navigating affiliate marketing attribution in

google analytics 4

The introduction of Google Analytics 4 (GA4) has significantly changed how channel attribution is measured compared to its predecessor, Universal Analytics (UA). The key difference between the two analytics systems is the transition from the last-click model found in UA to the data-driven attribution (DDA) model set in GA4 by default. This results in a larger discrepancy in reported numbers between affiliate tracking providers and GA4.

This article will explore 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.

This document has been developed by the IAB Australia Affiliate Marketing Working Group with representatives from Afterpay, Are Media, Awin, Cashrewards, Commission Factory, Future, Impact, GrowthOps, News Corp, Partnerize, Rakuten Advertising, Silverbean.

TLDR

> **GA4 vs. Affiliate Attribution:** It has been reported that GA4's default Data-Driven Attribution model can place a lower priority on non click based tracking methods.

> **Data Discrepancies:** There are common issues with data discrepancies between GA4 and affiliate platforms, with affiliate-driven conversions often being underrepresented in GA4.

> **Attribution Windows:** GA4 and affiliate platforms may have different attribution windows, causing further inconsistencies in reported conversions.

> **Custom Tracking:** Implementing custom event tracking in GA4 for affiliate-specific actions (like clicks and conversions) helps improve accuracy.

> **De-duplication:** De-duplication should be handled at the transaction source, not via GA4, to ensure fair commission payouts to affiliates.

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attribution models:
GA4 vs. affiliate systems

The attribution methodology in GA4 differs from the last-click attribution method commonly used by affiliate marketing platforms and previously used by Google UA.

> **GA4's Attribution Model:** GA4 employs a data-driven attribution model by default that looks at all touchpoints in the customer journey including all interactions on the advertisers website and apps, and assigns conversion credit to the interactions that had the most significant impact. This is a proprietary attribution model. In order for DDA algorithm to be implemented accurately there is a minimum amount of volume required over 30 days, meaning that smaller advertisers may not have enough data to be able to utilise this methodology accurately.

> **Affiliate Attribution:** Most affiliate programs rely on the last-click model, which credits the conversion to the affiliate channel responsible for the final interaction before the purchase. This industry-standard model rewards affiliates who drive the final conversion event.

> **Event Tracking:** One of the major shifts in GA4 is how user engagement is captured on-site. In UA, interactions were mostly tracked by page views. However, GA4 allows advertisers to define up to 25 event parameters, such as video plays or clicks on specific elements. Google advises setting up a fresh set of event parameters tailored to measure user engagement accurately.

A helpful feature is the ability to filter event data, enabling you to focus on key actions. By selecting only 'Conversions,' you can prevent unrelated events from clouding your reports, ensuring you're reviewing the most relevant data tied to your primary goals. To ensure more consistent data between GA4 and affiliate platforms, advertisers can adjust their GA4 attribution settings to more closely align with affiliate tracking systems.

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practical steps to take:

To mitigate these issues, advertisers and publishers should follow these practical steps:

1 Event-Based Tracking and Custom Setups

GA4 uses an event-based tracking system, which provides flexibility in how user interactions are tracked. For affiliate marketing, setting up custom events to track affiliate-specific actions like clicks and conversions is essential.

Custom Parameters: Make sure to pass affiliate IDs, campaign details, and other relevant data through GA4 to create a clearer picture of affiliate performance. This allows advertisers to reconcile data across GA4 and your affiliate system by linking clicks to specific partners.

By setting up events tailored to affiliate marketing, advertisers can track affiliate traffic more accurately and gain better insights into which partners are driving conversions.

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2   Reconciling Data Discrepancies

A common pain point when using both GA4 and affiliate platforms is the data discrepancy between the two systems. These discrepancies arise because:

> It has been reported that GA4 can place a lower priority on non click based tracking methods.

> Attribution windows may vary. For example, affiliate programs typically have longer cookie windows (e.g., 30 days), while GA4 may attribute conversions based on shorter timeframes.

To mitigate these differences:

> **Align Attribution Windows:** Ensure that the tracking windows in both GA4 and your affiliate system are set to reflect similar periods.

> **UTM Parameters:** Use UTM tagging on affiliate links and ensure these are tracked correctly in GA4. This helps ensure that GA4 identifies affiliate traffic even when multiple touchpoints are involved.

> **Custom Reporting:** Using GA4's model comparison reports can help advertisers see side-by-side comparisons between DDA and last-click models, helping them better understand the impact of different attribution methods.

> **De-duplication at transaction source:** Advertisers should set up de-duplication via their tracking set up and not via GA4. This ensures the fair and equitable payout of commissions to affiliate partners.

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3   Option to Use Server-Side Tracking

Due to browser privacy changes (such as ITP in Safari), both GA4 and affiliate platforms are increasingly moving towards server-side tracking solutions.

Implementing server-to-server side tracking or conversion APIs in GA4 can ensure conversions are captured accurately. It is crucial for advertisers and partners to consult with their affiliate networks to ensure that their tracking is properly set up and aligned with GA4 settings.

4   Legal and Privacy Considerations

Privacy regulations, such as GDPR, require that consent mechanisms are properly integrated with both GA4 and affiliate tracking systems. Please ensure that local privacy regulations are taken into consideration. Failure to comply can result in data loss or legal repercussions.

GA4 offers a consent mode that respects user choices regarding data tracking. Advertisers need to ensure that affiliate platforms also respect these consent choices to maintain compliance while maximising data tracking capabilities.

5   Compare more than one reporting tool

Generally, it is not best practice to use one attribution or reporting tool to validate another. GA4 shouldn't be used as the sole basis for tracking and attribution. Advertisers should consider using multiple measurement tools to view channel performance, such as their affiliate platforms' reporting tool.

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6 Validating sales using GA4

Attributed data should be taken as insight to provide a holistic and strategic overview of how your marketing mix is performing. It shouldn't be used to approve or deny payment, especially when other channels (Google Ads, FB etc) get paid per-click or impression whether or not they drive conversions.

The introduction of attribution modelling in GA4 also means that the default view won't enable a view of the last touchpoint before conversion. Whilst you can use the 'last-click' model to view performance, best practice would be to incorporate de-duplication at source to validate affiliate involvement at the point of conversion. This way advertisers can avoid the need to rely on GA4 to validate sales, simply using their internal sales data to verify an order status and accept or decline commissions.

Universal Analytics:
In this example there are three different, distinct links:
a Facebook ad, a Google Shopping click and then a voucher site.
They are three distinct sessions.
Using a UA's last-referral logic, the voucher site would be credited with the sale.

Google Analytics 4:
The same journey shows just two sessions, as multiple events happen in the second 30-minute session.
Here, the first referring event in the last session will be credited to the Google Shopping ad click.

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how to use the data to make strategic decisions around remuneration and partner types

To accurately assess the value affiliates bring to your program, it's important to consider a range of data sources. In addition to GA4 and affiliate tracking, some affiliate platforms offer their own attribution reporting, providing a more comprehensive view of performance. It's crucial to not only gather diverse data but also interpret it effectively and take action based on the insights.

> Key Questions for Data Analysis:

> **Position in the Customer Journey:** Where does the publisher typically contribute? Are they consistently influencing the same stage of the funnel?

> **Incremental Value:** Are there contributions from the publisher that aren't fully captured under a last-click attribution model but still provide significant value?

> **Impact Assessment:** How significant is the publisher's contribution? If these efforts stopped, would it have a noticeable effect on the brand's performance?

> **Alternative Compensation Models:** Would a remuneration model other than cost per acquisition (CPA) be more suitable for this publisher's contributions?

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> Exploring Alternative Remuneration Models

The affiliate landscape is diverse, and some publishers may not be best suited to a CPA-only model. Here are some alternative payment methods that can incentivise publishers more effectively:

> Cost Per Click (CPC): Compensate publishers based on the clicks they generate, which can be ideal for traffic-driving affiliates.

> Tenancy Fees: Pay a fixed amount for specific promotional activities, such as $1,000 for prominent placements on their site or for email marketing (eDMs).

> Dynamic Commission Rates: Offer higher commission rates for promoting specific products or categories that align with the publisher's audience. This approach can help drive attention to key areas of your business.

> Practical Application Example

Let's say your data shows a publisher frequently drives upper-funnel traffic, introducing customers to a top-selling category on your site. Although they occasionally close sales and earn CPA commissions, the overall value they bring isn't fully reflected in last-click performance.

If this contribution is valuable, consider discussing a trial with the publisher where they receive a higher CPA for that category. You could also offer a tenancy fee if they meet a certain revenue target for the month.

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> The Importance of Attribution in a Complex Marketing Landscape

As consumers engage with more touchpoints, both digital and traditional, it's increasingly important to understand which marketing channels and partners are influencing purchase decisions.

While last-click attribution is the industry standard for most affiliate programs, hybrid models or multi-touch attribution can provide deeper insights into the value of each affiliate touchpoint in the customer journey.

Accurate attribution is crucial for achieving a positive ROI while maintaining healthy relationships with your brand, consumers, and partners. By gaining insights into the customer journey, businesses can better allocate resources and optimise marketing efforts in a dynamic and sustainable way.

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Aligning Affiliate Marketing with GA4 For Success

As GA4 continues to evolve, the way data is tracked and attributed will have an impact on affiliate marketing strategies. Advertisers need to stay updated on these changes and adjust their strategies to ensure they are leveraging the full potential of GA4 while maintaining a strong affiliate marketing program.

While GA4 introduces significant changes to attribution models, understanding and mitigating the differences between GA4 and affiliate platforms is key to maintaining an accurate view of performance. By adjusting GA4's attribution settings, using UTM tracking, and leveraging server-side solutions, advertisers can align their data across platforms and ensure a consistent representation of affiliate performance.

Though GA4's Data-Driven Attribution may undervalue affiliate contributions, it remains critical for brands to continue trusting affiliate network data, as this remains the most reliable source of tracking conversions and revenue for partner marketing.

Recommended Actions:

> **Align Attribution Windows:** Ensure GA4 and affiliate platforms have similar tracking windows to avoid data discrepancies.

> **Use UTM Parameters:** Tag all affiliate links with UTM parameters and ensure they are properly tracked in GA4.

> **Implement Custom Events:** Set up custom events in GA4 to track affiliate actions such as clicks and conversions for more accurate reporting.

> **Use Model Comparisons:** Leverage GA4's model comparison reports to compare DDA and last-click attribution, allowing for a better understanding of how different models affect performance data.

> **Consult with Networks:** Work closely with your affiliate networks to ensure alignment between GA4 and affiliate tracking settings, especially with regard to different tracking methodologies and validations.

> **Adjust Attribution Model:** Consider using the last-click attribution model in GA4 to better align with affiliate tracking.

> **Validate Using Internal Data:** Use internal sales data to validate affiliate sales rather than relying solely on GA4 for validation.

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