

Wrestling with program complexity, AppSumo takes control and grows 255% with Impact

Situation

Too little transparency, too many constraints

Software marketplace AppSumo appeals to the entrepreneurial spirit by offering discounted access to vital software tools for lean, growing businesses. To reach that audience, they engage a network of partners who are authentically connected to the world of entrepreneurs, bloggers, designers, freelancers, and business consultants who want access to the latest business tools but don't have Fortune 500 budgets.

AppSumo had been using affiliate tracking software to manage their referral partner relationships and payouts. But that platform wasn't able to keep up with the complexity and growth of AppSumo's program.

The company wanted more flexibility in payouts, more control over who was referring customers to the site, and a fee model that would not penalize them for growth. They also wanted to rethink their commision structure that pegged payouts solely to revenue volume and instead optimize toward new customers.

About AppSumo

APPSUMO

AppSumo wants both their customers and their partners to save and make money. By partnering with the hottest software start-ups and companies, AppSumo provides their community with incredible and affordable software solutions for every stage of the entrepreneurial journey.



"Our program has seen tremendous growth over the last couple of years because we've been able to really ramp up recruitment and nurture our relationships at scale. We're always looking for the best value, and Impact always comes out on top."





Nick Christensen
Head of Customer Acquisition
Appsumo



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Solution

Actively engage partners, and pay for value

Once AppSumo began managing their partnership program with the Impact Partnership Cloud, they were able to fully optimize the partnership life cycle and realign payouts toward the metrics they value most.

Value-based payouts

With Impact, AppSumo had the flexibility to overhaul their commission structure to address different kinds of partners and focus on bringing in new customers. In addition, they have a separate payout structure for their software partners who sometimes act as referral partners themselves, steering select customers to AppSumo as an extra incentive to purchase a license.

Continual engagement

The majority of AppSumo's referral partners are content creators in the tech and entrepreneurial sectors who are already fans of AppSumo's offers. AppSumo taps into this authentic community by looking for influencers in the 15 key software categories most relevant to their audience, scanning YouTube and scraping social media sites for AppSumo mentions. From there, they build a relationship, allowing a potential partner to try products and give feedback. If all goes well, AppSumo will issue an invitation and use Impact to facilitate a welcome sequence of communications to move the relationship forward.



Solution

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Once a partner is on board, AppSumo can monitor and report when certain sales or new customer thresholds have been reached.

That may trigger more outreach and encouragement, offers of extra support, or proposals for creative collaboration such as a cobranded giveaway — all to reward and nurture partners who are doing well.

Conversely, running an inactive partner report lets AppSumo flag any partners who go dormant so AppSumo can try to re-engage and reignite the relationship. By automating this kind of relationship building and making it scalable, AppSumo's partner engagement has increased alongside partner headcount.

Full transparency

AppSumo can now dive deep into their partner relationships to analyze who is delivering and why. Insights they depend upon include:

- New vs. returning customer reports
- Advanced action listing reports
- Micro- and macro-level insights

255%

YoY revenue growth

215%

YoY action growth

107%

YoY active partner growth

Outcome

Like their customer base, AppSumo is always looking for the best value from their vendors and tools, and Impact has delivered both with timely support and measurable business growth:

- 255% increase in revenue YoY
- 215% increase in actions YoY
- 129% increase in total affiliate partners YoY
- 107% increase in active affiliate partners YoY

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