# PUMA transforms Southeast Asian affiliate program: **Fraud down 90%, partners double**







## Situation

#### Manual processes and fraud risks stall affiliate growth

<u>PUMA</u> leveraged affiliate partnerships as a cost-efficient, lower-funnel channel to complement high-tier efforts like search and social media. While the performance-based model delivered strong ROI, challenges such as affiliate fraud and manual workflows hindered efficiency and limited the program's scalability.

#### Over-reliance on a single partner creates 80% revenue risk

Launched in Singapore and Malaysia in 2021, the affiliate program expanded to the Philippines in 2022. However, growth in Malaysia and Singapore was initially modest, with limited active partner engagement in both markets

The program also relied heavily on Shopback — a cashback platform — which drove up to 80% of affiliate sales.

The over-reliance and lack of partner diversity increased risks, and the sportswear brand missed opportunities to tap into broader audiences and achieve more balanced growth.

#### Manual processes block the scaling of active partners

Without a clear optimization strategy, PUMA's program lacked automation and was inundated with manual tasks.







## Situation (cont.)

Manual processes and fraud risks stall affiliate growth

Recruiting and managing partners was a time-intensive process, requiring manual outreach and one-to-one communication for every collaboration, agreement, and campaign setup. This fragmented approach limited scalability and consumed valuable team resources.

Tracking performance was equally challenging. With Google Analytics as their primary tool, visibility into partner contributions was limited, leaving significant gaps in data visibility and actionable intelligence. The absence of advanced fraud prevention measures also exposed the program to risks, including fraudulent orders that required laborious manual validations.

To revitalize the program, PUMA needed a structured, scalable approach to building new partnerships, improving operations, and reducing risks.



## About

#### **PUMA**

<u>PUMA</u>, a global sportswear leader from Herzogenaurach, Germany, embodies a "Forever Faster" ethos in sports and lifestyle. Since 1948, it has delivered high-performance footwear, apparel, and accessories for sports like football, running, and motorsports while prioritizing innovation, sustainability, and social responsibility.

#### **Lodestar Marketing**

<u>Lodestar Marketing</u> is South East Asia's leading affiliate marketing agency specializing in strategy, end-to-end program management, and affiliate growth. Delivering tailored support and data-driven insights, the agency helps brands scale ROI and expand reach across Southeast Asia and beyond.





## Solution

Automation and fraud prevention rebuild program foundation

Puma onboarded Lodestar Marketing to take over program management. The agency team utilized the impact.com platform to tackle the challenges in the affiliate marketing program. This decision provided a unified set of tools designed to address their pain points systematically and efficiently.

#### Fraud prevention and compliance transform program security

PUMA faced a critical challenge in its Philippines affiliate program — cash-on-delivery (COD) fraud. This loophole allowed bad actors to place multiple fraudulent orders intending to claim cashback without completing payment.

To counter this, the agency team collaborated with Shopback to limit program click-throughs to one click per user per day and used impact.com to implement session cookies — adding another layer of protection.

# 66

Optimising the Puma program over all of these countries has been a great challenge and we have been delighted with the results so far. Having the impact.com dashboard on-hand has made our work so much easier and efficient. We look forward to continuing our partnership with impact.com and the Puma team for many years to come.

> Britney Inpon Partnerships Executive, Lodestar Marketing





#### Automation and fraud prevention rebuild program foundation

These coordinated efforts resulted in **over a 90% reduction in fraudulent activities**, significantly lowering costs tied to late order cancellations and safeguarding the profitability of PUMA's affiliate program.

Beyond addressing COD fraud, Lodestar fortified PUMA's affiliate program through proactive measures supported by impact.com:

- Partner contracts included **protective clauses** that strengthened compliance.
- **Regular monitoring processes** like brand bidding kept partners' behaviors aligned with program guidelines.

Automated recruitment diversifies the partner network

The team used impact.com to simplify partner identification. The refreshed strategy boosted recruitment success and diversified PUMA's affiliate network to include new partner types, including retargeting partners, influencers, and card-linked offers.

- Marketplace helped conduct a program gap analysis to identify partners active on the platform who had not yet joined PUMA's program.
- 2. Automated <u>Prospecting</u> and invitation tools made the recruitment process significantly faster and more efficient.
- **3.** The impact.com Publisher team delivered curated lists of high-potential partners aligned with the brand's markets, streamlining outreach for tailored collaborations.



#### Automation and fraud prevention rebuild program foundation

# Optimized contract management motivates partner performance

Lodestar used <u>Dynamic Payout</u> capabilities to change PUMA's commissioning structure, introducing tailored strategies, including:

- Commission rates were adjusted based on the shopper's purchasing behavior, with differentiated rates for new and existing customers. This approach enabled partners to offer competitive "up to" cashback deals, maximizing appeal to their audiences.
- Strategically timed flash sales with higher commission incentives drove urgency, boosted purchases, and secured premium placements without additional costs.







Automation and fraud prevention rebuild program foundation

**Streamlined contract terms** also improved efficiency, enabling faster payments to partners. By reducing administrative bottlenecks, PUMA ensured smoother transactions and bolstered partner satisfaction, fostering long-term loyalty.

#### Enhanced partner engagement keeps partners activated

Communication improvements made engagement scalable, reducing friction in partner operations while boosting participation.

**Branded HTML newsletter templates** were integrated into the impact.com platform to refine communication and tailor messages to specific partner groups. The team also tracked key engagement metrics, such as open and view rates, to measure the effectiveness of their outreach.



### Automation and fraud prevention rebuild program foundation

Understanding that partners have limited time, Lodestar ensured newsletters included all necessary information, such as partner links.

This eliminated the need for platform logins, setting a new standard for efficiency and collaboration.

#### Advanced reporting enables growth

Modern tracking and reporting tools offered insights into partner and program performance.

- <u>Performance by Partner Report</u> identified high-performing partners.
- <u>Click Data Report</u> logged each click, including the ad, IP address, partner, and cost of payable CPC clicks.

- <u>Advanced Action Listing Report</u> detailed each action that has been credited to partners.
- <u>Data Lab</u> enabled the creation of custom reports, offering deeper insights into performance.





### Outcome

Partner growth drives success across three markets

By addressing the program's inefficiencies and introducing a data-driven, streamlined approach, PUMA's affiliate program achieved significant gains in both growth and operational excellence.

The affiliate program achieved remarkable growth in Singapore, Malaysia, and the Philippines. Partner engagement doubled, fueling sales growth of up to 2.5x across these markets. Simultaneously, CPA costs dropped by up to 30%, significantly boosting program efficiency.

PUMA's transformation with impact.com highlights how a centralized partnership management platform improves efficiency, resolves challenges, addresses fraud issues and secures long-term success.

