

# **Rakuten Advertising**

## **Consumers, Commerce & COVID-19**

May 2020

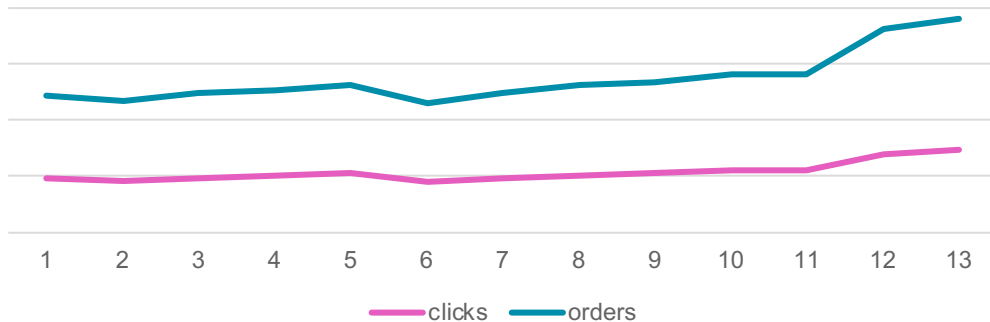
# Affiliate Performance: Click & Order Trends

## UK affiliate orders increase 36%

After experiencing a slight decline mid-March, clicks and orders have remained steady throughout lockdown.

From mid-April orders have continued to increase, resulting in a 36% increase since the start of lockdown and demonstrating consumers propensity to purchase after engaging with affiliate links.

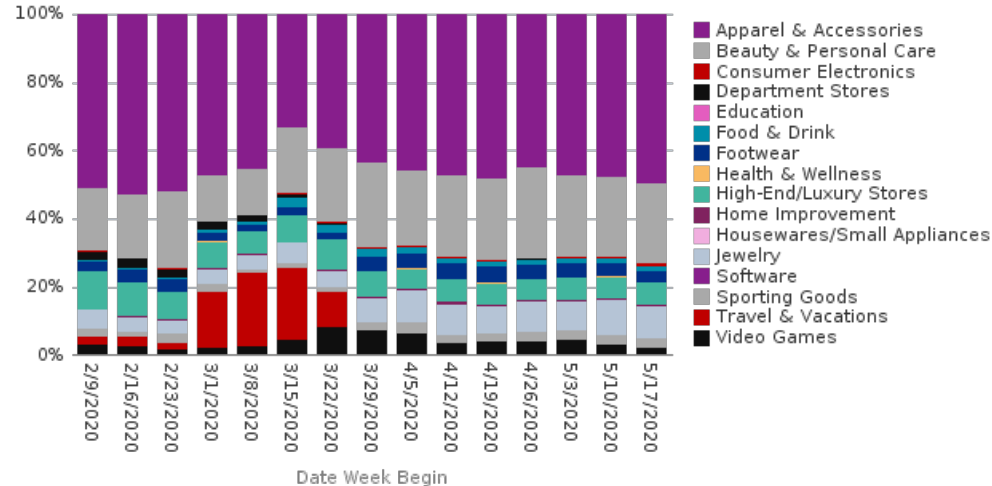
### UK Click and Order Trends



# Advertiser Performance: Vertical Share of Orders

Brands with an offline presence experience strong growth as consumers turn to online shopping

- As lockdown began in late March, the Sporting Goods vertical increased their share of orders as consumers established home gyms.
- Throughout April, Apparel & Beauty was the vertical driving the largest share of orders across the UK.
- Jewellery and Luxury stores also experienced consistent share of orders across the network.



# Advertiser Performance: Product Insights

## Item value increase experienced across most verticals

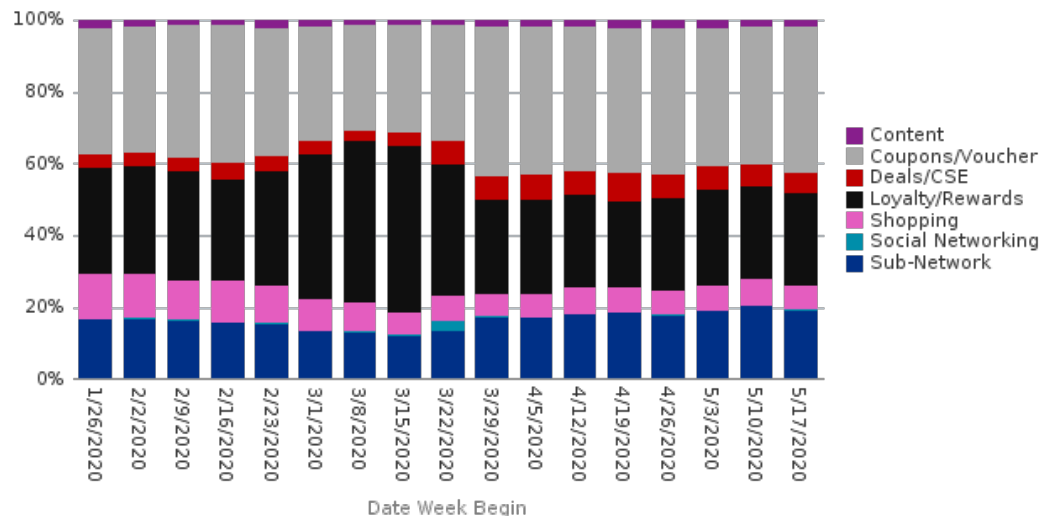
Insights from Rakuten Advertising's product-specific data highlight a surge in demand for puzzles, coffee machines and yoga products.

- Lower value verticals saw higher priced items being purchased, most notably:
  - Toys +248%
  - Games +80%
  - Gifts +65%
- Verticals seeing the largest reduction in average item value include:
  - Jewellery
  - Luxury
  - Home

# Publisher Performance: Vertical Share of Orders

## Price conscious consumers tap into coupons and vouchers

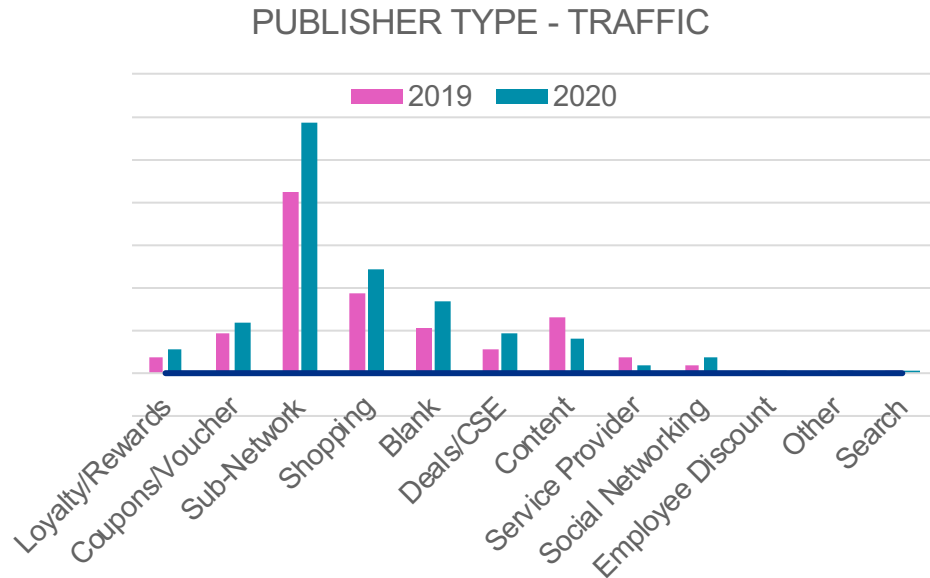
- As many people faced financial uncertainty, consumers became savvy in their purchasing.
- Coupon publishers have increased their share of orders since lockdown in the UK began.
- After an initial increase in March, Loyalty/Rewards and Cashback publishers have maintained a consistent share of orders throughout April and the beginning of May.



# Publisher Performance: Year-On-Year Traffic Changes

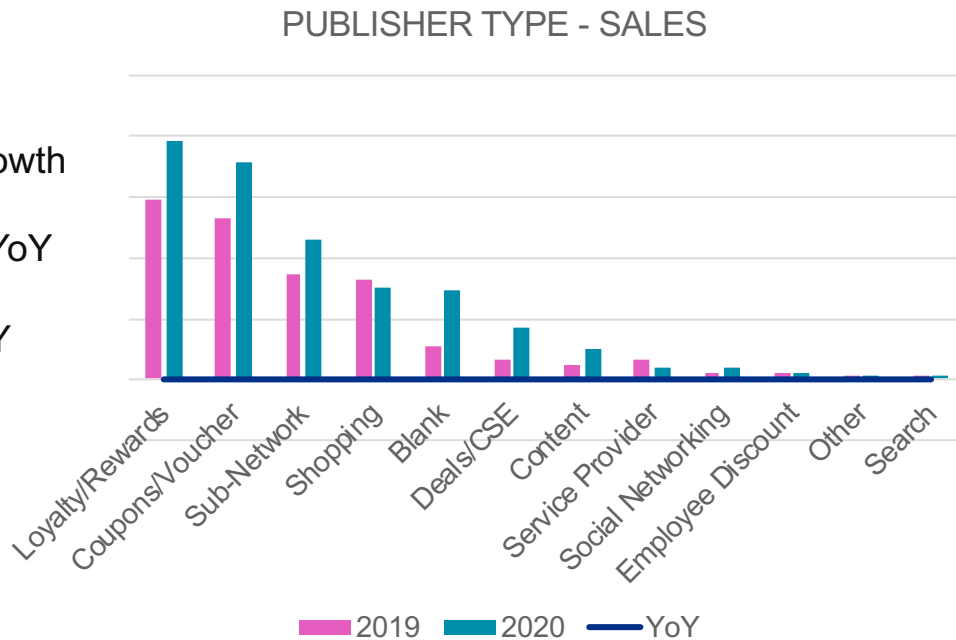
Large traffic drivers experience growth, while traffic reductions occur with lower funnel publishers

- Cashback/Loyalty has seen 66% traffic growth and Voucher publishers have experienced 22% traffic growth
- Sub-Networks have grown 39% YoY with growth accounting for 42% of total traffic. Shopping sites saw similar growth at 30%, accounting for 17% traffic



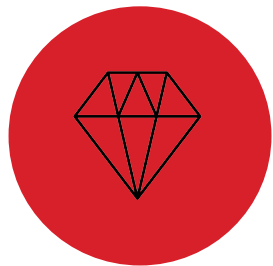
# Publisher Performance: Year-On-Year Publisher Growth

- Cashback/Loyalty have seen 33% YoY growth
- Voucher publishers increases sales 35% YoY
- Sales drive by Sub-Network rose 33% YoY

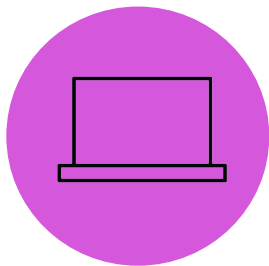


# Publisher Insights

Verticals driving the highest commission growth month-over-month



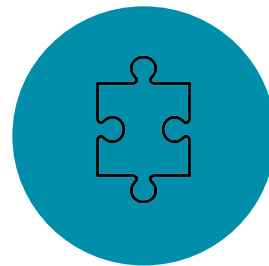
Jewellery



PC's



Goods & Services



Toys



Education



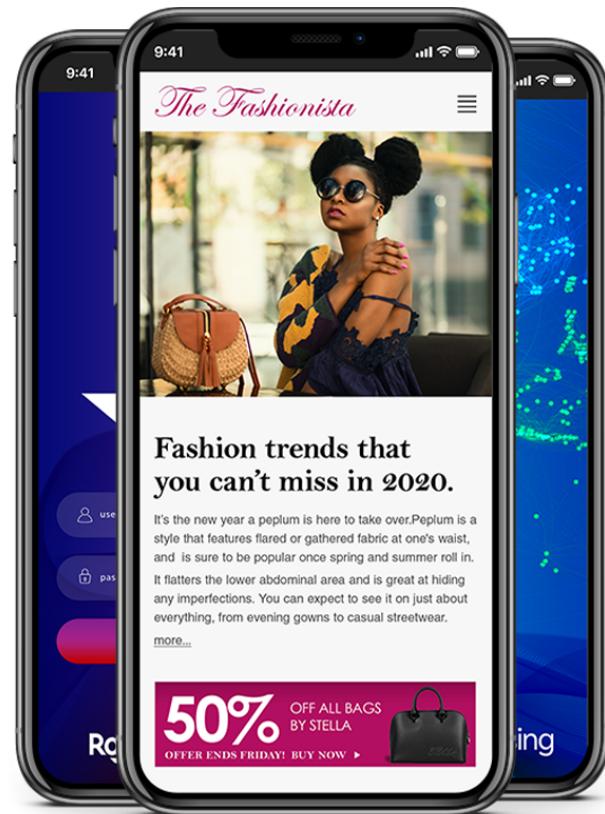
# Device Usage

## Consumers continue to shop via mobile

Despite people staying home with access to desktops/laptops, mobile orders peaked in mid-April driving 56% of all orders.

Desktop/laptop continued to drive the strongest average-order-value (AOV) of all devices.

Desktop/laptop sales resonated in an AOV of £94 while mobile drove order average of £65.



# Mother's Day

## How Britain responded to Mother's Day in lockdown

- While stores closed across the UK due to lockdown, Mother's Day orders increased 35% YoY demonstrating the shift to online shopping.
- As people found new ways to honour mum that didn't include going out for brunch, sales in the Cards & Stationery and Food & Drink vertical surged.
- Consumers turned to Social Media (+125% YoY) and to Loyalty/Rewards and Cashback publishers (+105% YoY) to make Mother's Day purchases.



# About Rakuten Advertising

Rakuten Advertising provides advertising technology and consumer insights to the world's leading brands and retailers. Working with agencies and brands around the world, Rakuten Advertising unites technology, client strategy and consumer insights to deliver advertising experiences that drive increased brand awareness and marketing performance. With access to Rakuten's global audiences, media, content networks and consumer research, Rakuten Advertising creates the right conditions to reach new customers and sustain long-lasting loyalty. It is a division of Rakuten Inc. (4755: TOKYO), one of the world's leading Internet service companies. The company is headquartered in San Mateo, CA, offices in Australia, Singapore, Brazil, France, Germany, Ukraine the United Kingdom and throughout the United States. Learn more at <https://rakutenadvertising.com/en-uk/>.

# Thank You

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