



# Ultimate guide to SaaS affiliate marketing

*What it is, why you need it, and how to get started*



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## CHAPTER 1

# Intro to SaaS affiliate marketing

Thousands of business-to-business (B2B) software as a service (SaaS) solutions compete for customers, and more are launching every day. Forrester's principal analyst, Jay McBain, notes how the software industry has exploded, going from [10,000 to 100,000 companies in just a decade](#).<sup>1</sup> He expects the number of software companies to grow to a million over the next 10 years. How can your SaaS company stand out?

To grow your user base, it's critical to find a way to break through the noise.

**This guide will help you understand how to use affiliate marketing and partnerships to do just that.**

### You'll learn:

- What SaaS affiliate marketing is
- Why referral partnerships are the way to create growth for SaaS companies
- The basic affiliate marketing fundamentals for SaaS companies



1. M. Pillar, "Jay McBain's top 5 channel trends for 2019," Channel Executive Magazine. [https://www.qgdigitalpublishing.com/publication/?m=&l=1&i=559261&view=article&article\\_id=3282171&ver=html5](https://www.qgdigitalpublishing.com/publication/?m=&l=1&i=559261&view=article&article_id=3282171&ver=html5)

## CHAPTER 2

# What is SaaS affiliate marketing?

SaaS [affiliate marketing](#) is a popular form of referral-based partnership that rewards publishers and creators such as deal sites and blogs for driving traffic to you.<sup>1</sup> Referral-based partnerships like these build and inspire communities to evangelize your technology. Whether new or old, companies in the software industry have long recognized that partnerships are one of the most effective ways to amplify their growth rates.

The customer journey for a B2B SaaS product is roughly analogous to a consumer buying a car, with each step along the way offering the potential for marketing partnerships. Here's an example:

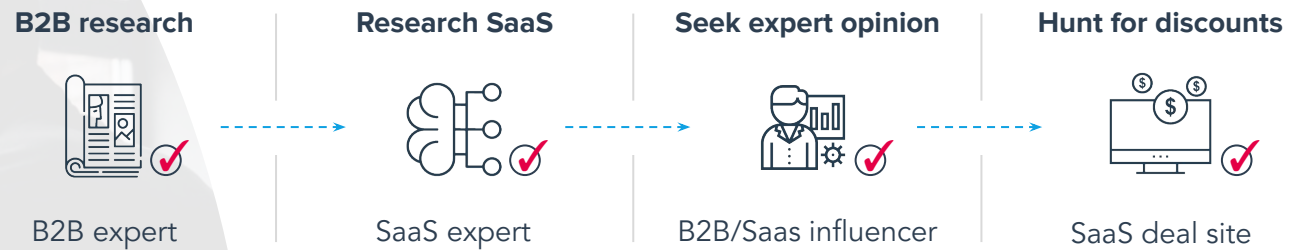
- The potential customer starts off by doing their own research and consulting trusted media outlets such as Edmunds and Consumer Reports.

- They check in with social influencers who post car enthusiast videos to YouTube to get opinions on different makes and models.
- They commute to work, and their employer has struck a deal with a dealership (or a manufacturer) to offer car servicing as an employee perk.
- Finally, they hunt the web for deals and discounts, with traditional affiliates like deal sites helping to capture their attention.



1. Ryan Council, "What is affiliate marketing and how to get started?," Impact Tech, Inc., July 7, 2021. <https://impact.com/partnerships/ultimate-guide-to-affiliate-marketing/>

## The B2B SaaS customer journey



= potential referral partner

In the B2B SaaS context, a potential user may start by researching business publications and industry blogs for software solutions to their particular issue. Next, they may check the opinions of trusted social influencers on LinkedIn or Reddit. As they move closer to making a purchase, they'll hunt for any available discounts before pulling the trigger and becoming a paying customer. All along the way, they're interacting with people and publications that your business can incentivize to promote your products. These are referral partnerships.

When you engage relevant publishers, deal sites, businesses, social influencers, and passionate early adopters to encourage their networks to take your solution for a spin, a SaaS product can quickly spread through social connections and go viral.

## Types of referral partnerships

The industry has come a long way since the days of transactional (aka reseller) partnerships. Today, [73 percent of business buyers](#) say they find the web more convenient for making purchases.<sup>1</sup> Forrester predicts that about [17 percent of all B2B transactions](#) will be performed through self-service ecommerce by 2023,<sup>2</sup> accelerating the decline of reseller partnerships and ushering in a new era of referral partnerships.



73 percent of business buyers say they find the web more convenient for making purchases

1. Jay McBain, "What I see coming for the channel in 2019," Forrester, January 16, 2019. <https://go.forrester.com/blogs/what-i-see-coming-for-the-channel-in-2019/>
2. Susan Wu, "Forrester Analytics: B2B ecommerce forecast, 2018 to 2023 (U.S.)," Forrester, December 14, 2018. <https://www.forrester.com/report/Forrester+Analytics+B2B+eCommerce+Forecast+2018+To+2023+US/RES145710>

These partnerships come in all shapes and sizes, including:

- **Traditional affiliates.** These are the partnerships you know best from the world of retail marketing. Packaged software companies have long had a presence in traditional affiliate channels, and SaaS can find success with these partnerships as well.
- **Commerce content.** This is the editorialized content a publisher produces about a brand or service that appears native to its publication. Commerce content often takes the form of buyer guides, reviews, how-tos or other types of content written with a specific audience in mind. For example, a Forbes [listicle about the best marketing automation tools](#) may fall under this partnership type.<sup>1</sup>
- **Communities and industry groups.** Microsoft, for example, partnered with various local chambers of commerce as a way to reach the small- and medium-sized business (SMB) market.
- **Social influencers, opinion leaders, and subject matter experts (SMEs).** For B2B SaaS affiliate marketing, you'll often find these types of influencers on Facebook, Reddit, and LinkedIn communities rather than on Instagram or TikTok.

1. Forbes Communications Council, "Six top tools for automating your business' marketing," Forbes, May 9, 2019.  
<https://www.forbes.com/sites/forbescommunicationscouncil/2019/05/09/six-top-tools-for-automating-your-business-marketing/?sh=199bebb859b0>

- **Ambassadors.** Dropbox went from 100,000 to 4 million users in 15 months with a [viral customer referral program](#) that allowed users to earn more free space by referring friends and family.<sup>1</sup> Employees can be good ambassadors for a software company — especially larger software enterprises.
- **Educators.** These partners create high-quality educational content, such as courses and tutorials, that teaches users how to make the most of your software.
- **Strategic B2B.** Software companies can form alliances with other companies to reach further than they would on their own. One such partnership can be found in vertically focused professional services firms that are uniquely positioned to advise their clients on specialized software. McBain, for example, finds that [51 percent of accounting firms resell \(or refer\) accounting software to their clients](#) — with 33 percent more considering doing so as well.<sup>2</sup>
- **Native integrations.** SaaS vendors can't build everything for everyone. They need to forge partnerships with other solutions providers to build holistic solutions that solve a customer's entire problem. Canva, for example, [partnered with HubSpot](#) to allow users to create email templates and more by using Canva directly within the HubSpot platform.<sup>3</sup>

1. Sujan Patel, "Learn the growth strategy that helped Airbnb and Dropbox build billion-dollar businesses," Forbes, February 25, 2015. <https://www.forbes.com/sites/sujanpatel/2015/02/25/learn-the-growth-strategy-thats-helped-airbnb-and-dropbox-build-billion-dollar-businesses/?sh=5af3c2127918>
2. Jay McBain, "The rise of shadow channels — 5 new competitive threats for IT and telecom partners," jaymcbain.com, October 18, 2018. <http://www.jaymcbain.com/2016/10/the-rise-of-shadow-channels-5-new.html>
3. Ayaan Mohamud, "Canva harnesses the power of 9,000 partners," Impact Tech, Inc. video, January 8, 2021. <https://impact.com/partnerships/canva-harnesses-the-power-of-9000-partners-with-impact-watch-now/>



## Does affiliate marketing work for SaaS?

Enterprise software no longer needs an army of resellers to sell packaged software to IT departments. The easy-to-scale cloud infrastructure and frictionless consumer experience of SaaS solutions allows your company to market directly to the end user. But your solution is now facing a new problem:

## How can it stand out among a crowded space of easily accessible options?

A glut of competing products means that your potential customers are inundated with an overabundance of information. These buyers turn to influencers, communities, associations, media, specialized professional services firms, and others to help them wade through it all.



## The old ways are out

Technology today has become so pervasive that many decisions on which digital solutions to use have moved out of the hands of the Chief Intelligence Officer (CIO) and the IT department and into the hands of other department heads. These line-of-business (LoB) buyers now make two thirds of these decisions, often through an approach that differs from their IT department peers. They tend to avoid the old ways of buying technology. In fact, [Forrester found that 68 percent prefer to do their own research through Google, industry forums, and peer networks](#) before reaching out to a salesperson.<sup>1</sup>

1. Jay McBain, "Succeeding with an increasingly bifurcated channel requires advanced automation," Forrester, October 9, 2019. <https://www.forrester.com/report/Succeeding+With+An+Increasingly+Bifurcated+Channel+Requires+Advanced+Automation/RES147975>

Many companies are seeing exciting results from this shift in SaaS marketing:

- According to the "2021 Channel/Partner Marketing Benchmark Survey" conducted by Channel Marketer Report and Demand Gen Report, more than 90% of respondents expect to increase revenue generated by their partner ecosystems this year. These companies are also expanding to include a wider range of partner types, with 30 percent saying they plan to add a referral program to their partnership mix.
- **Microsoft** has relied on its large reseller program for years. But the company has more recently turned its attention to other kinds of partnerships, rapidly recruiting about 7,500 new partners a month — 80 percent of whom likely are non-transactional.<sup>2</sup>
- **Canva** used Impact to expand from a relatively low-tech referral program to a diverse network of 9,000 partnerships, including YouTubers, bloggers, media publishers, podcasters, and B2B partners.<sup>3</sup> Since 2019, the company has consistently doubled its revenue from these partnerships month over month.



Many companies are seeing exciting results from this shift in SaaS marketing

1. Terry Moffat, "2021 Channel/Partner Marketing Benchmark Survey" Channel Marketing Report & Demand Gen Report <https://www.demandgenreport.com>
2. Jay McBain, "Dealing with a rapidly changing channel landscape," Revenue & Associates podcast. <https://revenueassociates.biz/podcasts/jay-mcbain-dealing-with-rapidly-changing-channel-landscape>
3. "Simplify partnership management," Impact Tech, Inc. <https://impact.com/business-development/>

## How is affiliate marketing different for SaaS vs retail?

Partnerships programs for retail are targeted to a very different audience compared to SaaS buyers. As a result, the nature of partnerships in the B2B SaaS world is quite different from what you'll find in a business-to-consumer (B2C) space such as retail.

SaaS partners won't always look like their counterparts in the B2C world. They're more likely to be found among industry associations and business communities: think chambers of commerce and industry groups like the American Marketing Association or the Society for Human Resource Management — partners that often don't show up in anyone's marketplace.

## Social influencers and SaaS

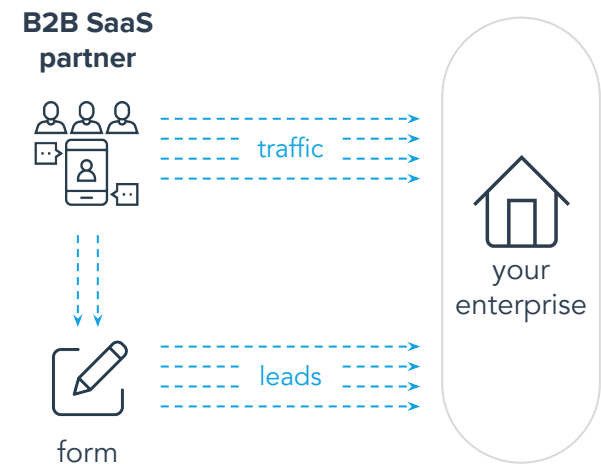
Even social influencers look different for SaaS, and they're not always found on the same social networks. Forrester refers to these influencers as "super-connectors."<sup>1</sup> The most effective influencers for SaaS marketing are the kinds of people who speak on panels at industry events, write opinion pieces in trade magazines, and participate in discussions at industry forums, on Reddit threads, and in LinkedIn communities.

1. Jay McBain, "What I see coming for the channel: 2021," Forrester, January 21, 2021.  
<https://go.forrester.com/blogs/what-i-see-coming-for-the-channel-2021/>

## How SaaS partnerships program are different

The SaaS partnerships program itself tends to be rather different. Because SaaS solutions are relatively more complex products than typical retail purchases, you'll likely need different kinds of metadata about a prospective partner than a typical retail company. For example, some partners may specialize in certain types of client profiles: small businesses vs large-scale enterprises, healthcare providers vs public sector organizations, and so on. You may choose to research whether the partner has certifications or accreditations for certain skills or offers value-added services.

While partners can drive consumers to your website to sign up for a free trial just as they would drive consumers to make a retail purchase, the lead form is another popular tool for B2B SaaS partners. It allows your partner to use an online form to input a lead's information directly into your database so your sales department can follow up.



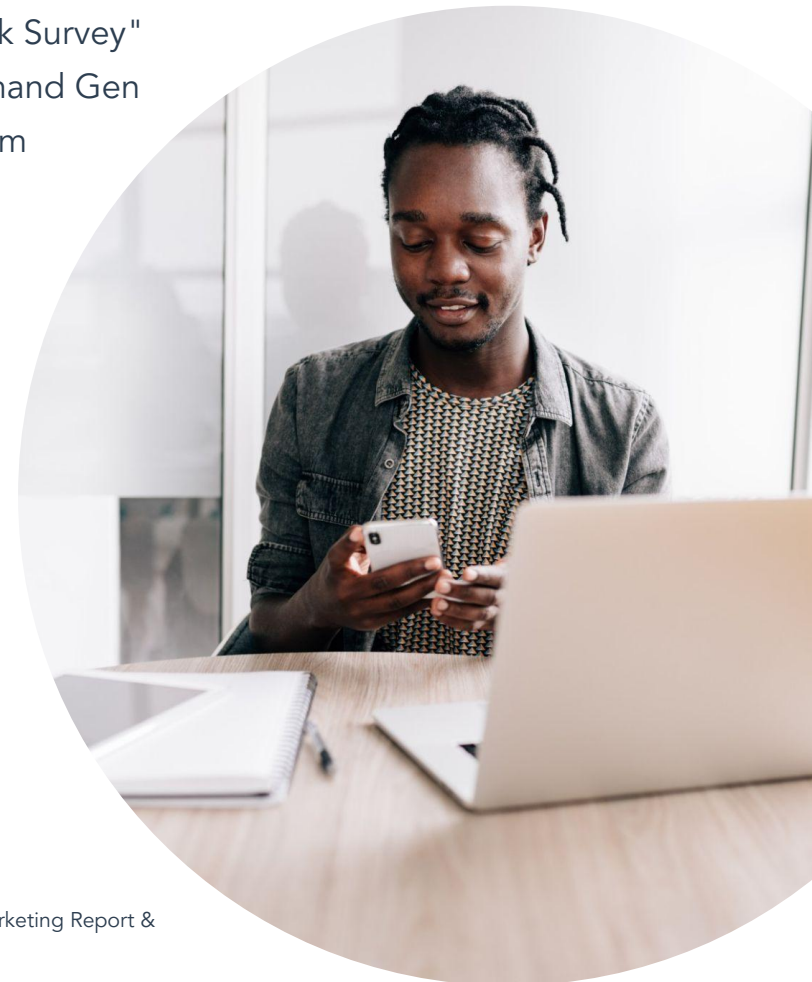
## Is affiliate marketing an effective distribution channel for SaaS?

Partnerships programs like affiliate marketing can build highly effective distribution channels for your SaaS solution. As the world shifts away from transactional partnerships, most partnership revenue will soon be driven by referral-based partnerships.

Other software companies are already seeing success from partnerships.

The "2021 Channel/Partner Marketing Benchmark Survey" conducted by Channel Marketer Report and Demand Gen Report surveyed 115 B2B marketers, 54% of whom worked in the software industry. More than 90 percent of respondents expect in revenue generated by their partner ecosystems this year, and 30 percent even plan to create a referral program within the next year.

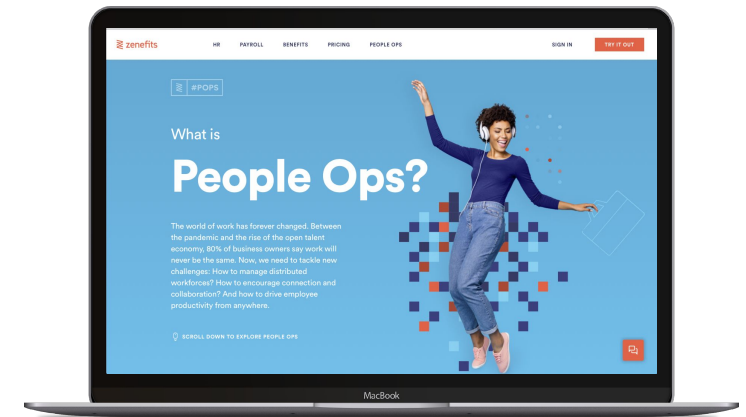
Partnerships can also be a powerful tool to boost your growth rate by amplifying your company's SEO footprint and social presence. As partners establish themselves as SMEs, the content marketing they produce raises your online profile as well.



## Examples of successful SaaS affiliate programs

### Zenefits

To ensure a steady stream of new users for its HR and payroll software, the business development team at Zenefits worked hard to constantly seek out, reach out, and build strong relationships with businesses like publishers, consultants, and agencies.<sup>1</sup> With Impact helping to quicken the pace, they grew their lead volume 96 percent and achieved a return on ad spend (ROAS) that was three times higher than what their paid search channel returned.<sup>2</sup>



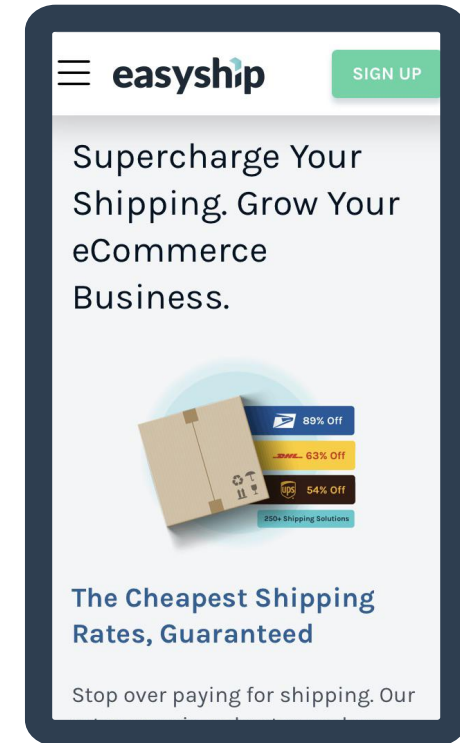
1. "Simplify partnership management," Impact Tech, Inc. <https://impact.com/business-development/>
2. "Zenefits grows their affiliate program 96 percent in one quarter by automating their partnerships," Impact Tech, Inc. case study. [https://go.impact.com/CS-PC-CD-How-Zenefits-Grows-Their-Affiliate-Program-96pct-TYP.html?\\_ga=2.130680207.1009875941.1626893660-1043810340.1617209758&\\_gac=1.37447444.1625605593.EAlalQobChMInYmE3KzP8QIV1ehbCh2wwwm1EAEYASA EqJFdfD BwE](https://go.impact.com/CS-PC-CD-How-Zenefits-Grows-Their-Affiliate-Program-96pct-TYP.html?_ga=2.130680207.1009875941.1626893660-1043810340.1617209758&_gac=1.37447444.1625605593.EAlalQobChMInYmE3KzP8QIV1ehbCh2wwwm1EAEYASA EqJFdfD BwE)

## Easyship

The software hub of an ecosystem that connects SMEs with couriers and couriers with marketplaces, Easyship helps sellers of all sizes reach customers all over the world. In December 2019, the company kicked off a new strategy focused on diversifying and broadening its partnerships program through the Impact.

With more freedom to test, track, and measure, Easyship tapped into a more diverse range of partnerships that allowed them to cast a wider net. As a result, a 2020 quarter-over-quarter analysis revealed that [the company had seen a 312 percent rise in revenue](#).<sup>1</sup>

With results like these, it's clear to see how referral partnerships can be a truly powerful tool that deserves a place in any B2B SaaS company's marketing toolbox.



1. "By branching out into new kinds of partnerships, Easyship sees double the impact," Impact Tech, Inc. case study. [https://go.impact.com/CS-PC-EV-Easyship-TYP.html?\\_ga=2.197845039.1009875941.1626893660-1043810340.1617209758&\\_gac=1.242347574.1625605593.EAlalQobChMInYmE3KzP8QIV1ehbCh2wwm1EAEYASAAEgJFdfD\\_BwE](https://go.impact.com/CS-PC-EV-Easyship-TYP.html?_ga=2.197845039.1009875941.1626893660-1043810340.1617209758&_gac=1.242347574.1625605593.EAlalQobChMInYmE3KzP8QIV1ehbCh2wwm1EAEYASAAEgJFdfD_BwE)



## CHAPTER 3

# A deeper look at SaaS affiliate marketing

SaaS affiliate marketing is a form of referral-based partnership that rewards publishers such as deal sites, blogs, marketplaces, and others for spreading the word about your SaaS product and driving leads into your sales funnel.

As you dive in and start to explore partnerships programs like affiliate marketing, you may encounter some unfamiliar terms and concepts. The sections that follow clear up key misperceptions about referral-based partnerships.

**SaaS affiliate marketing rewards publishers for spreading the word about your product.**

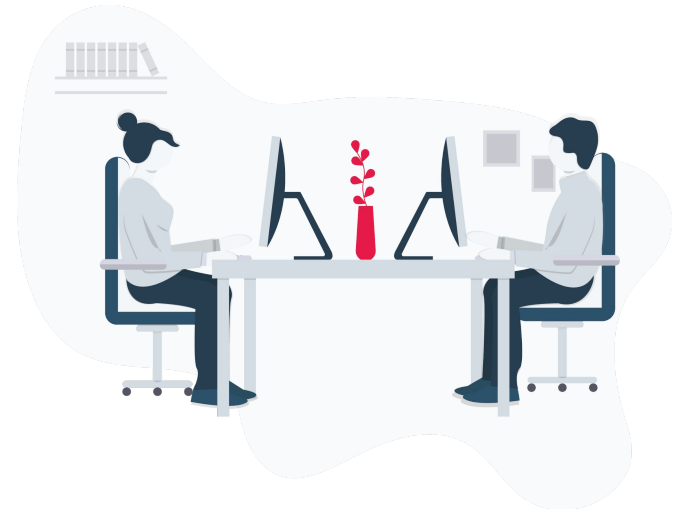


## What's the difference between affiliate marketing and partnerships?

Affiliate is one of many types of partnerships. Affiliate marketing is a referral-based approach that generates leads, clicks, or sales from links published by digital media publishers, influencers, and others — all for a commission.

Partnerships encompass a variety of marketing programs and may include anything from influencers and ambassadors, industry groups to strategic B2B partnerships. All affiliates are partners, but not all partners are affiliates.

Packaged software companies have long had a presence within traditional affiliate channels, and these partnerships can also boost B2B SaaS sales. A quick scan of a deal site like RetailMeNot turns up dozens of coupons for McAfee, Microsoft, and Adobe products.



## What's the difference between channel partners and affiliates?

Channel partners are companies that market and sell another producer's products. While they may encompass referral, historically these partnerships are dominated by what is called a "reseller-based partnership." These transactional relationships can include distributors, vendors, retailers, value-added resellers (VARs), managed service providers (MSPs), system integrators (SIs) and other partnership forms.

However, transactional relationships may be changing. Forrester's Jay McBain predicts that indirect sales from reseller partnerships will [shrink over the course of the next decade](#).<sup>1</sup>

Referral-based partnerships such as affiliates offer a new model that may allow channel partners to gracefully transition into the referral world as reseller partnerships shrink.

1. Jay McBain, "What I see coming for the channel in 2020," Forrester, January 7, 2020. <https://go.forrester.com/blogs/what-i-see-coming-for-the-channel-in-2020/>



## Is affiliate marketing a reseller or a referral channel?

While the broad category of partnerships can include resellers, affiliates are referral-based partnerships. Resellers are a transactional type of channel partner, a third party your company may form a partnership with to sell your product or service. These third parties include:

- **Value-added resellers (VARs)**, companies that provide additional consulting, configuration or customization services along with your software.
- **Systems integrators (SIs)**, companies that deal with the messy task of ensuring that you're able to get all your technologies working well together in a unified infrastructure. They often recommend vendors when unfulfilled gaps exist in their client's tech stack.
- **Managed service providers (MSPs)**, basically outsourced IT services that often help clients select the technology that best meets their needs.

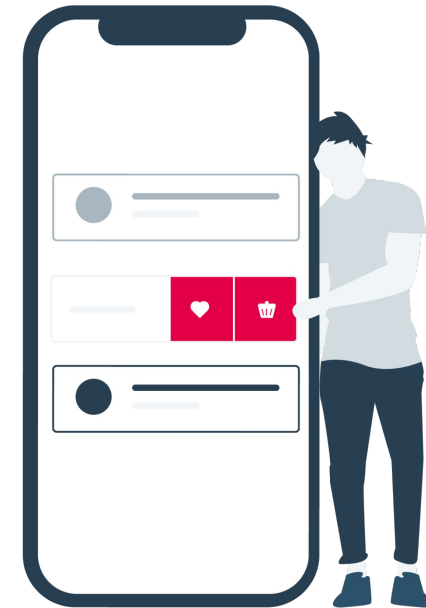
Referral-based partnerships are not so directly tied to your company. Referral partners recommend your product or service in exchange for something of value, such as a discount for members of their organization or commission for a sale based on their recommendation. That valuable "something" may not even be financial. For example, HubSpot's Canva integration helps HubSpot enhance customer experience by giving its users access to Canva's design tools.

## What will happen to resellers?

For B2B SaaS, it's worth remembering that the referral channel is gaining steam as self-service ecommerce makes it easier for buyers to find and try your product on their own. Forrester predicts that [about 17 percent of all B2B transactions will be performed this way by 2023](#).<sup>1</sup>

Because of this, the VARs, SIs, and MSPs that survive the upcoming shakeup will likely be those that successfully shift away from traditional back-office IT relationships to more front-office LoB relationships and a referral-based partnerships model.

But resellers will not disappear. Many “born in the cloud” resellers have emerged as a reincarnation of the old school system, adept at stitching together numerous SaaS technologies into a powerful tech stack and capitalizing on strong relationships with LoB decision makers.



1. Jay McBain, “What I see coming for the channel in 2020,” Forrester, January 7, 2020. <https://go.forrester.com/blogs/what-i-see-coming-for-the-channel-in-2020/>

## Why partner relationship management is not enough

Impact's platform services the referral channel, which tends to be overlooked by other software solutions like partner relationship management platforms (PRMs). These solutions are generally purpose-built to manage reseller partnerships.

In doing so, PRMs fail to take into account key parts of the referral partnership model, making them unsuitable for this purpose. For example, they often don't involve themselves with managing contracting workflows on how partners are rewarded for driving business based on stitching together the customer journey and overlaying attribution models, nor do they handle commissioning, currency conversion, or tax forms for their global partners.

Attribution — or the assignment of credit — is central to the referral universe. In the referral world, partners often recommend a SaaS company's services, and prospects likely convert directly on the SaaS company's website. The partner (or partners) which drove that conversion have to be given credit and, ultimately, a reward. However, because they are based in a reseller world where partners directly submit the lead to a company, reseller-focused software often lacks a robust system for handling multi-touch attribution, making assigning credit and payment difficult.

## CHAPTER 4

# Why create a referral partnerships program for SaaS?

SaaS companies can benefit from creating referral partnerships programs because they're more effective at converting leads to sales. This program type is a powerful tool for driving growth and keeping customers loyal. With the right software to automate key processes, you'll unlock a wide variety of benefits.

## How can referral-based partnerships programs help you acquire more SaaS customers?

Referral-based partnerships help you acquire more customers by driving additional "warm" leads to your website. By partnering with the organizations, publications, and experts potential customers already trust, the potential customers they refer to your service are primed to trust you as well.

The online content and social connections these partnerships produce help to build community, which makes your brand and product omnipresent when buyers are searching for solutions.



## How can software help you manage your SaaS partnerships?

Most SaaS partnerships programs are still heavily manual in nature, so specialized software can be a massive boon to your efforts. Forrester notes that [65 percent of partnerships fail](#) due in large part to a lack of automated communication and neglecting to make repeatable processes out of relationships.<sup>1</sup>

However, a customer relationship management platform (CRM) isn't going to cut it and a PRM may fall short of your referral partnership needs. It's more important than ever to have a tool built to handle referral partnerships while also helping to encourage retention of those partners.

Partnership management platforms like Impact's can help you discover, recruit, contract, track, and pay the partners that drive their networks into your sales funnel. This service enables you to find and connect with more partners, manage those relationships in less time, and drive more leads and qualified opportunities.



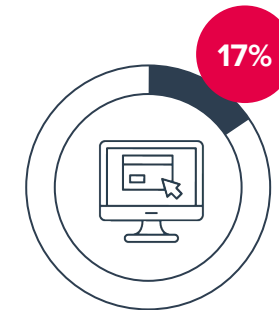
1. Jay McBain, "Succeeding with an increasingly bifurcated channel requires advanced automation," Forrester, October 9, 2019. <https://www.forrester.com/report/Succeeding+With+An+Increasingly+Bifurcated+Channel+Requires+Advanced+Automation/RES147975>



## Why are referral partners better for SaaS than reseller partners?

Buyers increasingly prefer to do their own research and buy online rather than approach a reseller. As noted, Forrester predicts that about [17 percent of all B2B transactions](#) will happen through self-service ecommerce by 2023.

Referral partners align your marketing strategy with your customer's preferences and are easier to manage. Because they only need to know your product's basic value proposition, features, and ideal user, [new referral partners are easier to onboard, train, and set loose](#) to introduce it to their networks.<sup>1</sup>



By 2023 17 percent of all B2B transactions will happen through self-service ecommerce, Forrester predicts

1. Jessica Edmondson, "Why referral partners will overtake resellers," Business 2 Community, April 20, 2017. <https://www.business2community.com/strategy/referral-partners-will-overtake-resellers-01827052>

## What makes referral partnerships a good strategy for B2B SaaS?

Referral partnerships rapidly amplify growth rates by expanding your company's SEO footprint, content marketing, and social presence. They accomplish this by building a community of people and organizations incentivized to talk about your company and its products. This ensures that your brand is omnipresent when buyers are looking for solutions.

When a partner refers a prospective buyer to your site, you gain direct contact with a motivated buyer and, along with that, important information about their needs and interests. You can see which products they search for and what blogs they read, and gather other information that provides a useful customer portrait. That means your marketing team can get more precise in its retargeting messaging and positioning to help you close more deals.



## Why is the partnerships channel popular for SaaS?

To summarize the macro benefits of the partnerships channel, referral partnerships:

- **Have impressive conversion rates** due to the trust the partner has already built with its network.
- **Are aligned with tectonic shifts in the market** for SaaS solutions regarding who is buying and how.
- **Build a strong community around your product**, leading to faster growth.

## Other benefits of the partnership channel for SaaS

In addition to these big benefits, partnerships can create downstream effects which enhance the power of your program:

- Amplify marketing efforts by making your brand omnipresent for potential users looking for solutions online.
- Target new, untapped markets by partnering with associations, media, and influencers that have a built-in following among those potential users.
- Gain new insights from the information you gather as these motivated customers make their way through your website.

## CHAPTER 5

# Foundations of SaaS affiliate partnership marketing

Before putting partnerships to use in your business, it's important to assess your readiness and understand the fundamentals so you can discover which partnership strategy is right for you.

## Is my software company ready for affiliate and partnership marketing?

If your company is frustrated by slow growth, increased sales, or marketing costs, and is reaching the limits of its conventional programs, it's time to consider referral-based partnerships programs like affiliate marketing.

According to a recent Forrester study, companies with mature partnerships programs grow their partner channel revenue [more than two times faster](#) than companies with low partner maturity.<sup>1</sup>

These companies exceed stakeholder expectations not only on revenue growth but on key business metrics like stock price, bottom line profitability, and partnerships program growth.



1. Jaime Singson, "Research shows companies with mature partnerships grow revenue nearly 2x faster," Impact Tech, Inc., June 28, 2019. <https://impact.com/partnerships/research-shows-companies-with-mature-partnerships-grow-revenue-nearly-2x-faster/>

## Common types of partnerships for SaaS

Partner diversity is a key characteristic of the most mature and highly performing partnerships programs. Since different types of partners drive different results, every company needs to assess the right mix of partners to meet its business goals. Here are some of the most common partnership types among SaaS companies:

- Traditional affiliates
- Ambassadors
- Content and comparison
- Mobile apps
- Premium publishers
- B2B influencers
- Communities and associations
- Strategic B2B and native integrations

Some partners, such as influencers, affiliates, and ambassadors, can help you reach your target audience in their moment of need. Others may be more useful in influencing renewals, retention, and expansion down the line. Your target industry, location, and maturity all affect your ideal partner mix.

## What are the best types of referral partners to work with?

All partnership types can be useful to help you reach your customers, but some are more useful than others. It all depends on your business and which partners are most compatible.

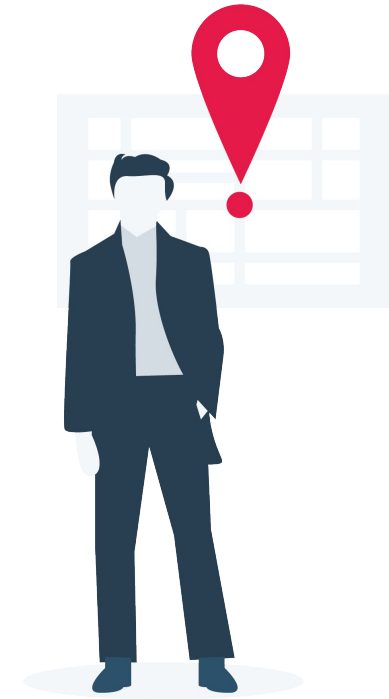
There are five metrics for assessing partner compatibility:

- 1. Complementary business objectives.** Potential partners come together because they're convinced that the value they create together exceeds what either could create on its own. Their goals may be different but must be complementary.
- 2. Brand fit.** When partners work together, their brands become associated with each other in the minds of their customers, audiences, and other stakeholders. Be strategic about the message your association sends.
- 3. Competitor status.** Working productively with a partner that your competitor already works with may be less than desirable, but still be the right thing to do. Take care to preserve your competitive edge with these partners – how do you get them to favor you over the competition?



- 4. Ability to work together.** Partners need to be able to work with you toward a shared outcome in a collaborative, transparent, and mutually rewarding way.
- 5. Desire to work together.** Finally, both partners have to want it. It takes a mutual commitment of time and resources to make a partnership work.

No two businesses have the same needs and goals for their partnerships program. However, the most popular kinds of referral partnerships for the SaaS companies that work with Impact are [content partners](#),<sup>1</sup> strategic B2B, and influencers.



1. "Expand your commerce revenue with partnerships," Impact Tech, Inc. <https://impact.com/partners/publishers-media-groups-partners/>

## What role does partnership tracking play in B2B SaaS partnerships?

The variety of subscription models makes conversion tracking and payout calculations for partnerships a bit more complicated.

SaaS subscriptions can operate on a variety of models, including:

- **Freemium**, which provides users with a basic set of features for free, plus advanced features for a premium
- **Free trials**, which allow users to try your product free of charge for a certain amount of time
- **Flat fee subscriptions**, which simplify the cost of your service down to a single price
- **Package-based subscriptions**, which sell access to variants of your SaaS solution according to usage volume or feature packages
- **Per user pricing**, which charges based on the number of activated logins or concurrent users
- **Custom pricing**, which skips the self-service approach to employ a higher-touch sales process that matches price to a customer's complex needs

The customer's path to conversion can be very different for each model. Due to the wide variety of potential conversion scenarios, you may choose to automate partner payments at many points. Tracking a user or lead through your system enables you to pay out at specific points in time. For example, you may prefer to pay an affiliate when their referred user signs up for a free trial or wait until the user converts their trial account to a paid subscription. The choice depends on what you want to incentivize.



## How do commissions for referral partnerships like affiliates work for SaaS?

Affiliate partners are generally paid when the customer converts, but there are a wide variety of points at which you may choose to automate a payment. As previously discussed, SaaS subscription models don't always offer a simple answer on when a conversion "counts."

Using a [partnerships management platform](#) to track users and leads through your system and sales funnel allows you to choose whether you want to compensate referral partners at freemium user sign-up or when a customer upgrades to a higher cost package.<sup>1</sup>

1. "Great partnerships grow your business," Impact Tech, Inc. <https://impact.com>



# About Partnership Cloud

Impact's Partnership Cloud™ provides an integrated, end-to-end solution for managing all of an enterprise's partnerships throughout the world.

From discovery, recruitment, and contracting to tracking, protecting, and optimizing — through the entire partner life cycle — the Partnership Cloud helps you drive revenue growth from every type of partner, including traditional affiliates, influencers, strategic partners, app-to-app partners, premium publishers, and more.

To learn more, please visit <https://impact.com/partnership-cloud/> or contact [grow@impact.com](mailto:grow@impact.com) to schedule a free demo.

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