

Revealing the true value: The marketing leader's guide to affiliate marketing incrementality

Industry leaders share how incrementality measurement is transforming affiliate marketing ROI



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Setting the stage: A new approach to partnership value



By **Todd Crawford**
Co-founder & VP Strategic Initiatives,
[impact.com](https://www.impact.com)

Today's affiliate marketing leaders face a critical challenge: traditional measurement approaches fail to capture the true value of partnership programs. While other paid channels like programmatic and paid search can be precisely controlled for measurement, affiliate marketing's enduring nature — with links and content continuing to drive value long after publication — demands a more sophisticated approach to understanding incremental value.

The industry stands at an inflection point. Marketing leaders continue to apply conventional paid media measurement tactics to affiliate programs, despite foundational differences in how these channels operate. This misalignment leads to a critical undervaluation of partnerships. As one industry leader noted, affiliate teams are often told how to measure incrementality based on other paid channels' metrics — an approach that fundamentally misunderstands the channel's unique value proposition.

Forward-thinking brands are discovering that affiliate incrementality requires a shift from single-touch attribution to understanding complex customer journeys. Rather than viewing affiliate marketing as just another paid channel, successful organizations are adopting nuanced approaches that account for the various ways partners influence purchasing decisions — from content creation and customer education to final conversion.

Industry expertise and insights

This playbook draws on insights from industry pioneers across North America, the UK, and Australia who are transforming affiliate partnership measurement, including brand leaders, agency experts, technology innovators, and partnership professionals.

Through these perspectives, we explore:

- 1 The limitations of traditional incrementality measurement
- 2 Strategies to capture true partnership value
- 3 Key metrics for understanding affiliate impact
- 4 Resource optimization for program growth
- 5 Leading brands' measurement innovations

This guide provides actionable frameworks, real-world examples, and implementation strategies to help you optimize affiliate partner relationships, defend budgets, and scale your program through data-driven decision-making.



Industry voices shaping the future of affiliate marketing:



Expertise in data-driven partnership optimization and advanced incrementality measurement strategies

Kristina Nolan

Vice President of Media, DMi Partners



Pioneer in developing innovative technology to transform partnership value measurement and program performance

Stephanie Harris

Founder and CEO, PartnerCentric



Strategic leader in leveraging incrementality insights to drive significant cost savings and new customer acquisition

Kayla Castro

Senior Manager of Affiliates and Partnerships, Zenni Optical



Authority on integrating affiliate measurement with broader marketing strategies and client advocacy

Patricia Marange

Head of Affiliate Marketing and Partnerships, Mindshare



Expert in subscription-based partnership models and measuring partnership impact on subscriber growth

Denis Kondrashov

Senior Director of Performance Marketing, fuboTV



Specialist in layered incrementality measurement and partner comparison methodologies

Nick Rasmussen

Senior Affiliate and Partnerships Manager, Envato

Industry voices shaping the future of affiliate marketing:



Leader in developing comprehensive approaches to measuring cross-channel marketing effectiveness

Roger Lee

Head of Performance Marketing, Brand Collective



Industry veteran driving innovation in strategic partnership growth and value measurement

Lee Ann Johnstone

Founder, Affiverse



Expert in strategic partnership program diversification and creative implementation for measurable brand growth

Ian McGlumphy

Founder and Principal Consultant, Inverted State



Authority on new traffic generation strategies and understanding partner interaction in conversion paths

Lacie Thompson

Chief Growth Officer, New Engen



Understanding incrementality in modern partnership measurement

Marketing leaders are asking the wrong questions about affiliate value. While they deploy sophisticated measurement frameworks for channels like paid search and programmatic advertising, these same approaches fail to capture the true impact of partnership marketing.

The reason?

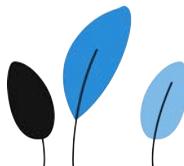
Affiliate partnerships operate fundamentally differently from other paid channels.

"Unlike paid search or programmatic advertising, where ads can be turned off and on again, affiliate marketing links continue driving traffic even after being 'deactivated.'"

Todd Crawford

Co-Founder and VP of Strategic Initiatives,
impact.com

This persistent nature of affiliate marketing makes traditional measurement approaches not just inadequate, but potentially misleading. Traditional attribution models and media mix modeling (MMM) have their place in the marketing toolkit. But forcing these measurement approaches onto affiliate partnerships is like measuring water with a ruler — the tool simply doesn't match the task.



While marketers are finding innovative ways to measure incrementality within existing frameworks, impact.com suggests a fundamental shift is needed: *“Brands are shoehorning affiliate incrementality measurement to match how they measure traditional paid media, where they have far more control. That just can't work,”* explains **Crawford**. He proposes a new framework that acknowledges affiliate marketing's unique characteristics — where partners often drive more value than they're directly compensated for, and where traditional on/off testing fails to capture true impact.

The implications are significant: **misaligned measurement leads to undervalued partnerships, missed growth opportunities, and misallocated marketing budgets.** As organizations seek to optimize their partnership investments, understanding true incrementality has become critical. Yet conventional wisdom about measurement continues to hold the industry back.



Why traditional measurement models are failing partnerships

Traditional measurement models are breaking down in the face of partnership complexity, largely due to systemic misalignment across organizations. The fundamental challenge lies in the lack of standardization: each organization approaches incrementality with its own definition, metrics, and methodology. This fragmentation creates a ripple effect throughout the measurement process.

The breakdown of traditional models stems from three key shifts:



Persistent partnership value. Unlike other paid channels, affiliate partnerships create enduring value. Articles, reviews, and content continue to drive engagement long after publication. As **Lee Ann Johnstone, Founder of Affiverse** explains, "*Affiliates touch customers in places and at times your own budget, content, and people sometimes can't... what matters is that you're present everywhere and at all possible times throughout the consideration, awareness, and purchase phase.*"



Complex customer journeys. "Some affiliates touch across the same customer journey," observes **Kayla Castro, Senior Manager of Affiliates and Partnerships, Zenni Optical.** "*Understanding where certain affiliates play key points in the customer journey is very crucial.*" This interconnected influence makes isolated measurement approaches obsolete.



Evolving partner relationships. Modern affiliate partnerships extend far beyond traditional conversion models. "*A lot of brands want to look at partners by the type of partner that they are. However, there are a lot of partners who maybe initially started as one type, but have built in other types to their model,*" explains **Lacie Thompson, Chief Growth Officer at New Engen.** This expanded role requires new measurement approaches.

Choosing the right measurement approach for partnership value

Before exploring modern approaches to incrementality, it's crucial to understand how different measurement frameworks serve distinct purposes in your marketing strategy. Rather than viewing these as competing methodologies, proactive brands understand how each reveals different aspects of partnership value.

Attribution is based on traditional methods, including first-touch and last-touch attribution, where credit is given to the first or last interaction before a sale.

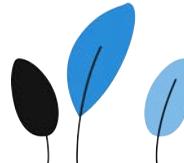
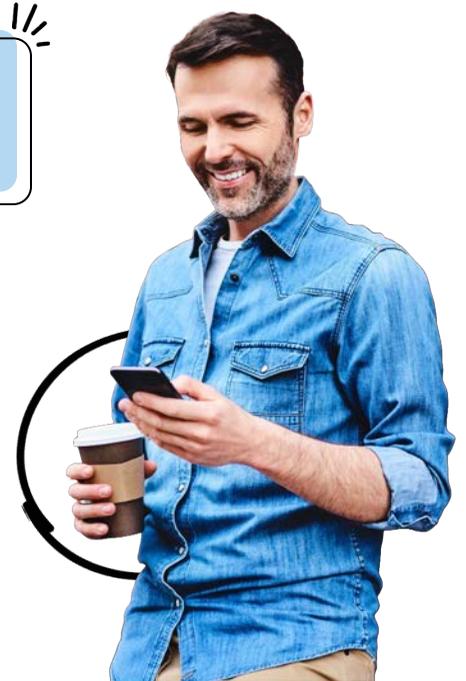
Marketing Mix Modeling (MMM) takes a holistic approach by evaluating the influence of marketing efforts in conjunction with external factors such as seasonality and economic conditions.

The conventional marketing perspective views incrementality through a linear lens:

Incrementality focuses on assessing the effectiveness of marketing strategies throughout the entire customer journey, answering a fundamental question:

Would a sale have occurred without a specific affiliate touchpoint?

While this definition serves other marketing channels well, it falls short of capturing the unique dynamics of affiliate partnerships.





Incrementality plays a more nuanced and multidimensional role in affiliate marketing - it measures additional value that wouldn't exist otherwise, considering how affiliate partnerships drive revenue beyond simple conversion attribution. While brands must pay for every click or impression in channels like paid search and programmatic advertising, affiliate partners frequently influence purchasing decisions far beyond the transactions they're commissioned for. True incrementality analysis must examine:



Revenue where affiliates were the sole touchpoint



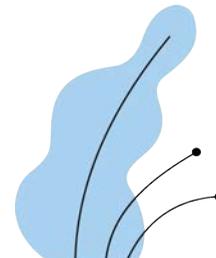
Revenue where only affiliate channels (potentially multiple) were involved



Total revenue influenced by affiliate touchpoints



Revenue directly credited to affiliates



A strategic lens on partnership value

“The earlier in the funnel a partner shows up, and the more contribution they make to the discovery phase, the higher we rate their incrementality, and the more positive of an impact that has on the value that that partner brings”

Stephanie Harris
Founder and CEO of PartnerCentric

Challenging traditional assumptions

A revealing case study from DMi Partners demonstrates the power of data-driven incrementality measurement. When working with an eBay company whose leadership questioned affiliate value, attribution analysis revealed:



of conversions showed affiliate as the sole channel in the customer journey



Only 10% of multi-channel conversions had affiliate as the last touch



orders with affiliate touchpoints showed 27% higher average order value

As **Nolan** notes, "While incrementality science isn't flawless, it grows more precise with focused attention. The goal is to accurately credit revenue to its rightful source."

The evolution of incrementality measurement

While industry leaders are finding innovative ways to measure affiliate impact within existing frameworks, a fundamental shift in thinking is emerging.

Crawford explains: *"Brands need to consider looking at their paid media differently. Unlike other paid channels where you pay for every interaction, affiliate partners often participate in driving more revenue than they're directly compensated for."*

This perspective reveals a crucial distinction in how incrementality should be measured across channels. Consider this example:

An affiliate partner contributes to \$2 million in revenue through various customer journey touchpoints but is credited with and commissioned for only \$1 million in direct conversions. Of that, \$1 million, \$200,000 came from interactions where they were the sole touchpoint — representing guaranteed incremental value that would have been lost without their participation.

This scenario illuminates the unique efficiency of affiliate partnerships. While traditional paid channels like search advertising require payment for every interaction regardless of the outcome — potentially costing the full \$2 million generated for the same customer touchpoints — affiliate partners are compensated only for attributed conversions. The result is a highly efficient model where partners often drive significantly more value than they're compensated for.

Looking ahead, the industry is moving toward more sophisticated measurement frameworks that acknowledge affiliate marketing's unique value proposition. Leading organizations are beginning to measure:

- Total revenue influenced by affiliate partnerships
- Revenue where affiliates were the sole touchpoint
- Customer journeys involving only affiliate channels
- The relationship between credited revenue and total value created

This fundamental shift in measurement approach opens new possibilities for understanding and optimizing partnership value — possibilities we'll explore in the following chapters.

Impact on revenue and sales

The path to accurate revenue attribution requires acknowledging inherent complexities. Incrementality measurement relies on certain assumptions and continues to evolve as tracking methodologies improve. The increased focus on the affiliate channel has driven more precise attribution methods, allowing brands to better understand which partnerships truly drive additional revenue versus those that may be intercepting existing customer journeys.

Impact on key performance metrics

Beyond direct sales, incrementality reveals broader partnership value.

According to **Thompson**, incrementality means *"the new traffic that partners can drive, increasing the new customers that each partner is converting and tapping into understanding where they're interacting in the conversion path."*

This broader view of value extends across multiple metrics. As **Castro** explains, *"I typically define incrementality as the additional value. So whatever that means to a brand, whether it's a sale, an email sign-up, or a lead, whatever it is, the additional value that an affiliate would bring to the relationship that otherwise would be lost."*



Patricia Marange, Head of Affiliate Marketing and Partnerships at Mindshare, emphasizes looking beyond basic sales metrics:

"We work with our clients to approach things differently and have them look at things like AOV. Is this a larger cart size than you would have gotten had we not run this type of promotion versus your normal type of promotion? Or do we choose to have the partner promote one of your more expensive products versus something that we know sells a little better?"

Strategic imperatives for modern brands

Marketing budgets face exceptional scrutiny. Every dollar invested must demonstrate clear returns, yet many organizations continue to undervalue their partnership programs due to flawed measurement approaches.

Through advanced partnership analysis, Zenni Optical uncovered that \$1.5 million in partner spend was driving duplicate customer touchpoints rather than new customer acquisition. By redirecting this investment toward testing new partnership models and acquisition channels, they transformed inefficient spend into growth opportunities.

1. Establishing channel ROI

*"We spend a significant amount of money on digital advertising, trying to bring in new customers," shares **Roger Lee, Head of Performance Marketing at Brand Collective**. "If that money is being spent on activity that isn't incremental, then it's effectively wasted."*

From a strategic perspective, determining incrementality helps debunk long-held misconceptions about affiliate marketing's role in the customer journey. As **Harris** emphasizes, *"Over the years, the affiliate industry has been challenged by this perception that there are partners who jump in at the last minute and take over the purchasing path... With our view on incrementality, we want to show where that myth is unfounded and also where it's accurate."*

2. Data-driven decisions

Nick Rasmussen, Senior Affiliate and Partnerships Manager at Envato, observes, *"The great thing about incrementality and traffic mapping is that it helps provide a level of transparency into your channel."* This transparency empowers teams to make evidence-based decisions and strategic adjustments.



3. Partnership optimization

"Some affiliates touch across the same customer journey," notes **Castro**. "Understanding where certain affiliates can play key points in the customer journey is very crucial." This insight enables leaders to:

- Map partner influence across touchpoints
- Identify highest-value partnership opportunities
- Optimize commission structures strategically
- Scale successful partnership models

4. Budget advocacy

"Our goal is to provide transparency into incrementality at a granular level," states **Harris**. "Marketers can be better educated on that data and back their decisions with information."

As **Marange** notes regarding stakeholder conversations: "Clients are coming to us saying 'my boss doesn't think we deserve to get as much budget as we used to get — what can you do?' That's when incrementality is usually top of the list."

5. Cross-channel collaboration

"We're both working together to collaborate on ways we can secure more opportunities for brands," explains **Nolan**, highlighting how incrementality insights foster partnership across teams.

As **Johnstone** advises, "Incrementality should be used as a vehicle to check where growth can happen and where growth is happening. This allows you to double down and find similar partnerships to work with that can drive value add outside of your own marketing channels."

Foundational values

Consider incrementality as a car engine, where each brand requires different performance metrics. Just as some engines prioritize speed while others focus on efficiency, brands must align incrementality measurement with their specific goals. This tailored approach ensures measurement delivers actionable insights for program optimization.

By viewing incrementality through diverse perspectives and backing insights with robust data, **marketers can cultivate more effective, targeted affiliate strategies** that drive sustainable growth and demonstrate clear value to stakeholders.



Implementation framework and strategic solutions for incrementality measurement

Core Implementation Framework

"There are a lot of different data sources available, which is truthfully both a blessing and a curse," notes **Nolan**. The key lies in maintaining focus on core objectives while navigating this sea of data. "We have to sort through that and make sure we're staying grounded on our initial goals."

Data collection architecture

Successful affiliate programs require a multi-dimensional measurement approach, capturing both immediate impact and long-term value creation.

"We have to deliver at a fixed acquisition cost. Affiliate is one of the most beautiful channels I've seen in this space for a long time. You can create a partnership with a publisher that can reliably drive acquisition at a specific acquisition cost, allowing you to continue scale and look for new opportunities while maintaining that cost as a fixed cost."

Denis Kondrashov

Senior Director of Performance Marketing, fuboTV

Essential measurement dimensions:



Customer acquisition efficiency
(rate and cost)



Long-term value indicators
(CLV, repeat purchase rates)



Program scalability metrics
(new affiliates joining the
program, funnel positioning)



Campaign-specific
performance measures
(content repurposing)

Cross-channel integration

"We're looking at the entire campaign," **Kondrashov** notes. "We look at all the touchpoints of every partner, whether there are any touchpoints across other marketing channels. We also look at touchpoints across other partners to gauge the true acquisition cost for that channel."



Common challenges and solutions

1. Data access and integration

Challenge

Limited visibility into comprehensive customer journey data restricts true incremental value measurement

Solution

Organizations can overcome this through:

- Implementing unified measurement platforms
- Creating standardized data-sharing protocols
- Developing integrated cross-channel measurement approaches

Marange emphasizes that "*client data is the richest for this type of measurement*," highlighting the strategic advantage for organizations that solve this challenge.

2. Attribution complexity

Challenge

Modern customer journeys involve multiple touchpoints across various channels, making traditional attribution models insufficient.

Solution

Organizations can implement:

- Multi-touch attribution models
- Post-purchase survey integration
- Clear partner value metrics

Rasmussen's experience demonstrates success: His team developed tools coding affiliate content and embedding sub-IDs based on referral URLs straight into the HTML, driving significant revenue improvements while ensuring program integrity.



3. Platform integration

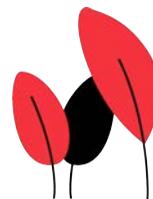
Challenge

Traditional analytics approaches often fail to capture affiliate marketing's unique characteristics.

Solution

Modern platforms must:

- Connect data across marketing channels
- Track complex user journeys
- Provide partner overlap visibility
- Measure the true incremental contribution



4. Analytics evolution

Harris notes the critical shift in analytics requirements: *"These platforms [Adobe, GA4, etc.] have their own first-party cookie data set. You have a clearer view of that customer journey over time, and third-party cookies don't disrupt this incrementality solution."*

Technology infrastructure

Platform requirements

Rasmussen's layered approach at Envato demonstrates effective platform utilization: *"Given that we measure our initiatives with a high level of granularity, we understand which ones to prioritize. This has helped build an entire affiliate program that complements the strengths of first-click attribution."*

Essential platform capabilities:



First-party data collection



Cross-channel attribution



Partner interaction tracking



Performance optimization tools

Data validation



"impact.com's flexible tracking capabilities enable us to work hand-in-hand with our social, CRM, and events teams," explains Castro. "Instead of competing for attribution, we can see how channels complement each other. When social and affiliate collaborate effectively, everyone wins — and we can prove it."

Kayla Castro
Affiliates and Partnerships
Zenni Optical

Evolving beyond traditional measurement

While current platforms offer various attribution models, impact.com is pioneering a more comprehensive approach through contribution analysis that examines:



Total revenue touched by affiliate partnerships



Revenue credited to affiliates



Solo touchpoint revenue



Affiliate-only customer journeys

This analysis reveals true incremental value without requiring brands to pause partnerships or manipulate their program — a disruptive practice common in traditional paid media testing that can damage valuable partner relationships and skew results.

Measurement framework

Incrementality assessment

"It's hard to measure incrementality because there are so many different touch points in the consumer journey, but it's worthwhile to leverage the data we do have to gauge the incrementality of our work," observes **Marange**. Pioneering brands expand their definition of incremental value beyond simple conversion attribution.

Performance optimization

As **Rasmussen** emphasizes, proper implementation helps affiliate managers "understand the layers of the channel and provide accurate transparency," turning potential complexity into strategic advantage.

Turning framework into action

With the measurement framework established, organizations need a clear roadmap for implementation. The following action plan provides a structured approach to operationalizing incrementality measurement across your partnership program.



Action plan

Assessment

- Evaluate current capabilities
- Identify critical gaps
- Assess team skills

Implementation

- Deploy unified platforms
- Establish measurement protocols
- Develop team training

Optimization

- Regular effectiveness reviews
- Attribution model refinement
- Team capability development

Organizations successfully implementing these solutions achieve:

- More accurate partner value assessment
- Improved resource allocation
- Enhanced program ROI
- Stronger competitive advantage

Thompson emphasizes the importance of expertise in implementation: *"We must bring in our expertise as professionals and combine that with the data insights."* Success requires balancing technical capabilities with strategic understanding to transform measurement challenges into growth opportunities.

Advanced optimization strategies

Strategic testing models

A/B testing for ROI impact

"Personally, my favorite tests are ones that prove a different outcome or tell a different story than what you felt you were sure of," explains Nolan. "One of the A/B tests we conducted with the retailer was measuring the LTV rates of different partnership categories over a long period of time."

The results fundamentally challenged assumptions: deal and **coupon partners delivered 3 times higher customer lifetime value** compared to content and influencer partnerships. This insight led to a significant shift in partner investment and optimization.



Business impact: Systematic testing enables organizations to:



Identify true value drivers within partner categories



Challenge traditional partnership assumptions



Optimize resource allocation based on validated data

Partner journey analysis

Understanding how partners influence the customer journey requires sophisticated testing methods. **Marange's** team discovered valuable insights at different stages: *"We work with our clients to approach things differently and have them look at things like AOV. Is this a larger cart size than you would have gotten had we not run this type of promotion versus your normal type of promotion? Or do we choose to have the partner promote one of your more expensive products versus something that we know sells a little better?"*

Testing priorities include:



Early funnel impact on final conversion



Cross-channel interaction effects



Long-term customer value contribution



Performance enhancement

Compensation model innovation

Thoughtful compensation testing aligns partner incentives with value creation.

Key testing areas include:

- Graduated commission structures based on customer value
- Performance incentives tied to incrementality
- Category-specific compensation models

Marange's team demonstrated clear ROI: "We've tried offering 10% cash back instead of 5% and saw an increase in cart size." These insights enable precise optimization of partner compensation to drive desired outcomes.

Transforming insights into results

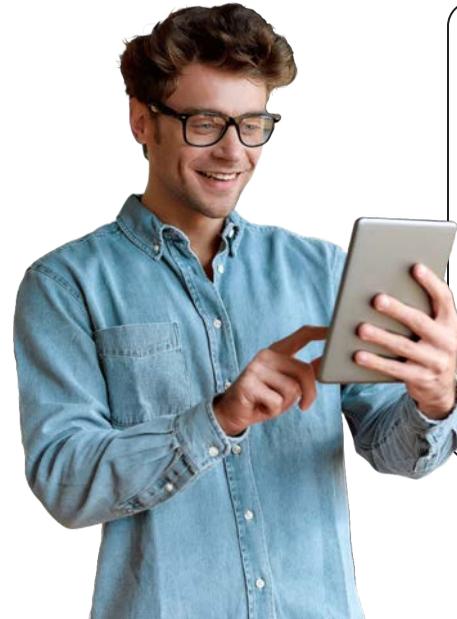
Harris's team helped a client leverage advanced incrementality analysis to transform their affiliate program. The client could score partners on new customer acquisition, reactivation, and purchase path influence.

"By letting the data guide our strategy," explains Harris,

"we identified and activated underutilized influencer partnerships that drove 250 new orders year-over-year, while our Capital One Shopping integration doubled new customer acquisition and increased revenue by 50% month-over-month."

Stephanie Harris

Founder and CEO, PartnerCentric



Sustainable growth

Success factors

Three elements consistently drive effective testing programs:



1. Structured methodology

- Clear testing frameworks
- Hypothesis-driven approach
- Rigorous measurement protocols

2. Business alignment

- Focus on key objectives
- Actionable insights
- Defined success metrics

3. Continuous improvement

- Regular testing cycles
- Swift implementation
- Performance monitoring

Program maturity framework

Johnstone emphasizes how testing strategies must evolve with program maturity:



Foundation Stage (0-3 years):

Prioritize experimentation and exploration to establish foundational insights



Growth Stage (3-5 years):

Shift focus toward deepening relationships with proven partners and refining successful tests



Optimization Stage (7+ years):

Emphasize optimizing margins, measuring incrementality, and restructuring commercial frameworks

Driving program growth

"In gaming, we've seen campaign performance swing by 10-25% just by adjusting button colors or positions," notes **Johnstone**. "These dramatic shifts show how the psychology of creative elements matters — but results are always context-specific." This insight exemplifies why systematic testing is crucial: it transforms subjective assumptions into validated strategies, enabling organizations to optimize partner performance through data-driven decisions rather than intuition alone. This attention to detail, combined with clear objectives, helps organizations:

- Validate incrementality assumptions
- Enhance partner performance
- Scale programs effectively
- Maximize return on investment



Strategic implementation

Johnstone articulates the fundamental mindset shift required for success: "If you stop viewing your affiliates as suppliers and start seeing them as partners in your business, you'll treat them differently and ask different questions. As a program or marketing manager, it's crucial to understand that affiliates are an extension of your marketing team, not just a traffic source you're paying a CPA for."

This perspective underscores the strategic imperative: incrementality measurement is not merely about tracking metrics — it's about building a foundation for true partnership value that drives sustainable growth.

Organizations need robust technology infrastructure to enable this transformation. The DMi Partners team gained deeper visibility through impact.com's capabilities. **Nolan** highlights: "Through impact.com, we can have a more holistic understanding of each consumer's full purchasing journey and what channels and publishers they interacted with every step of that journey."

Key platform requirements:

- Unified data collection
- Cross-channel analysis
- Integration capabilities
- Partner interaction tracking
- Performance optimization tools

The future of affiliate marketing transcends traditional performance metrics and channel-specific thinking. As the industry evolves, success lies in recognizing that partnership value extends far beyond last-click attribution or simple conversion metrics. Organizations that embrace this paradigm shift — viewing affiliates as strategic partners rather than merely transactional channels — will lead to unprecedented growth opportunities.

Optimize your affiliate marketing strategy with impact.com's advanced incrementality tools.

[Schedule your demo today.](#)