

Commission Junction Agency Case Study



Agency.com and British Airways (ba.com) May 2007

“We have a clear and straightforward relationship with Commission Junction. They are a valued, flexible partner who, over the last few years, has demonstrated an ability to deliver on our joint objectives and key targets. We share an aim to drive continual and incremental results for British Airways and we combine our best teams to achieve this.”

Harry Brown, Media Planner, Agency.com

Background

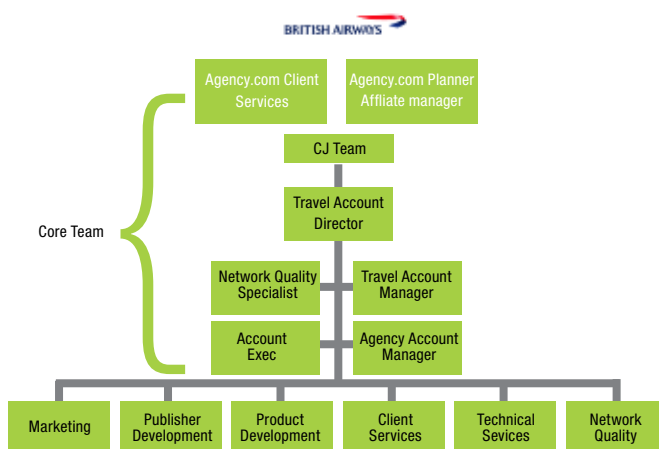
British Airways (ba.com), the UK’s largest international scheduled airline, began working exclusively with Commission Junction in collaboration with Agency.com, British Airways’s digital agency, in 2003 to develop and execute an effective affiliate marketing program.

Client Objectives

The core objective of the affiliate program is to ensure that it delivers excellent return on investment compared with other online media as well as:

- Drive increased revenue and volume
- Raise brand and product awareness
- Optimise ROI for short haul and long haul bookings

Programme Objectives



Commission Junction and Agency.com’s Approach

British Airways, Agency.com and Commission Junction meet every quarter to review the previous quarter’s performance and results against targets and objectives. Commission Junction and Agency.com work together in providing recommendations, strategies and targets for the coming quarter. All parties agree on actions needed to accomplish the set objectives and targets.

These include:

- Targeted recruitment initiatives
- Specific publisher management
- Assess and action on any risks / opportunities as they arise

Deliverables:

- A status report of all actions needed on the program
- Weekly calls to work through the status report as well as any upcoming initiatives for ba.com
- Commission Junction helps British Airways protect the brand by using our search engine marketing (SEM) tool to monitor any brand infringements. These results are sent to Agency.com on a regular basis and ad-hoc whenever necessary

Co-operative approach:

- Agency.com present a full picture of how affiliate marketing works in conjunction with other channels and media buys, in the form of a dashboard model. This means that both parties can monitor the effectiveness of activity and clearly see where successes or improvements are

- Agency.com treat affiliate marketing as its own channel with its own objectives and therefore bases its ongoing strategy upon this premise. They also use it to support any online tactical campaigns where possible and in conjunction with other channels such as paid search

Affiliate management:

- Publisher screening (approvals)
- Monitoring the quality of the affiliates on the network, to ensure program optimum performance
- Responding to publisher queries
- Affiliate newsletters
- Monthly sales reversals where necessary

Technology management:

- Management of margins and commission structures
- Identifying and resolving any technical issues

Creative advert management and product data feed management
Reporting:

- Weekly dashboard reporting - this means that any unusual peaks or troughs in performance can be spotted and acted upon as early as possible
- Monthly reports

PPC brand protection
Ongoing strategy:

- Affiliate program specific, and in collaboration with other channels
- Publisher recruitment
- Travel sector trends and best practices

Relationship management
Bi-annual competitor review and analysis

Program Strategy – CJ Vantage

- To focus on long haul and find a successful way of driving more long haul sales
- To raise brand and product awareness and protect the brand
- To support and run tactical campaigns

Results and Successes

- To drive more long haul sales, a tiered percentage commission structure was trialed for a smaller group of publishers, instead of a flat commission per sale at the end of last year
- This proved so successful that British Airways rolled out that form of commission structure in February 2007, to continue to support driving an increase in the long haul sales
- A 19.3% increase in return on investment has been achieved since introducing the tiered commission structure
- British Airways runs tactical campaigns when they want to increase sales for certain routes and certain times of the year. Affiliates are incentivised by offering a higher commission for sales on select routes over a short period of time. This has also proven a successful method in assisting in managing British Airways's changing capacity and margins
- British Airways does not allow any paid search publishers on the program, ie affiliates are not allowed to bid on British Airways brand terms on search engines. Recently the program was opened up for an exclusive and closed group of publishers that are allowed to use an alternative display URL. Commission Junction closely monitors this with the use of the proprietary search engine marketing (SEM) tool
- Through working together on clear actionable tasks and assigning the best resource to get the results that the client needs, Agency.com and Commission Junction have built a solid and successful affiliate solution and long term sales solution for ba.com

