



EBR Intel
Report 2020

Affiliates



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Introduction

Cast the net

The EGR Affiliates 2020 report gives voice to a range of affiliates, providing an update on the trends, concerns and service offerings provided in 2020.

As we well know, 2020 has seen the novel coronavirus pandemic putting paid to sporting events around the globe. Within this report, the affiliates give thought to how they have adapted and offered support to their partners throughout this unprecedented time.

There is no crisis without opportunity, and the contributors also look at the positives this time has brought, with many having had to rethink their strategies and provide new offerings to those accustomed solely to betting on real sports. 2020 has therefore proven an interesting time, having allowed operators and their affiliates a chance to rethink their approach in terms of promotions and offerings.

Overall, we hope this report will provide an inspiring range of viewpoints from several players in the affiliate space.

By Ross Law | *Report editor*

Featuring: *Paysafe's Income Access*

Affiliates continue to expand, optimise and drive growth



Erica Anderson

- ◆ Marketing director
- ◆ Paysafe's Income Access

Erica Anderson's role focuses on developing the marketing strategy for the Income Access brand. Holding a decade's industry experience, she also oversees the company's in-house affiliate management team and its suite of digital marketing services. Income Access manages close to 20 affiliate programmes.

Erica Anderson of Paysafe's Income Access reflects on the results of the firm's most recent affiliate survey

For the launch of the most recent Income Access affiliate survey, our team once again reached out to our network of affiliates in an effort to better understand their current focuses across a range of areas. As this was our third such survey in the last four years (2017, 2018 and 2020), each of which having enjoyed a similar response rate, we were able to do a comparative analysis for several metrics over that timeframe.

Conducting a survey at this time also allows us to consider affiliate responses in the wake of Covid-19, including those related to key motivators for affiliates, mobile traffic, and markets and verticals of interest. To begin, however, we take a closer look at some defining characteristics of our respondents.

Experience, traffic and brand partnerships

For the third consecutive survey, a majority of respondents had at least five years' experience (59%), while 19% had at least 15 years. The 41% of participants with fewer than five years of experience surpassed the previous high of 35% from our first survey back in 2017.

Veteran and less experienced affiliates proved to be similarly focused on making their online offering as accessible as possible. Of those affiliates with at least five years' experience, 84% said they have a mobile-optimised site and/or an app, while 79% with fewer than five years claimed the same. Overall, only 10% of respondents said they had neither a mobile-optimised site nor an app.

The importance of being optimised for mobile was further reflected in the 54% of affiliates with more than half of their traffic originating from mobile devices, while only 4% said that none of their traffic is mobile based. This is one area in

which we have seen consistent increases for the last five years, dating back to our 2015 *Mobile Acquisition* survey, where only 20% of affiliate respondents said that at least half of their traffic came via mobile.

With a better understanding of how affiliates currently acquire traffic, we also sought a greater awareness of the varying scope and size of their businesses by asking respondents how many brands or operators they currently promote. One of the more telling stats from our survey is that the most popular response came from the 24% of affiliates that said they promote at least 100 brands. On the other end of the spectrum, 21% of affiliates only work with between one and five brands.

Despite the global challenges currently confronting many industries, egaming affiliates continue to strategically expand their reach, even spurring increased optimism across several markets

Erica Anderson | Paysafe's Income Access

Responses also showed a correlation between experience and number of partnerships as 43% of affiliates with a minimum of five years' experience promoted at least 50 brands. Conversely, 36% of affiliates with less than five years only had between one and five brand partners, representing the most popular response among that segment.

Market motivations in current environment

In addition to scope and reach, it was also important to look at the biggest factors that motivate affiliates to promote brands. When asked to rank the provided options in order of preference, respondents made 'higher payouts and commission rates' the overwhelming favourite, as 70% said it was their biggest motivator. Coming in a distant second was 'new brands and markets' (16%), while 'per-

formance incentives and bonuses' (7%), 'affiliate contests' (5%) and 'random ad-hoc bonuses' (2%) rounded out the options.

The importance of 'new brands and markets' remains significant as 51% of affiliates made it their second choice and an additional 17% picked it as their third most important motivator. When it came to affiliate contests, 65% of respondents ranked it as their least important motivator.

To further examine that interest in new brands and markets, we asked affiliates about their current and future markets of interest, which provided an array of responses that both mirrored and departed from responses in previous surveys.

Unsurprisingly, Europe (72%) and the UK (64%) were the most popular markets in terms of current activities, although it did mark the first time in the last three surveys in which the UK was not the top selection. Another first was that Canada, which had never reached the top five for this specific question, was selected by 45% of respondents, narrowly topping the US (41%). Asia (23%) rounded out the top five, while Africa and Latin America each had 17%.

Illustrating the importance of diversity, 74% of all respondents had promotional activities in at least two different markets. Looking at those cross-market activities in more detail, we found that 79% of those affiliates working in Canada were also operating in Europe. This was slightly higher than the 71% of affiliates promoting in the UK that also had a European focus.

When considering future market interests through the rest of 2020 and into 2021, North America was again featured prominently, with the US (46%) and Canada (33%) finishing as the top two selections. Asia (28%) was next, followed by Latin America and India with 22%. It was another important jump for Canada in the context of these surveys, while the US and Asia have finished in the top three every year.

The focus on North America also resulted in 48% of those considering entry into the US market expressing a comparable interest in Canada. Similarly, 54% of affiliates interested in the Asia market also selected Canada as a potential market of consideration.

State of traditional & emerging verticals

One of the most consistent findings across every survey we have conducted has been the dominance of sportsbook and casino when it pertains to current verticals of focus. Once again, casino (76%)



was the most popular selection, followed by sportsbook (53%) and then bingo (25%) in a distant third. This was followed by a three-way tie between poker, crypto and forex/financial at 16%. Esports (13%), lottery (7%) and fantasy sports (7%) rounded out the list.

We did see a new development when comparing this survey to past results for verticals of interest for the year ahead and beyond. While casino (43%) and sportsbook (41%) were at the top as usual, crypto's move into the third spot (24%) was impressive given that it was the first time it had ever been included as an option. Esports, which was the top selection in our 2018 survey, still received strong interest with 23%. Poker (21%) slipped out of the top three for the first time but remained just ahead of fantasy sports, lottery and forex/financial, all of which earned 17%.

A closer review of the data showed that casino and sportsbook were the only verticals with notable cross-promotional appeal across each of the more niche verticals. Of those who selected crypto, 61% also chose casino while 69% had sportsbook. In the case of esports, both were lower but still among the most popular alternatives as 36% selected casino while 27% also picked sportsbook. Further highlighting their niche quality was the fact that only one affiliate selected both crypto and esports as responses.

Among the conclusions that can be drawn from the above are that despite the global challenges currently confronting many industries, egaming affiliates continue to strategically expand their reach, even spurring increased optimism across several markets. Through larger volumes of mobile traffic, growing interest across the North America and Asia, and sustained momentum for less traditional verticals (crypto, esports, lottery and forex) affiliates continue to drive long-term confidence across the wider industry. ♦