

Shutterfly Affiliate Success Story: Ebates.com

Ebates and Shutterfly have only been working together for a short time (Ebates became a Shutterfly affiliate in September, 2004), but in that time, Ebates has become one of Shutterfly's most successful and largest traffic-driving partners. The rapid growth of the Ebates/Shutterfly affiliate relationship came as a result of the very close working relationship between the two companies. In thinking about what advice we can share that might benefit other affiliate partners of Shutterfly's we boiled down our success to a number of factors:

Ebates Signup Bonuses – Over the past year, Ebates has grown our own site traffic & user base dramatically. One campaign in particular has had an important impact in increasing our new member acquisitions. In February 2005, Ebates increased the sign-up bonus we offer new members to \$2, which had such a good impact on new customer signups for Ebates that we took the campaign a step further in April 2005 and offered a \$5 sign up bonus for new members. The overall growth in sign-ups that this caused has led to a boost in Ebates membership that has benefited many of our merchant partners, including Shutterfly

Other Ebates Marketing & Promotions – Along with running special \$ amount promotions for sign ups, Ebates also runs various promotions in order to gain the attention of online shoppers who may not be familiar with Ebates. We run sweepstakes promotions offering a free vacation or Apple iPods, for example. These offers gain valuable attention for Ebates in the marketplace and result in a stable in-flow of potential new customers for partners like Shutterfly.

Shutterfly Affiliate Payout Levels – Ebates growth alone may not have been enough to drive such a substantial amount of new Shutterfly users given that Ebates has been adding a lot of new merchants (we now have over 800 of them), which makes the Ebates marketplace very competitive even for great merchant partners. As a result, Shutterfly recognized early on that they would need to be aggressive in gaining new members through by offering strong commission rates. Shutterfly has offered a higher commission rate for first time buyers, with a payout rate that ranges from \$9 to \$20 for each new member. Higher payouts for first time customers motivate Ebates to promote and expose Shutterfly even more on our site. It is a win-win situation for both affiliate and merchant.

Shutterfly Brand Image – Shutterfly's brand reputation is another critical aspect of the success of the Ebates/Shutterfly relationship. Shutterfly has worked hard to create a brand name that users are comfortable and confident in sharing their fondest memories with. Because members know that they can trust Shutterfly, they are more comfortable trying out the service and responding to media and promotions we run in support of the partnership.

Shutterfly Offers on Ebates – Probably most important of all, though, has been the way that Ebates and Shutterfly work closely together to provide potential customers with attractive offers that motivate them to try Shutterfly. Our members love coupons and Shutterfly has taken full advantage of this in building incentives that increase their sales through Ebates. Offers like 'Free Shipping' or '10% off entire purchase' have converted very well for Shutterfly with Ebates' members.

We look forward to continuing the very close working relationship we have with Shutterfly in the months & years to come. Whether it be through offering special coupons, running special sweepstakes, or other great offers, we expect Ebates and Shutterfly to continue to reap the benefits of our strong relationship, and we plan on continuing this for as long as possible.