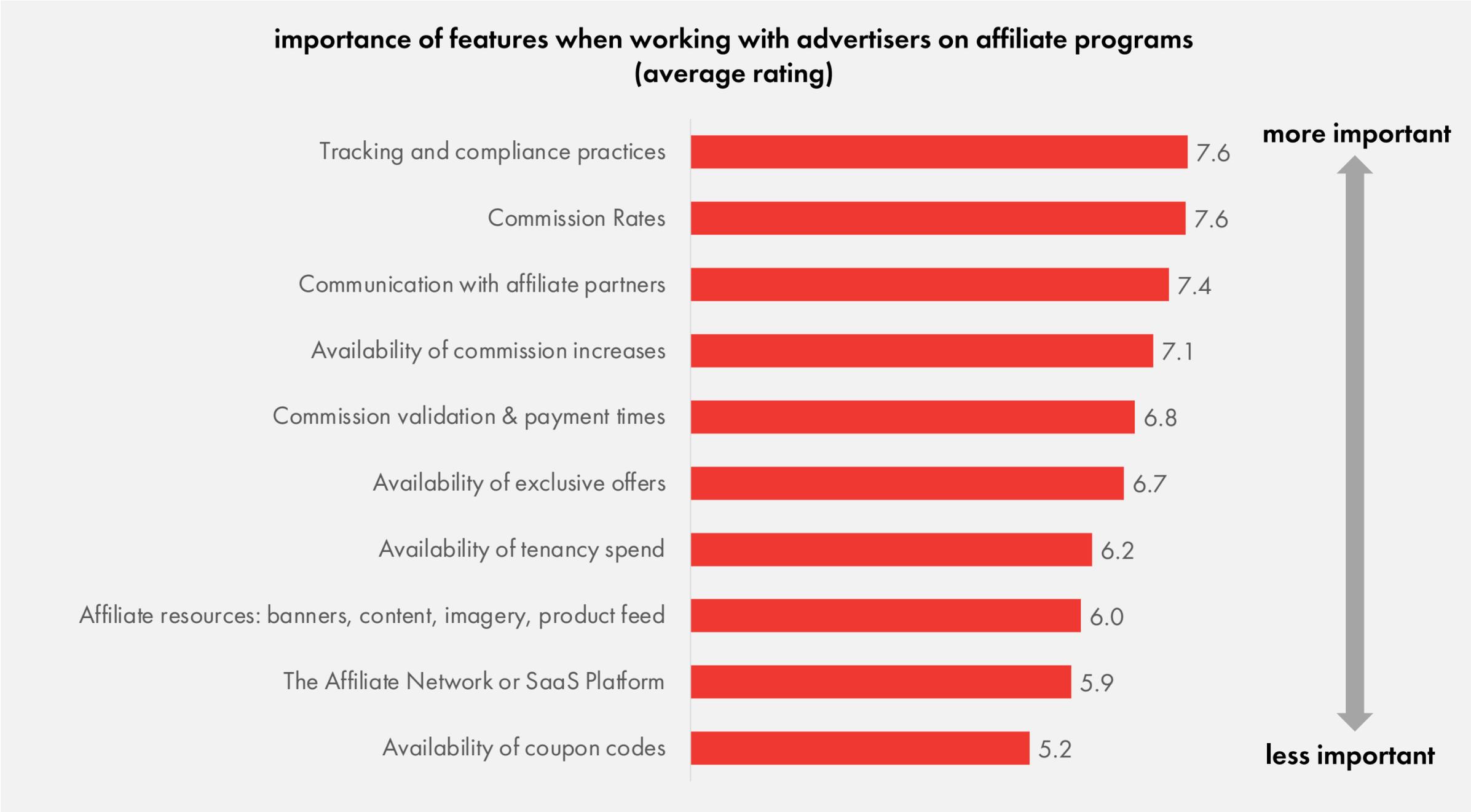
main challenges for affiliate activities over last year



important features for publishers.

On a scale of 1 to 10, with 10 being most important, tracking and compliance practices and commission rates were on average rated as the most important features by publishers when working with advertisers on affiliate programs.

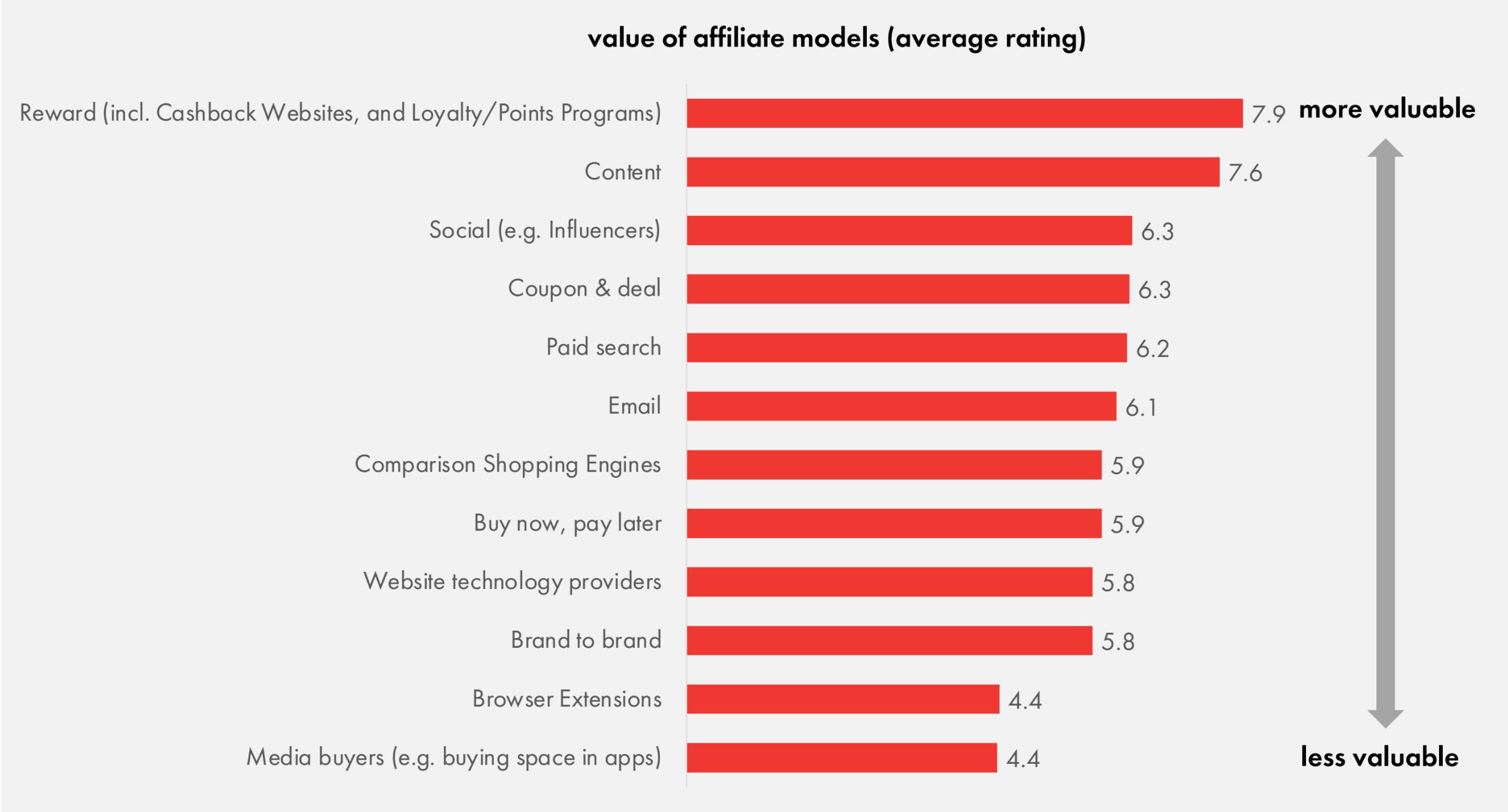
Tracking and compliance practices and commission rates were also at the top of the list of important features last year.



advertiser value of affiliate models.

On a scale of 1 to 10, with 10 being most valuable, **Reward Models** (incl. Cashback Websites, and Loyalty/Points Programs) and **Content** are rated on average as the most valuable to advertisers.

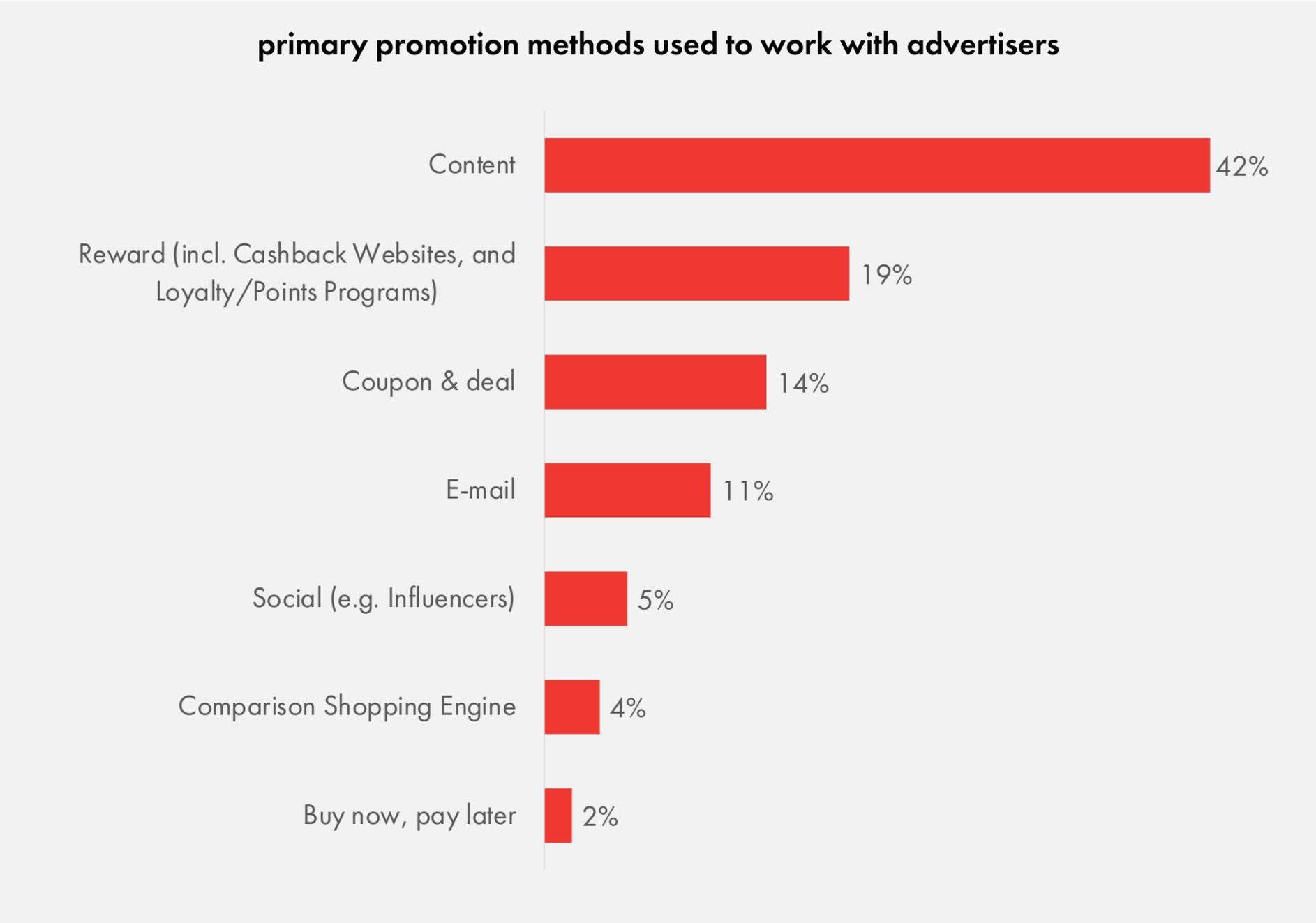
Rewards and content were also the most valuable affiliate models last year.



primary promotion methods used by publishers.

Content is the primary method used by publishers surveyed this year for working with advertisers through affiliate and partnership marketing.

Content promotion has increased since last year when reward was the predominant promotional method.

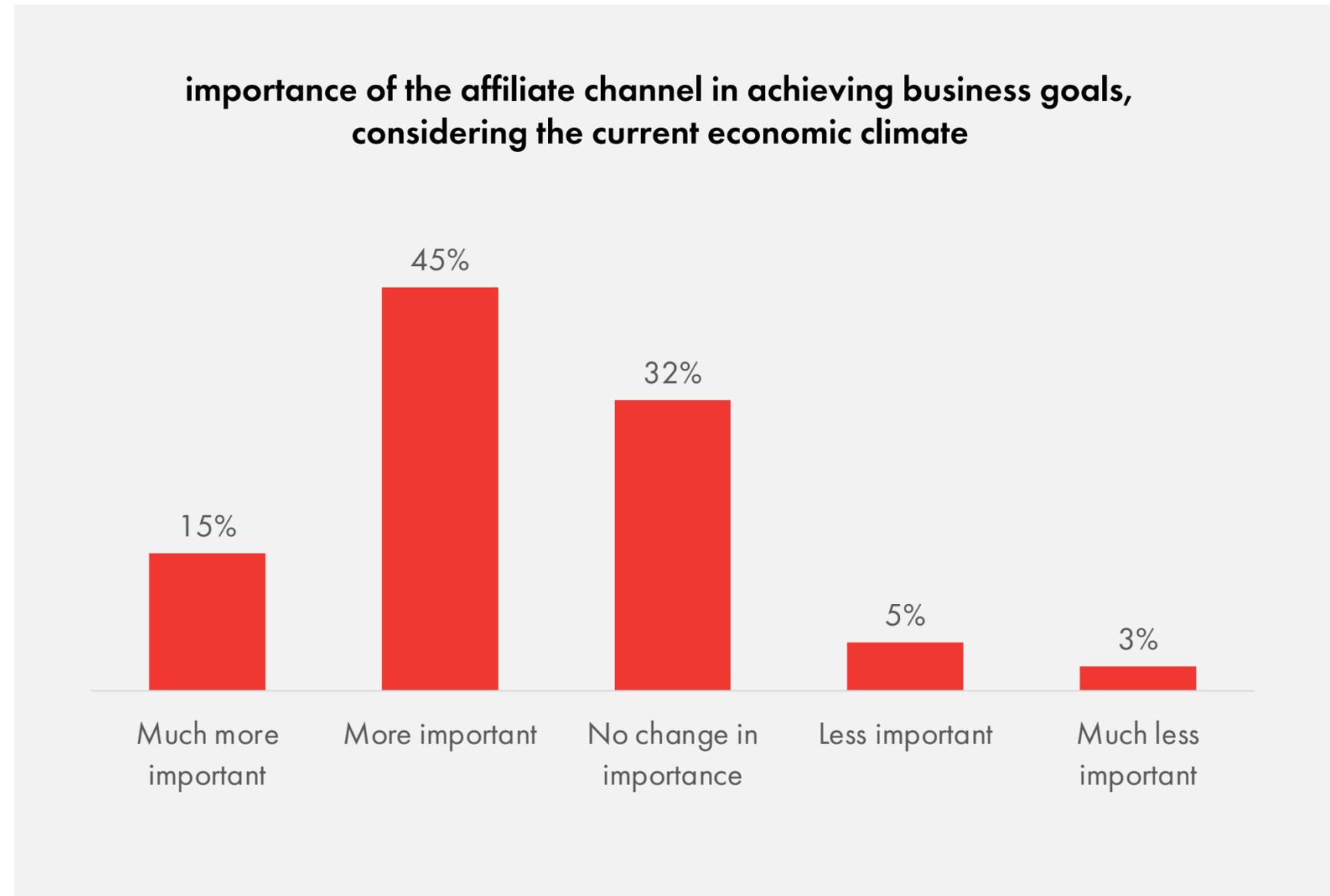


06.

success measurement.

importance of affiliate in achieving business goals.

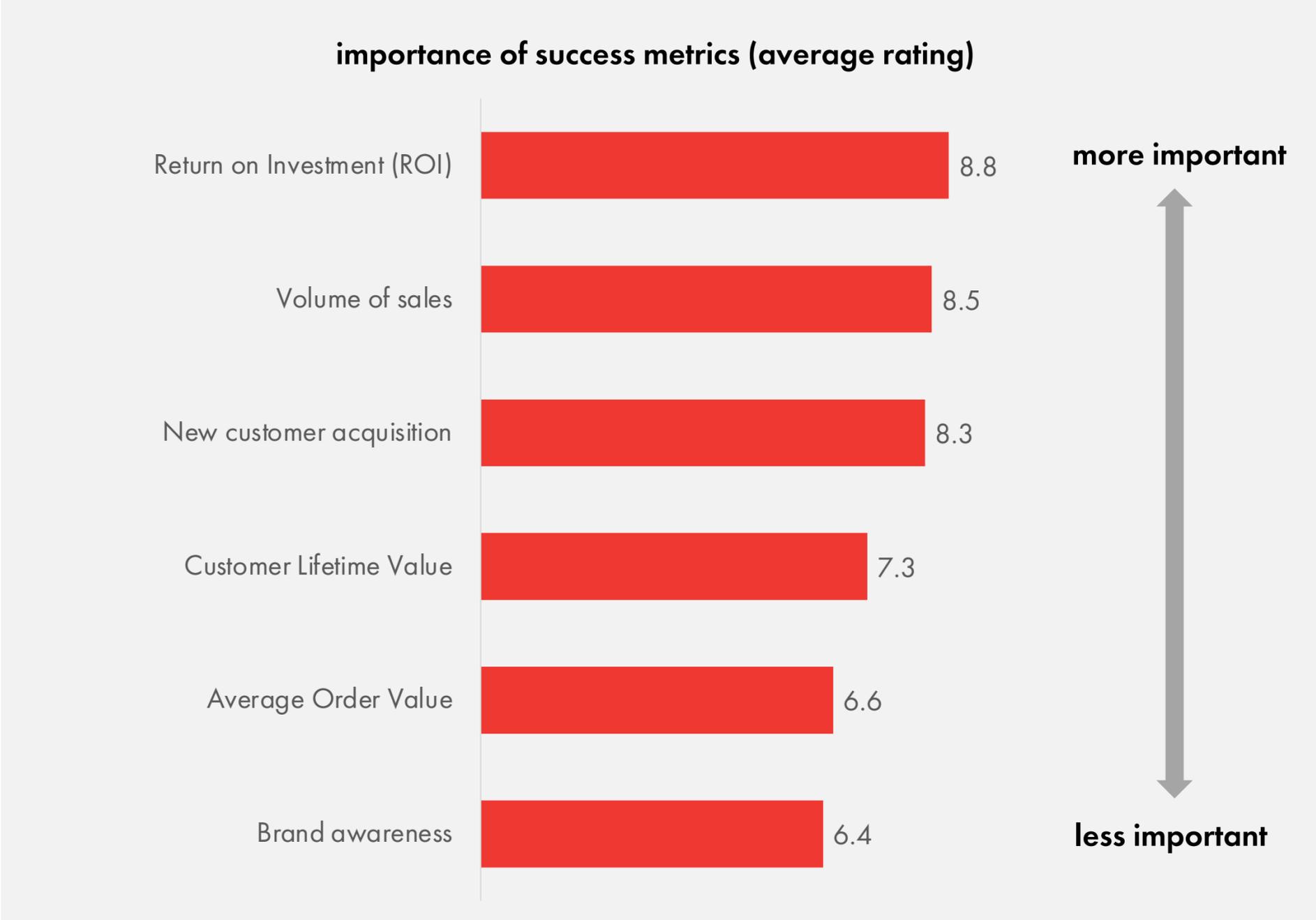
Considering the current economic climate, 6 in 10 respondents across advertisers, agencies and publishers think that the affiliate and partnership marketing channel will be more important in helping them achieve their business goals.



advertiser measures of success.

On a scale of 1 to 10, with 10 being most important, ROI and volume of sales were on average rated the more important success metrics when advertisers are assessing affiliate marketing.

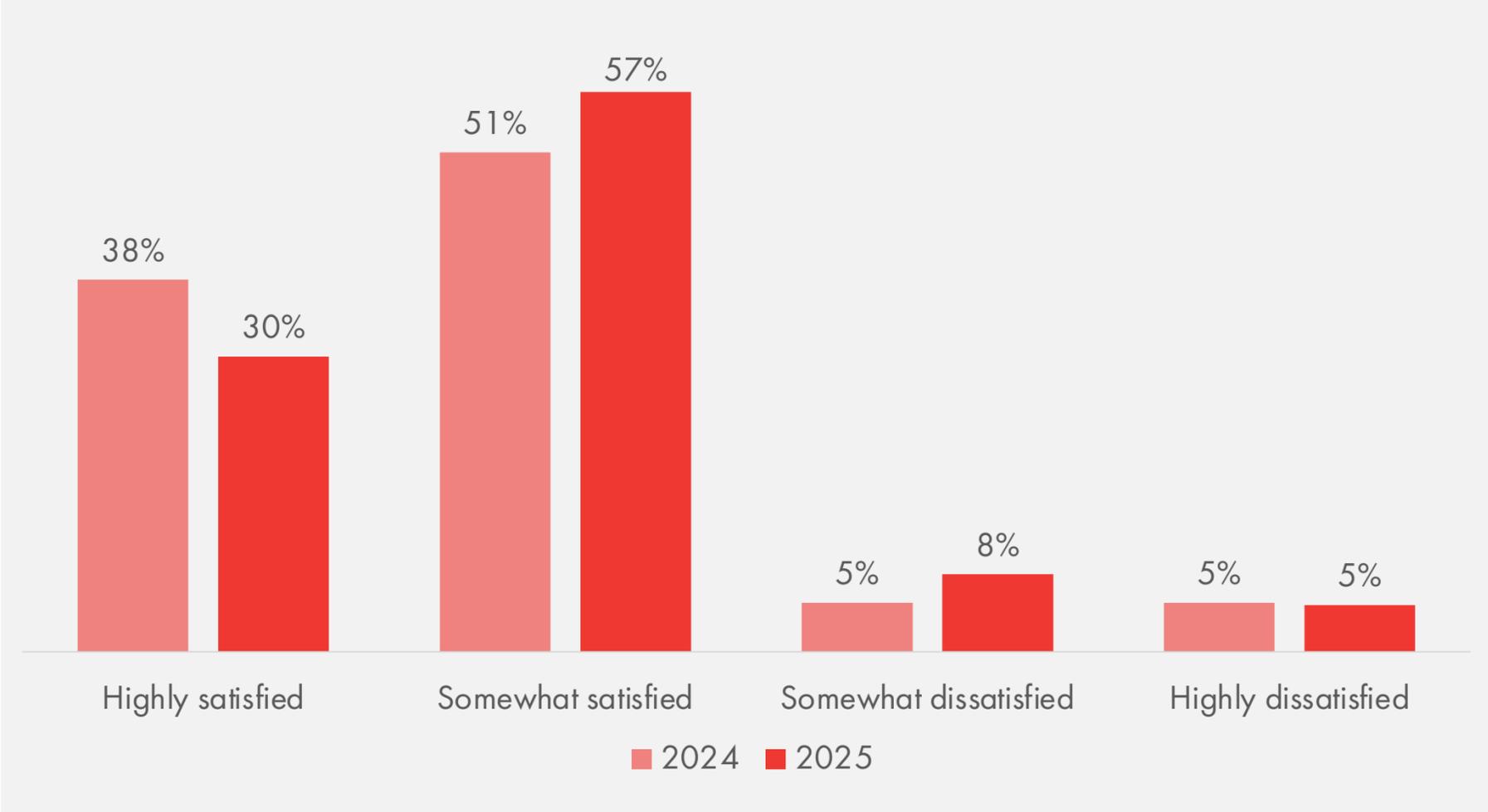
Importance of success metrics remain very similar to last year.



advertiser satisfaction in delivering ROI.

Nearly 9 in 10 (87%) of advertisers using affiliate marketing are satisfied with the channel in delivering return on investment over the last year.

In comparison to 2024, overall satisfaction (highly and somewhat satisfied) has been maintained, however the proportion of advertisers highly satisfied has dropped slightly.

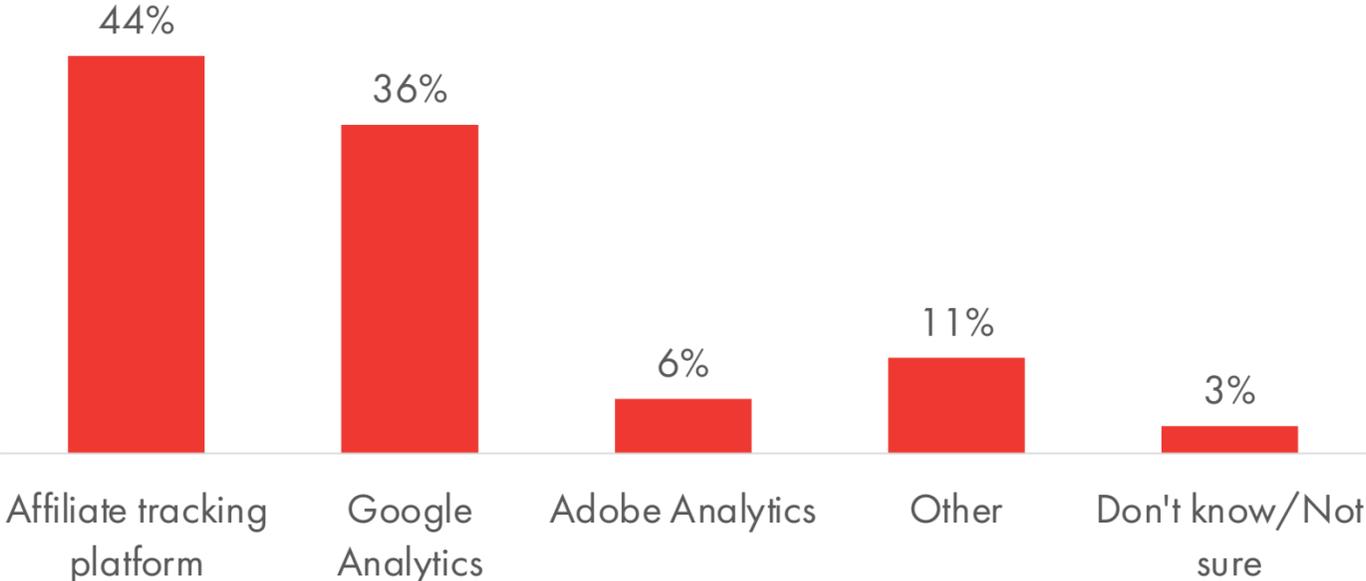


attribution and methods to track used by advertisers.

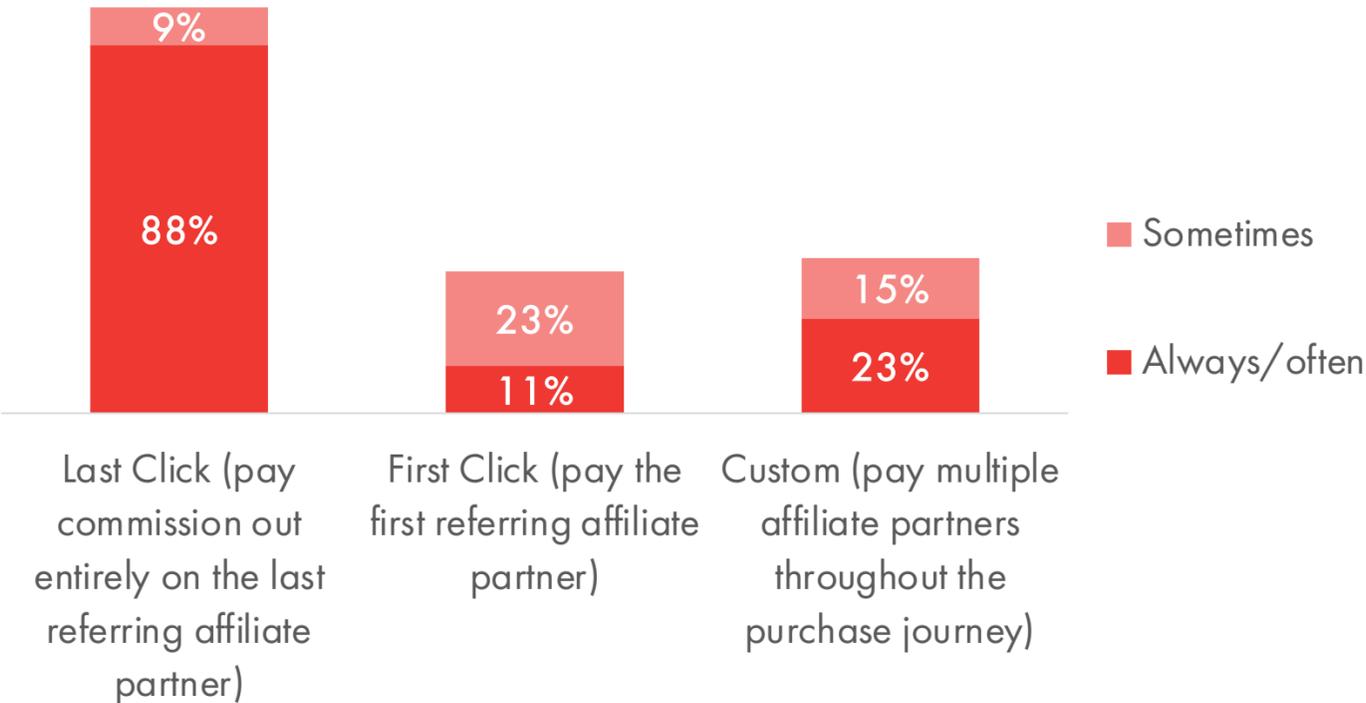
Most agencies and advertisers are using either an affiliate tracking platform or GA as their main platform for performance reporting. Those using 'other' sources are using a mix of those listed with their own data, Shopify or other internal analytics.

The most common allocation of commission is the total to the last referring affiliate partner (97% at least sometimes), with around a third at least sometimes using either first click or custom attribution methods.

main analytics platform used as source of truth



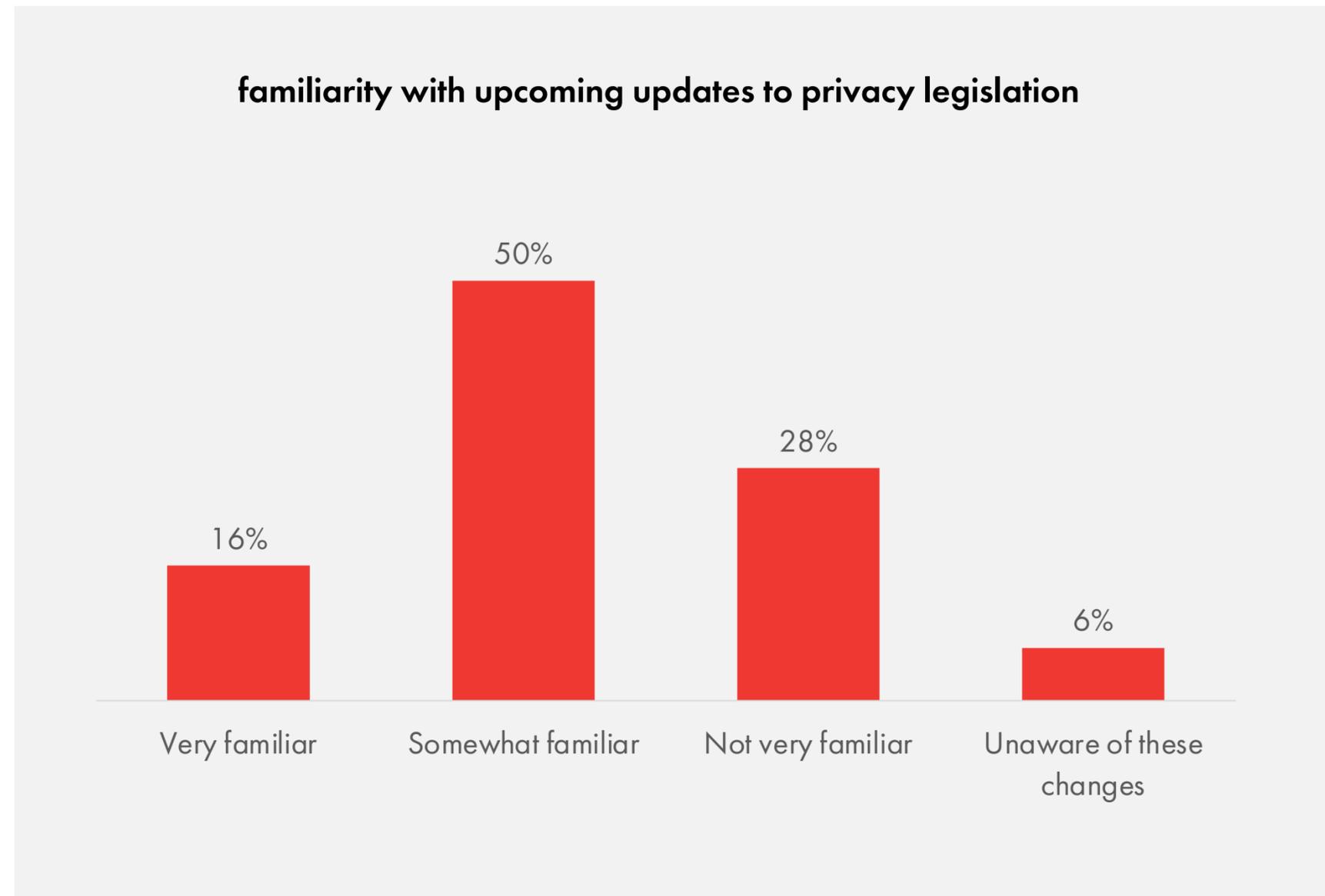
attribution rules used to pay partners



preparedness for privacy legislation changes.

In November 2024, the *Privacy and Other Legislation Amendment Bill 2024* to enact the first tranche of reforms to the *Privacy Act 1988*, passed both houses of Parliament. A second tranche of the reforms is expected in 2025.

A third of respondents are not familiar with these privacy updates or the steps they may need to take to ensure consent is obtained for data collection.



07.

promoting a stronger role.

advertiser challenges using affiliate marketing.

Finding suitable affiliates

- *Finding affiliates outside of browser extensions that drive high volume.*
- *Securing new affiliate partnerships that match our goals.*
- *Finding new partners to work with to expand longtail partnerships.*

Proving the effectiveness

- *Understanding impact across all paid marketing channels*
- *Need to develop more advanced, standardised tracking technology*
- *Difficulties getting accurate tracking via GA4*

Understanding incrementality

- *Proving incrementality is #1 challenge.*
- *Driving incremental revenue and customers.*

Budget constraints

- *Reduced budgets due to the economy*

Changing payment models & impact on performance

- *Many partners changing their business model and ROI dropping the most it has in years due to this change*
- *Increased competition has diluted results, making individual campaigns less effective. We want to spend more on the channel, but we aren't generating the same level of sales we did before even after increasing CPA.*
- *Changing payment models pushing SMB's out of the market. The space is now more dominated by the giant brands, Amazon, eBay, travel, supermarkets etc*
- *Rising costs with lower performance gains.*
- *Increasingly high integration & placement fees from affiliates, which do not align with the ROI.*
- *Affiliates paid placement fees are significantly higher, without data to warrant the increase in fees*

Quality assurance, transparency and compliance

- *Compliance and control within the financial services industry.*
- *Monitoring and ensuring quality assurance of activity across all partners. Mixed messaging, compliance breaches and the likes often arise.*
- *validating some of the affiliate partners if they're legitimate or not*
- *Publisher transparency on where the traffic is from and where ads are being displayed*

Education and best practices

- *More training on partner best practices*
- *Clearer education and marketing around what affiliate marketing truly is. Many brands confuse it with referral or influencer marketing.*
- *Focus on education and transparency—offering clear insights into performance metrics, commission structures, and best practices*
- *Given the upcoming privacy legislative changes- what is the impact of these and why first party data and consent can help drive incremental value.*

learn more about affiliate marketing.

2025

affiliate marketing commission validation recommended practices

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document release

navigating affiliate marketing attribution in google analytics 4

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This essential resource for advertisers, offers actionable insights to enhance affiliate relationships through transparency and ethical practices.

[DOWNLOAD](#)

This guide explains how GA4 and affiliate tracking platforms can be utilised together, key considerations for mitigating differences in attribution, and why following best practice in this area will ensure continual success of affiliate partnerships.

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