

Affiliate Marketing in Japan: Key Research Findings 2016

◆ Research Outline

Yano Research Institute has conducted a study on the domestic market of affiliate marketing with the following conditions:

1. Research period: From June to October, 2016
2. Research targets: Leading affiliate marketing service providers, operators of reward websites or point reward online malls
3. Research methodologies: Face-to-face interviews by the expert researchers, surveys via telephone/email, and literature research

What is affiliate marketing?

Affiliate marketing is a type of performance-based marketing where a company (advertiser) that wants to advertise places a link of its own company websites within some media such as blogs, websites, and mail magazines, and gives rewards to the owners of such media when a visitor or a customer registers membership or purchases a product of the advertiser via that link.

There are three types of affiliate marketing business: ASP (Affiliate Service Provider) style, where affiliates act as agents that go between advertising clients and website owners; Shopping mall style, where virtual shopping mall operators provide affiliate services; and Stand-alone type, where an online shopping owner becomes an advertiser and provides itself an affiliate function in order to promote their own products.

What is affiliate marketing market?

The market size of the affiliate marketing in this research is calculated based on the expenses spent for advertisement (total amounts of rewards), commission charges, and other costs including initial costs, monthly costs, and option expenses.

◆ Key Findings

■ **Affiliate Marketing Business in FY2016 Projected to Attain 200.650 Billion Yen, 115.3% on Y-o-Y Comparison**

The affiliate marketing business has continued its steady growth, driven by expansion of the e-commerce market, and prevalence of smartphones. The market size of the domestic affiliate marketing reached 174.020 billion yen in FY2015, 116.4% of that of the preceding fiscal year, and is likely to achieve 200.650 billion yen, 115.3% of the size of FY2015.

■ **New Companies Entering ASP Driving Affiliate Marketing**

With such efforts to improve the ad effects as reducing costs for the systems used for affiliate marketing, and limiting the media on which the advertisements are placed, the completely-result-reward type advertising system has begun being available, which succeeded in encouraging small-to-mid size enterprises to be the advertisers. This has increased newly-entered service providers, because it enabled them to differentiate themselves from the existing ASPs.

■ **Future Outlook : Affiliate Marketing Business Expands to 350 Billion Yen by FY2020**

The domestic market size of affiliate marketing is expected to rise to 350 billion yen by FY2020, because of the following factors: 1) Expansion of budgets for affiliate marketing per advertiser, 2) Possibility of large social media to adopt affiliate marketing, 3) Increasing number of small-to-midsize advertisers are expected to use affiliate marketing, and 4) Scope to use affiliate marketing platforms can be widened.

◆ **Report format:**

Published report: “Affiliate Market 2016”

Issued on: November 14, 2016

Language: Japanese

Format: 173 pages in A4 format

Price: 180,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

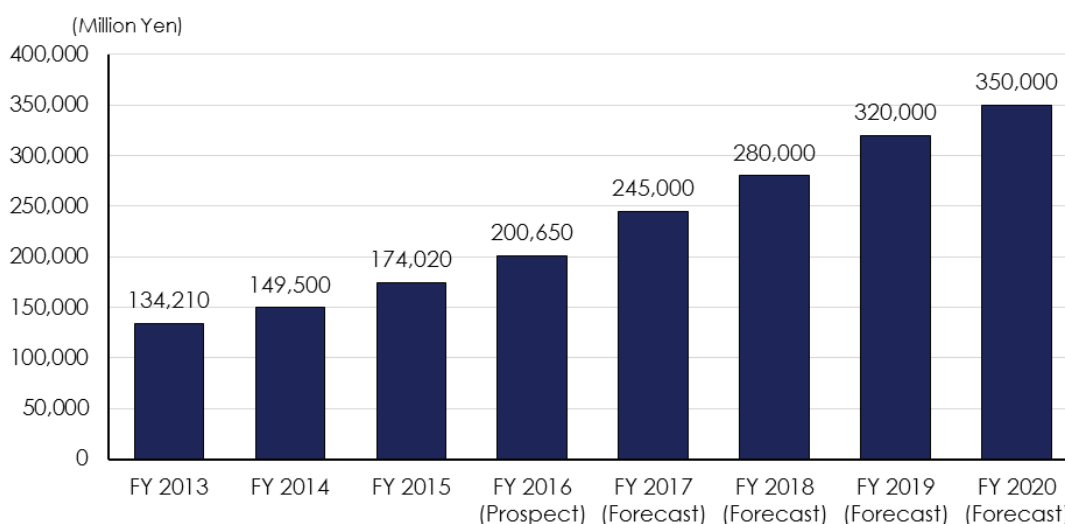
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■ **Figure 1: Transition and Forecast of Affiliate Marketing Market Size**



Research by Yano Research Institute

Notes:

1. The market size of the affiliate marketing is calculated based on the expenses spent for advertisement (total amounts of rewards), commission charges, and other costs including initial costs, monthly costs, and option expenses.