



# **Advertise Purple Presents**

## **2020: Changes and Trends in Affiliate Marketing and E-commerce**

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# Market Overview

2020 was a historic year for retail, closing with significant gains in both advertiser and consumer interest. In a span of 12 months, consumers spent \$861.12 billion online with U.S. merchants, up 44.0% year over year.\* According to the data, this is the highest annual U.S. e-commerce growth in at least two decades, nearly triple the 15.1% jump in 2019\*. Stats show COVID-19-related boosts in online shopping resulted in an additional \$174.87 billion in e-commerce revenue in 2020, an incremental amount originally thought to be achieved in 2022.\* In addition to domestic growth, international e-commerce also grew at an unprecedented rate of 18% year over year.

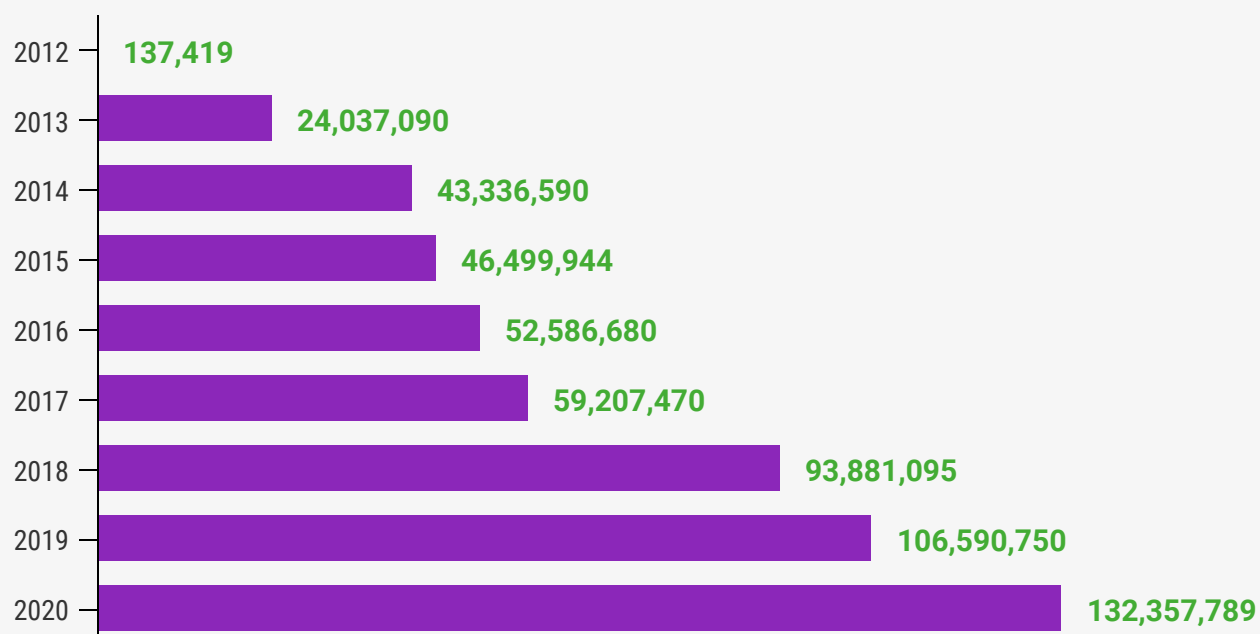
With online retail growing at exponential rates, so has the demand for CPA-based digital marketing channels. AdPurp's profiled data shows that, not only the interest for affiliate marketing has increased, but the incremental performance and brand value also grew in proportionate fashion.

# Customer Growth

As an agency focused on affiliate performance, both incremental revenue and publisher acquisition, Advertise Purple experienced rapid growth in 2020 in all segments: customer growth, campaign success, and affiliate partnership management.

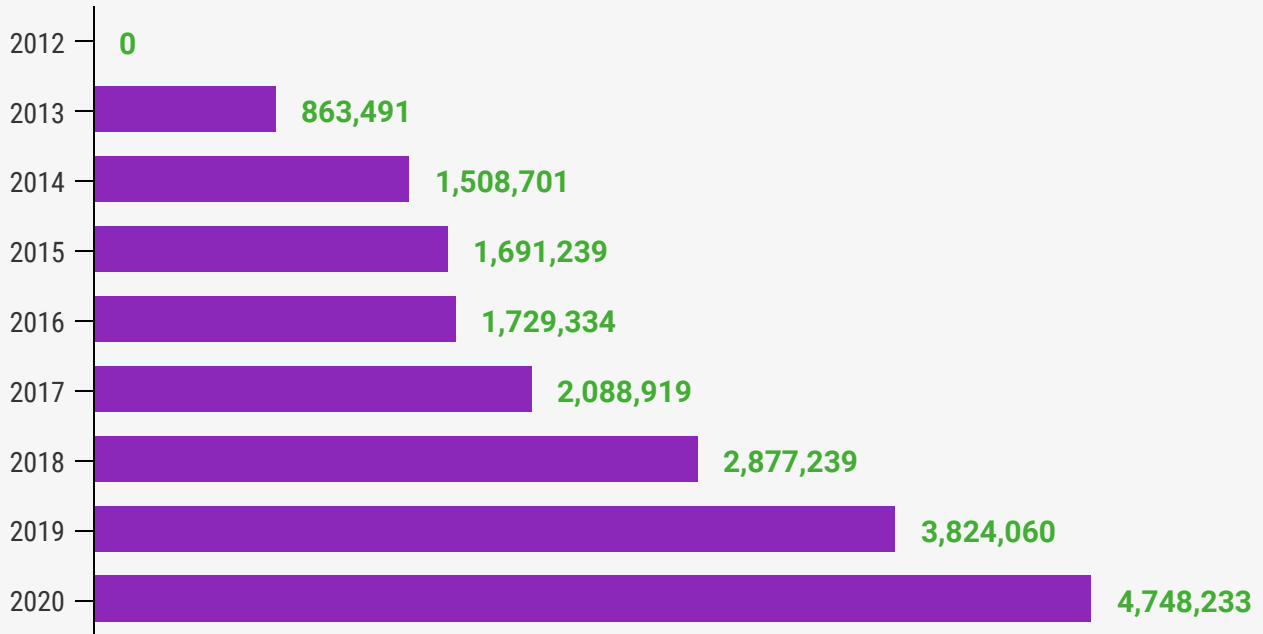
## CLICKS

Aggregate affiliate click volume from Advertise Purple clients continued to grow over 24% YoY despite COVID affected verticals.



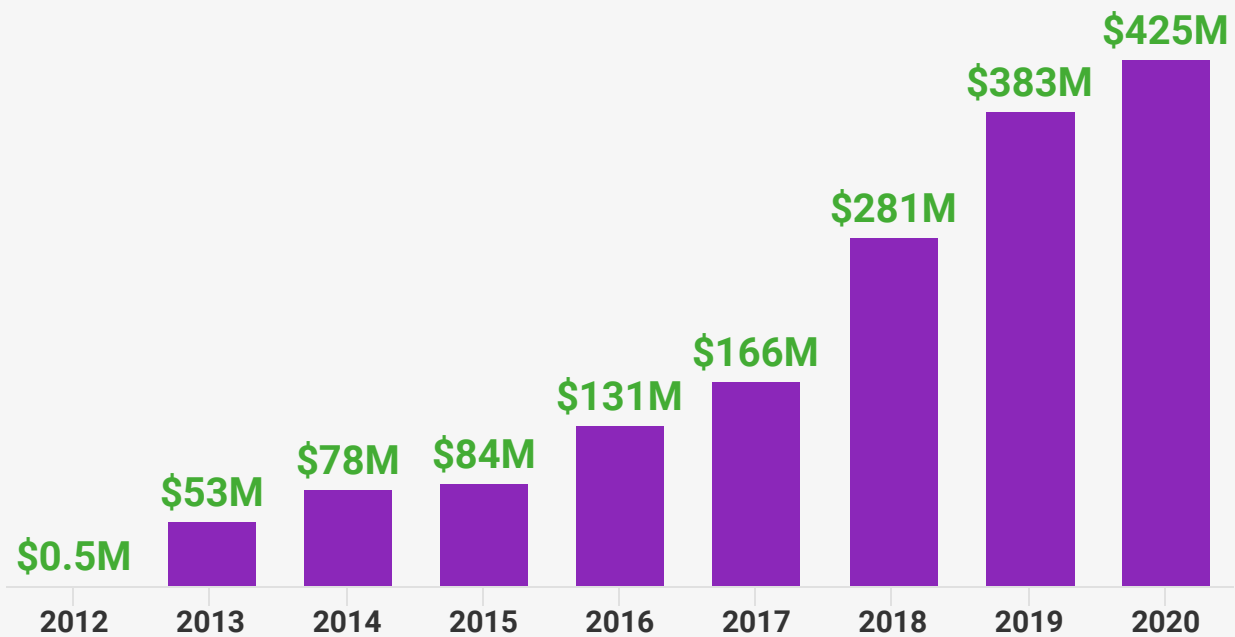
## ORDERS

2020 order count topped 4,700,000, a 24% YoY increase from 2019.



## REVENUE

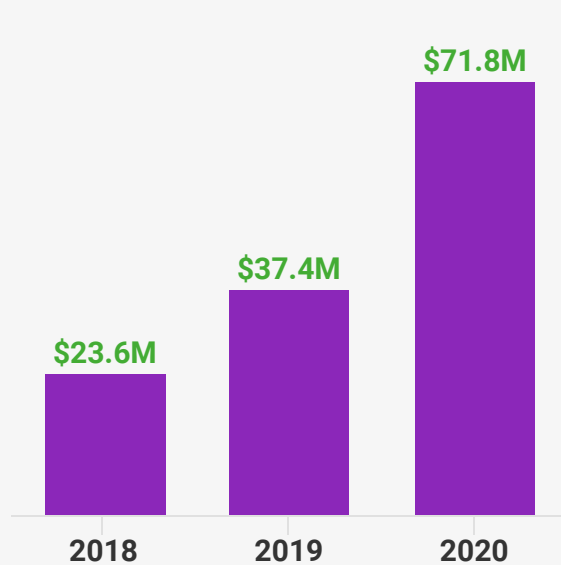
Under Advertise Purple management, clients generated over \$425,000,000.00 in affiliate revenue in 2020.



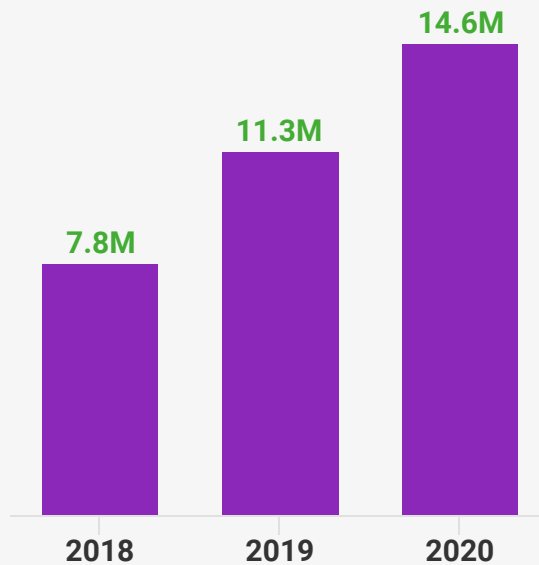
# Strong Performers

With notable volatility in Travel and Hospitality verticals throughout 2020, Computer, Electronics, & Software and Home & Living experienced the opposite, enduring upwards of 91% YoY sales growth and combined revenue total of over \$86m at Advertise Purple.

Home & living (Revenue).

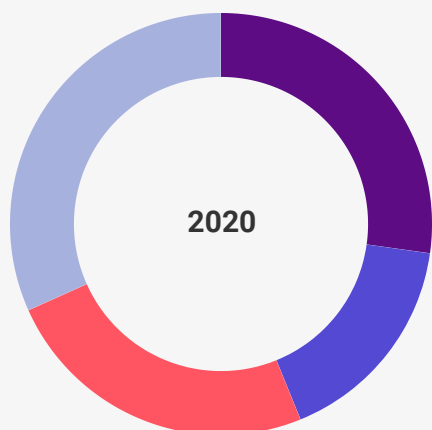


Computer, electronics & software (Clicks).



# Growth Markets

Other growing verticals include Sleep, Gifts & Flowers, Sports & Outdoors, and Food & Beverage, with YoY growth stats skyrocketing into triple digits, and combined affiliate revenues topping \$87m.



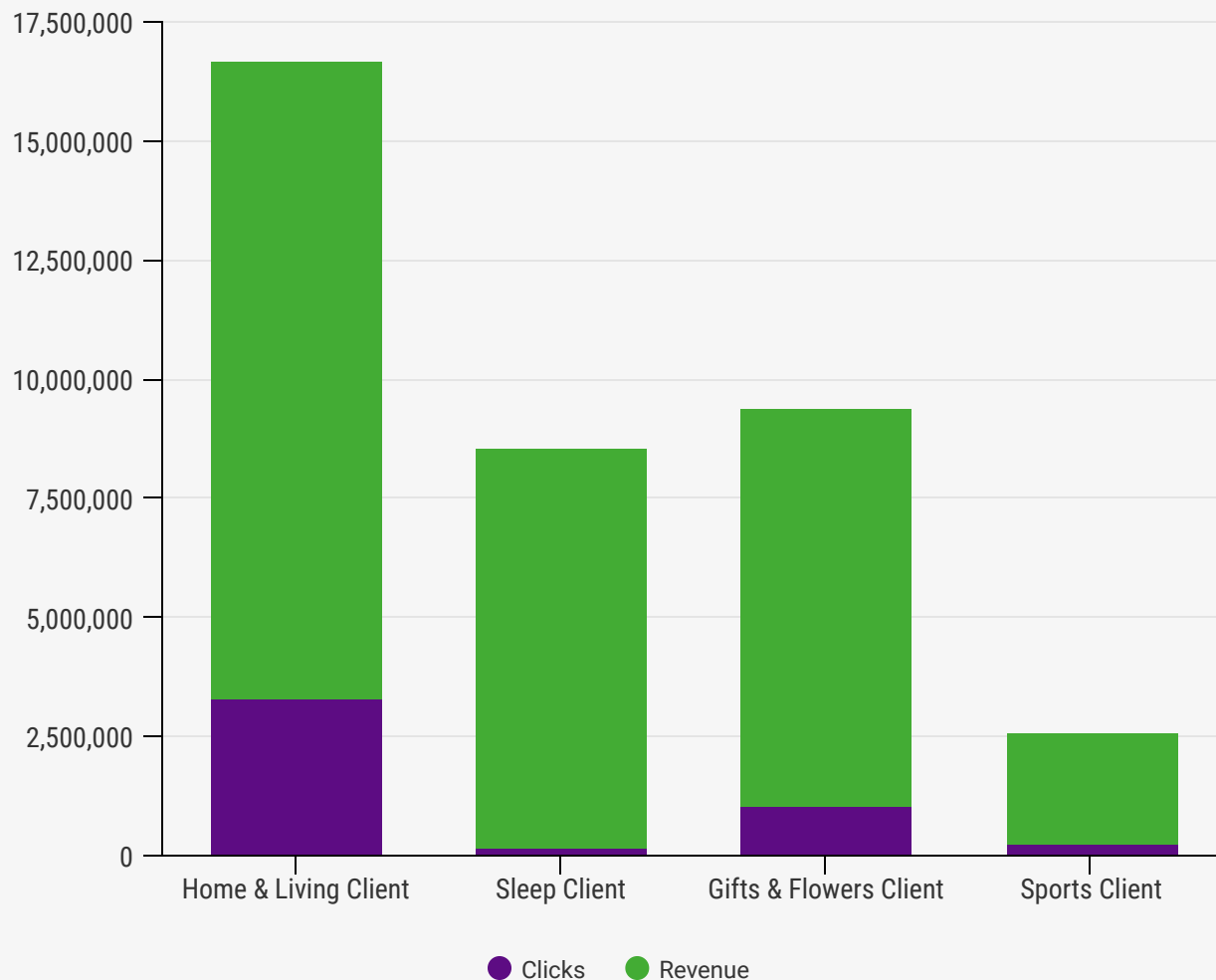
- **Sleep:** \$24.4M (207.83%)
- **Gifts & Flowers:** \$14.9M (195.20%)
- **Sports & Outdoors:** \$21.9M (155.61%)
- **Food & Beverage:** \$28.4M (92.82%)

# Enterprise Client Growth & Retention

Enterprise-level clients achieved notable growth under Advertise Purple's management in 2020. Despite market volatility, data-backed campaigns resulted in this client segment experiencing compliant, incremental, and attributable sales from top-tier content and shopping partners.

-A well-known advertiser in the Home & Living Vertical saw 159% increase in affiliate revenue

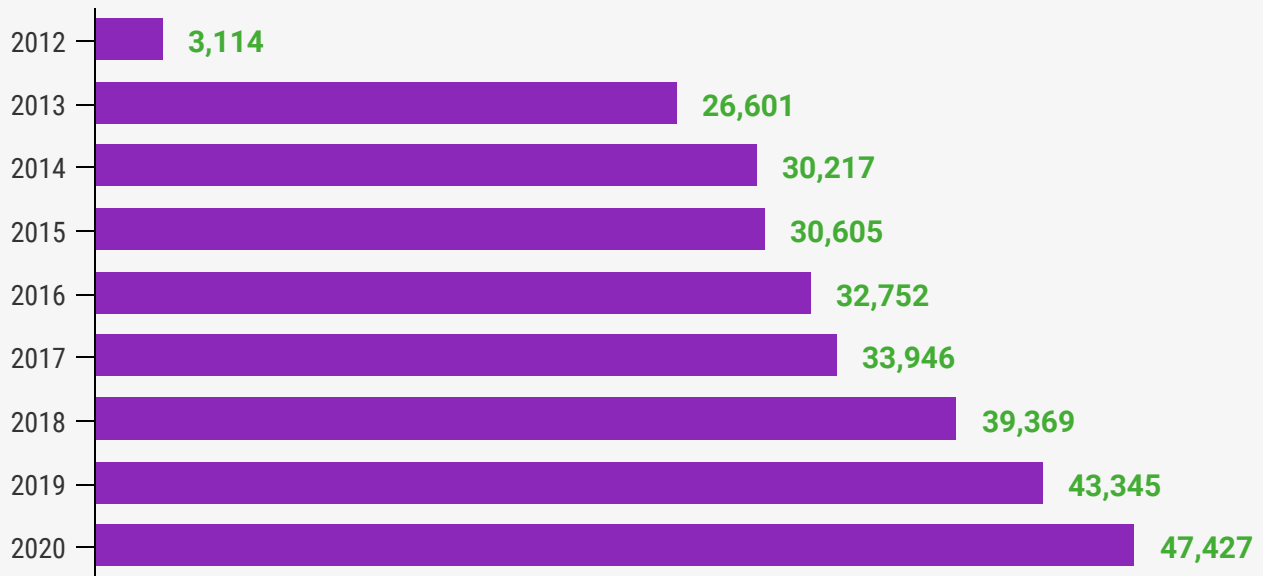
-A new merchant in the Sleep vertical launched in late 2019 and went on to drive over \$8,000,000 in revenue in 2020 through quality partnerships introduced by Advertise Purple.



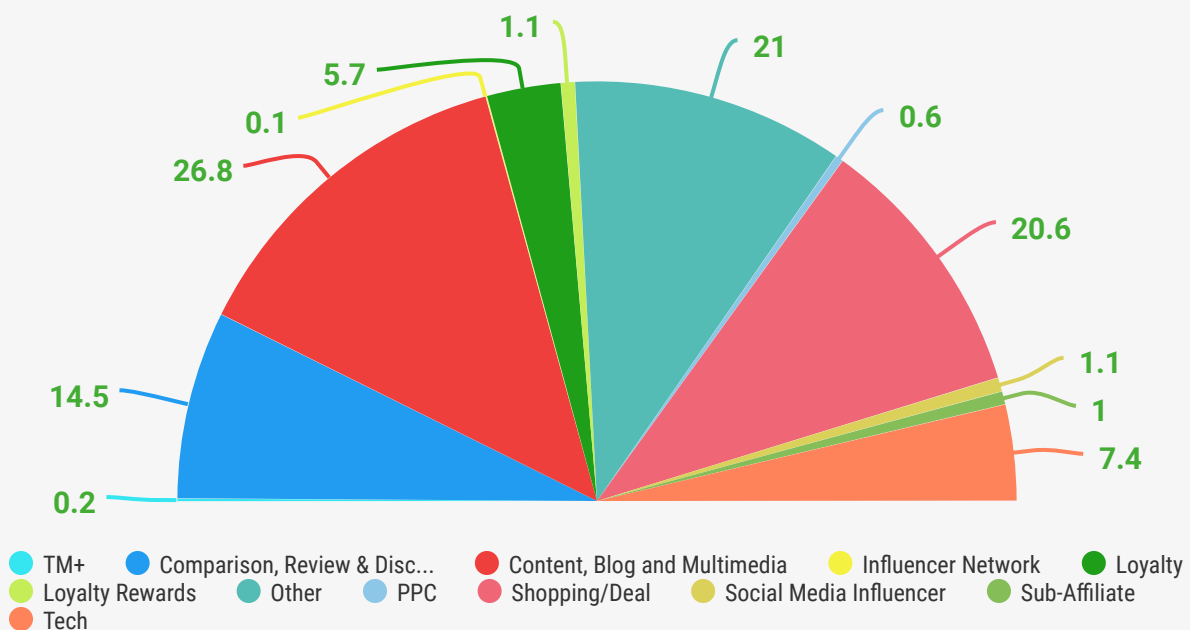
# Market Trends

Although over 135,000 affiliate partnerships are under management, Advertise Purple is selective with whom they connect brands, ensuring incrementality, value, and top-of-funnel promotional methods. Despite strict requirements, clients gained a 9.48% increase in unique, active affiliates from 2019 to 2020.

## ACTIVE AFFILIATE COUNT



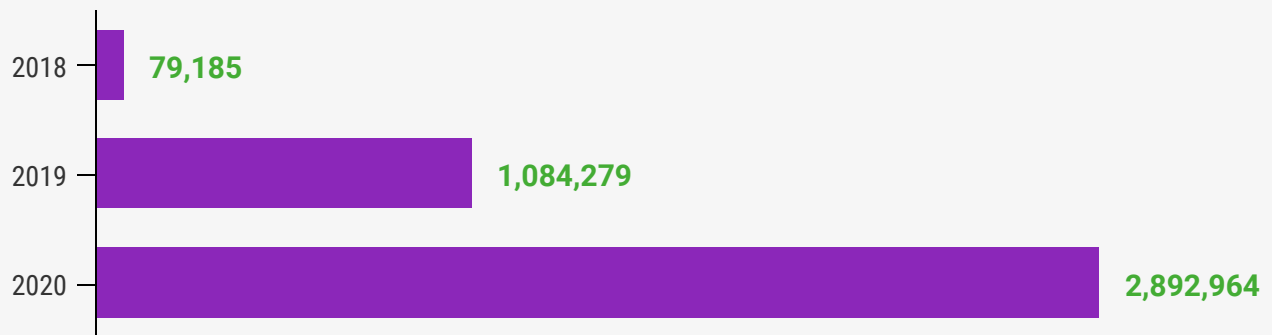
## AFFILIATE PARTNER DIVERSIFICATION



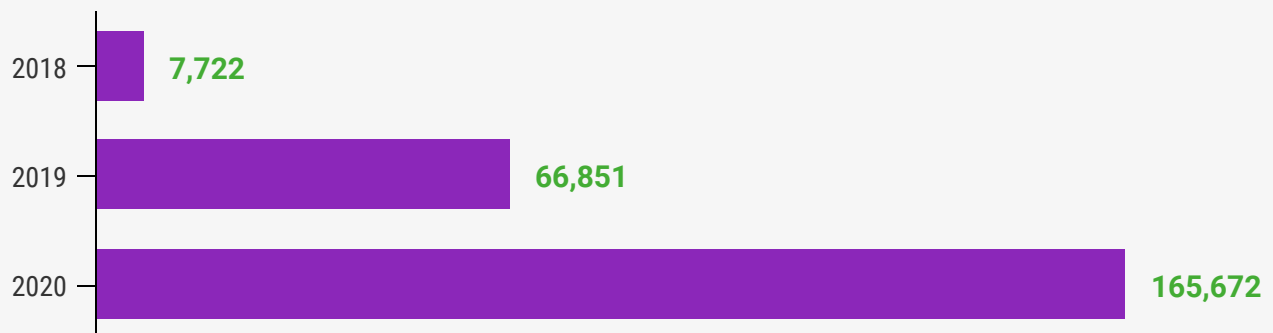
# New Partner Opportunities- Technology Affiliates

Whether tapping into unique customer segments through display and search, AOV, or email retargeting campaigns, Technology affiliate partners grew over 150% in order count from 2019 to 2020. These partners enable AdPurp customers to deploy a vast range of solutions at a fixed cost to bolster brands' traditional shopping and content affiliates, engaging a host of new customers.

## CLICKS:



## ORDERS:



## REVENUE

