

The Role of Supply Chain Strategy and Affiliate Marketing in Increasing the Demand for E-Commerce – Social Media POV

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Abstract- The study examined the most influential affiliate marketing and supply chain strategies that are most beneficial and usable through social media websites which can increase the demand on e-commerce. Through employing the quantitative approach; the researchers distributed total of (95) questionnaires on marketing managers within cosmetics companies in Jordan- Amman during the fiscal year (2018-2019). Results of study indicated a high level of awareness and dependency of cosmetics companies on marketing through social media websites as a form of endorsement. In addition to that, it appeared that among the chosen affiliate marketing strategies CPC/PPC was the most influential and usable strategy through social media as a form of endorsement and marketing

Keywords- Affiliate Marketing, Supply Chain Strategy, E-Commerce, Social Media, Pay-per-Click, Cost-Per-Sale, Cost-Per-Action, Cost-Per- 1000 Impression, Cost-Per-Click.

1. Introduction

Supply chain strategies may be different according to the approach taken by network, as in the search for elimination of waste, the ability to make processes more flexible, the ability to respond to markets and agility in serving volatile markets. Affiliate Marketing has come to be known as something that happens on the web [1-6]. You click a connection, which guides you to a page or an item on the web, and after that the connection proprietor gets paid a little sum for that click. Be that as it may, it can likewise allude to things like when a specialist gives a client a markdown for alluding them to another client. The individual who is doing the alluding is getting paid by getting a rebate towards their buy. It is a similar idea, just in reality. This sort of subsidiary advertising is utilized, however not followed as much as online connections. You can ask your client where they found out about you with an end goal to get familiar with where your customers are coming from, yet at last, you don't have every one of the information like you would through a web based following connection [7]. The web has made this sort of advertising progressively productive and simpler to extend your business. So while the historical backdrop of offshoot promoting truly began before the web, the web made this

showcasing methodology generally accessible as a plan of action to the majority.

1.1 Problem Statement

Technological development and internet managed to throw a lot of influence on our lives. Nowadays almost everything is automated in a certain extent. An individual can order online, ask for consultation and online and enroll in a school also online. The idea for development in the field of technology also took a place in management and marketing; affiliate marketing is one of the main aspects that took technology as the main engine that is able to deliver the whole system of marketing into the field of success and achievement.

In [8] argued that affiliate marketing became more prominent with the development of social media websites on internet. Authors argued that social media is considered to be seen as a fertile environment that has the ability to prosper and develop marketing outcomes given the nature of individuals who are interested in social media.

In [9] agreed on the same idea arguing that the services that are provided by social media are considered to be seen as a motive towards developing and enhancing online marketing through the reviews and word of mouth that social media is able to deliver in not time. Also in [6] supported the fact that social media in general is the reason why online marketing is becoming more prominent as it delivers the needed information with the least time and costs needed.

1.2 Aim and Questions of Study

Based on the above argument, current study aimed at examining the role of affiliate marketing on social media and how it can increase the demand on e-commerce from the social media point of view.

Current study seeks to answer the following questions:

1- What is the role of social media in affiliate marketing and how it can motivate the demand on e-commerce?

2- What are the main affiliate marketing tools that are used within social media context?

1.3 Model and Hypotheses

Social media-based affiliate marketing positively influence the demand of e-commerce

Sub-Hypotheses:

Ha: Social media-based CPS positively influences the demand of e-commerce

Hb: Social media-based CPA positively influences the demand of e-commerce

Hc: Social media-based CPM positively influences the demand of e-commerce

Hd: Social media-based CPC positively influences the demand of e-commerce

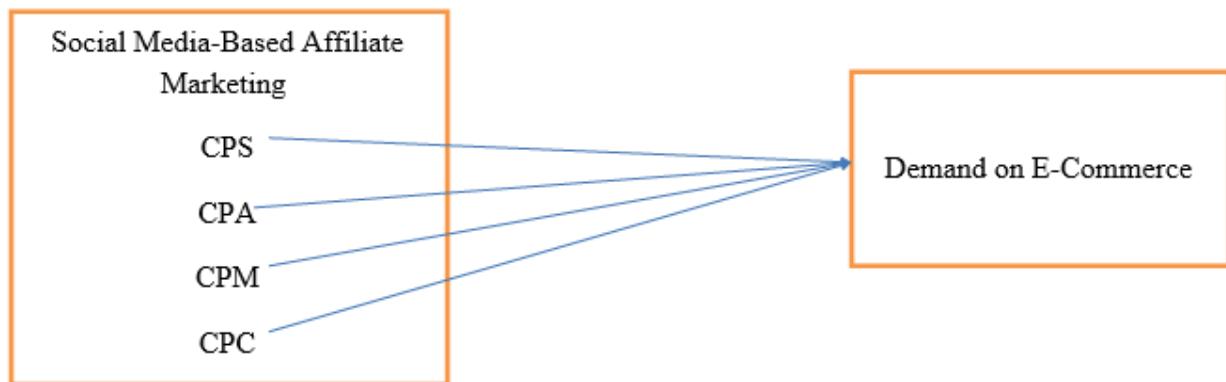


Figure 1. Study Model

2. Literature Review

2.1 Marketing

2.1.1 Performance-Based Marketing

As described by [10], performance-based marketing also referred to as pay-for-performance marketing is form of marketing that involves clients paying for calculated results. For [11] performance marketing comprehensively refers to the online advertising and marketing programs that allow companies or individuals to pay marketing and advertising companies for their effort to influence clients to complete specific actions, such as click, lead, or sale.

Other researchers (e.g. [12]) identifies Performance-based marketing as technique that allows advertisers to be paid with a variable price for facilitating interactive advertising based on how the ad performs. In [13] added that in this form of marketing, the cost of an ad depends on how the number of times potential customers click on it and view the webpage, the lead generated, and the sales generated based on the clicks. In [14] further added that the cost of performance-based marketing models is determined by the agency and the advertiser on the basis of cost-per-lead (CPL) or cost-per-acquisition (CPA). This may include actions such as sales, demos, registrations, or leads.

Traditionally, performance-based marketing referred to the action of purchasing ads into newspapers or magazines. The new form of performance-based marketing takes into account the online presence as it is targeted at online traffic. It is aimed at promoting online sales based on the assumption that many customers can easily be reached

through online platforms. This view is shared by [15] that most companies, including insurance companies, fashion retailer, and car dealerships purchase performance-based advertising to reach customers via the internet. Reinforcing this view, [16] identifies a number of web publishers that generate traffic, and from which companies purchase performance-based advertising: Google's search engines, CPA networks, mobile sites, Yahoo home pages, individual blogs, email providers, and social media network channels such as twitter and Facebook.

In [17] also believes that performance-based marketing are useful marketing tools for businesses seeking to acquire customers at a relatively low costs and increase the audience value. According to [18], performance-based marketing campaigns have several advantages, including high ROI, low risk, tractability, third-part validation, and extending advertising reach. Elaborating on advantages of performance-based marketing, In [19] further argued that performance-based marketing is measurable as software or network used by customers to log into campaign have metrics that allow advertisers to determine if the traffic being send are of low quality as well as determine the traffic conversion rate. In [20, 21] also noted that online performance-based marketing is a low risk marketing option as payment can only be made after conversion or sale.

In addition, performance-based marketing offers a low-risk high ROI, and allows merchants to determine the profit margin by setting affiliates' commission rate. Moreover, performance-based marketing allows advertisers to make use of extended marketing techniques, including banner ads, blogging, product reviews, pay-per-click ads, email marketing, and YouTube. In view of [22], improved attribution and performance tracking is one of the reasons that

inform digital marketers to utilize performance-based marketing. Commonly used performance-based methods of attribution include first click, and multi-touch (i.e., position based, linear, and time decay methods).

There are a variety of performance-based marketing subsets/styles used by parties used by marketing bloggers and influencers to promote products and brands online. Affiliate marketing is one of these performance-based marketing styles. Others include native advertising, sponsored content, search engine optimization, and social media marketing.

2.1.2 Affiliate Marketing

Affiliate marketing is a subset of performance-based marketing that involves the use of an affiliate program to products of a merchant for a commission of sales or lead conversions.

In this sense, an affiliate or a publisher is a person or a company that promotes merchant website's products or services via their website by providing links and publishing ads. This is achieved by an affiliate registering to an advertiser's affiliate program, and providing links, banners or ads and incorporating it in the website [10].

In general, affiliate marketing also called associate marketing as described by [23] is an arrangement that requires the advertiser to pay commission to an affiliate for traffic or sales generated on the website. According to [24], this prominent, contemporary performance-based type of internet marketing involves the firm reimbursing affiliates for customers referred via affiliate marketing. For [25], affiliate marketing is a performance-based marketing which depends on the number of clicks. According to [26], this arrangement allows the affiliate to the affiliate to post links, and banners, and ads of services or products from the website of the merchant. Supporting others, [27] opined that affiliate marketing involve three parties: customer, affiliate and merchant or advertiser. In [28] identify a merchant or an advertiser as firm selling services online such as tourism or insurance or products such as airline tickets, business products or consumer products. Examples of products include tourism, tourism. In [29-32] identify an affiliate as person or company that promotes the merchant website's services or products via website by providing links or publishing ads. That leads to consider Websites' Quality as an important factor that may affect the customer satisfaction [28]. Customers as described by [33] are third entities who visit the website an affiliate to click links or ads they find worth or redirect it to merchant website. In this case, Ad banners, product reviews, coupons, offline affiliates, and loyalty/incentive are models used in affiliate marketing to boost traffic on the website.

Coupon models provide coupon banners, which allow customers to click and access the merchants' website to purchase products. Product reviews play an important role in marketing by serving

as drivers to customers' decisions [33]. Ad banners are content blocks or picture of a product or back-links, which directs customers to the merchant's website. These back-links including the ID of the affiliate are useful in tracking affiliates by advertisers. Ad banners are often placed on the personal site, forums or websites of the publisher to attract customers [10].

Loyalty/incentives include vouchers, discount codes, points, or bonus miles which are often used by shopping sites or airlines to display offer to customers who receive rewards for following the link to the websites. Offline affiliate is often spread via the word-of-mouth by the presenter. This is achieved by an affiliate promoting the products by asking the audience to click on a link that directs them to make a purchase. Information is often provided that fascinated the audience [32].

Affiliates also encompass a network used to connect affiliates and merchants, track administration, record users who click and purchase products, provide a secure websites from which affiliate access links and check results; and provide a consolidated payment to multiple affiliates. Networks tend to impose rules about affiliate practices that are permissible. These rules state the amount to be earned by an affiliate, as well as the permitted or acceptable behaviors [32].

These rules can be waived by the merchant who joins the network, and are managed by an affiliate program.

Several types of affiliate models exist on the internet. These models are grouped into three: revenue based model; hybrid models; and exposure based models. Revenue based models also called performance based models depend on the amount of revenue generated from the referring website. Subcategories of revenue based models include pay per lead, flat referral rate, and percentages of sales. Hybrid models are a combination of revenue based model and exposure based models. Some of these models combine features of revenue based models and exposure based models while others such as link exchange models involve sharing partnership between partners [33].

The focus of this study is on exposure based models. Popular affiliate exposure base models include pay per view (e.g., Cost-Per-Mile (CPM), cost per click (CPC), and Cost Per Activity (CPA)).

2.1.2.1 Cost-Per-Sale (CPS)

Cost per sale also known a cost per acquisition affiliate marketing model is an arrangement where payment is made by an advertiser whenever a purchase is made [33]. This is a low risk method because payment is only made by the advertiser when revenue is generated. This means that no money is paid whenever user makes a purchase [10].

2.1.2.2 Cost-Per-Action (CPA)

CPA is widely favored in the affiliate marketing field. This CPA affiliate marketing model involves paying a commission when a specific action is

taken by the user. Actions may include getting a quote, click, installation, making a purchase, converting to the lead, signing up for a trial, or filling out a form [15]. The cost-per-lead pricing model takes the process further by requiring the advertiser to an ad is viewed by the user on the website and goes ahead to click on it and further proceeds to take action. In this way, in this arrangement, the user must complete the action on the site of the advertiser and thus must be the qualified lead for sale. The publisher receives the payment when this entire process has been completed. The advertiser is at liberty to choose the action to be charged: signing up for a newsletter, downloading a PDF, watching a video, becoming a member, or completing a survey [10].

2.1.2.3 Cost-Per- 1000 Impression (CPM)

Since the internet became popular in 1990s, a variety of pay-per-view affiliate models have been developed. Pay-per-view models also referred to as Cost-per-Mile or Cost-Per-1000 Ads or Impression shown, require the website to pay an affiliate the commission based on the volume of ads shown to potential customers. This allows the company or an individual to pay for the digital media every time the ad loads in an app or a page. This arrangement means that the advertiser pays irrespective of whether or not the customer sees it, engages with it or clicks on the ad. This form of advertising provides a guarantee of the number of impressions with a fixed cost (i.e., flat rate is charged for 1000 impressions or displays of an advertisement) charged by the publisher. In [34] identified the following as advantages of CPM for the advertiser: ease to implement; low-cost solution for ad that generate a high click-through rate; provides a predictable pricing; provides a lot of inventory; and improves brand awareness. The CPM method has the following disadvantages for the advertiser: it is a quantitative rather than qualitative benchmark; bills the advertiser even when the ads is viewed by the same customer multiple times; does not indicate acquisition; and can lead to impression fraud [10].

On the part of the publisher, CPM can be advantageous in the following ways: no concern regarding CTR; predictable income stream and fixed price; verifiable and quantifiable viewership; and comparatively of low risk. On the flip side of it, the disadvantage on the part of the publisher, including low-paying ads; high traffic required; and no payment of generated clicks [10].

2.1.2.4 Cost-Per-Click (CPC)

Cost-per-click (CPC) affiliate advertising requires the advertiser to pay for any click created on an ad. Unlike in the CPM method, in CPC method, payment is only made when the merchant shows interests in the message and the need for more information by clicking the banner and is directed to the website of the advertiser. CPC advertising functions effectively when linked to relevant industry or field such as posting ads on blogs that discuss the field or industry a company operates in or simply

reviewing products in the area the company sells its product. This method is also arguably cost-effective because the most expensive words are the most popular ones. The chances of getting more viewers increases by linking CPC with the content published about the field or industry the company operates.

Advantages of CPC to the advertiser as identified by [35] include: all risks being shifted to the publisher; payment limited to performance; ad receives exposure without actions or clicks; and generates sales leads. In [36] described the shortcoming of CPC to the advertiser as: the high cost of advertising; the need the customer to reveal sensitive information; associated with lowest conversion rate; high possibility of fake form filling or ad fraud.

The advantages of CPC on the part of the publisher are highlighted as: predictable revenue; the success of the program dependent on the publisher; high revenue because of high value on the part of the advertiser; and publisher can determine the place and time of the ad [12]. In contrast, disadvantages of CPC for the publisher include: non-paid clicks; free exposure to the promotion/ad with not triggered action; possibility of designing ads that do not convert with a view to getting free branding; possibility of cookie fraud (e.g., deletion or expiration of cookie; and high risk of fraudulent charges. Another disadvantage is that CPC any direct the user who clicks on the ad to the external page, and this may leave the advertiser unaware whether the clicks converted into action [19].

2.2 Supply Chain strategy and E-Commerce

Supply Chain Management (SCM) is nowadays well established within large organizations as a major tool which offers competitive advantage in terms of cutting down the cost of goods and simultaneously improving customer service. Traditionally SCM was referred to the functions of logistics, transportation, purchasing and supplies. However, the evolution of SCM has moved to focus on integration, risk management, sustainability and optimizing working capital. A required condition for the application of a successful SCM strategy is the efficient cooperation among various, previously independent functions such as sales division, marketing and logistics. Electronic commerce (e-Commerce) as described by Turban et al. (2010) refers to the process of exchanging, busing, selling or transferring of services, products or information through online (intranets and internet) networks. E-Commerce transaction occurs as business-to-consumer (B2C), Business-to-Business (B2B), Consumer-to-Business (C2B) or Consumer-to-Consumer (C2C).

Business-to-Business (B2B) e-commerce involves electronic exchange of information, services, and products between businesses. Typical examples include product and supply exchange websites and online directories that allow business to search and identify information, services, and products and initiate business transactions via e-procurement interfaces.

Business-to-Consumer (B2C) e-commerce is a retail part involving businesses selling information, services, and products directly to consumers. Typical examples are virtual malls and stores online that sell consumer goods such as Amazon and others. Consumer-to-consumer (C2C) e-commerce is a model that involves consumers trading information, services and products with other consumers online. These transactions are often conducted via thirty parties that facilitate online transaction using their platforms. Examples of these businesses include classified advertisements online auctions such as Craigslist and eBay. Consumer-to-Business (C2B) e-commerce involves consumers making products and services available to the internet for companies to place bids and make purchases. Examples of B2B e-commerce platforms include the market that sells royalty-free media, images, photographs and design elements, and the job board. Business-to-administration (B2A) e-commerce refers to business transactions undertaken online between government bodies or public administration and companies. Examples are e-services or products. Government departments depend on these transactions when it comes to social security, legal documents, registers, employment, and fiscals. These e-services are supplied electronically by businesses. Consumer-to-administration (C2A) e-commerce involves transactions undertaken online involving government bodies or public administration and individual consumers. Individuals use electronic means to buy services or products from the government in the following areas: social security, education, taxes, and health [37-40].

2.3 Social Media in E-Commerce

Business tends to follow where people are concentrated [41-43]. Previously, these areas of concentrations used to be cities, towns, and places. However, the trend has shifted to Social Media platforms. The shift seems to have been influenced businesses to consider changing marketing tactic by shifting their focus to these social media platforms. This shift has made social networking sites popular as center of social commerce [43].

In general, social media marketing involves marketing a product, service or brand via social media with a view to increasing engagement and traffic through clicks, shares, and likes [7],[17].

According to [44], social media marketing can be used as a driver for e-commerce to attract new customers. In [4] noted that marketers can use social media channels to direct shoppers a brand or new product, engage with them as well as create a loyalty and sense of community. Social media presence can also enable companies/individuals to direct sales, and use back-end tools that facilitates the sharing of products and purchase between customers, followers and friends. According to [33], while it may be challenging for a company to measure the returns of using social media networks in e-commerce through

activities such as engaging in conversations and asking questions, these tools helps to establish a sense of community and brand loyalty.

Supporting others, [8] held that interactions facilitated through social media are important when it comes to handling consumer care issues, including demonstrating the commitment to resolve problems, and retaining customers. In [9] added that social media can be used to promote an e-commerce storefront achieved by crafting posts and directing shoppers and encouraging them to follow these posts. In [7] also held that social media icons can be useful in providing links to followers to share specific products.

For others (e.g., [26]) social media can be useful in e-commerce as it help increase the followers and friends following a page. The argument is that the higher the number of people who view the page, the more higher the number of conversions into sales. According to [22], marketers can use social media to provide useful and exciting content that help grow a follower base and this may translate into increased sharing of engaging posts.

In [5] highlighted various ways of using social media in e-commerce. According to [22] social media channels can be used to increase and drive targeted traffic to targeted audience achieved using social media posts. Secondly, social media channel can be used as tools for boosting SEO of the business site [30]. In [22] held that through building traffic on social media channels, a business can optimize search engine results and create strong producer consumer relationships as the posts on Facebook and Twitter get into by their customers' daily lives. This would ultimately help the business to create effective marketing strategies. Another important role of social media according to [22] is the helping the company increase brand recognition as the media can become the voice and the content of the brand.

In a similar study, [18] used a survey questionnaire to collect data used to determine the relevance of social media in e-commerce. Findings showed that social media that social media plays a crucial role in marketing as it influences consumer buying behavior, and promotes brand building. Similarly, [15] used a sample of Facebook users to investigate the effect of user-generated and firm-created social media communication on brand attitude and brand equity for companies operating online businesses. Results confirmed that social media plays a crucial role in creating positive attitudes towards a brand and creating and reinforcing a brand equity.

For [38] considering that about 70% of people who access the internet globally use social media platforms, every e-commerce retailers can benefit from marketing on Instagram, Facebook, and Twitter platforms. According to [28], as Facebook, identified as the most popular social media networks globally with about 1.5 billion users can be a useful platform for establishing an e-commerce. In [13] held that e-commerce retailers can use Facebook to share photos of

company products, links to interesting content published on the website, sales promotion, and other interesting content that followers can see. According to Facebook can be provide an opportunity for an e-Commerce to show off product photos submitted by the customers, and run highly-targeted ad campaigns targeted at users based on location, behaviors, interests, location, age and gender.

According to [6], Twitter with estimated 800 million users can be used to influence customers' purchasing decisions. This can be achieved by starting conversations about a brand, sharing information it, and linking to product pages in an attempt to drive traffic to an e-Commerce. Twitter can also be useful in customer service, building online reputation, and establishing strong relationships with customers. For [5], Instagram with about 500 million users per month can be used as a platform for sharing products for showing off products, as well as to provide a behind-the-scenes look at one's e-commerce business.

Other researchers agree that strong online presence via social media serves the purpose of increasing sales and goodwill of an e-commerce. For example, [16] held that social media serves as a customer's guiding business by offering a customer base for an e-commerce and at the same time empowering them. In [4] also advanced that social media platforms can boost EO ranking since advertisements and comments on social media platforms are often shared, liked and commented upon. Thus, these acts can be used to build brand image, and drive more leads and traffic to an e-commerce site. Supporting others, [20] opined that social media pages can be designed to appeal and attract users and function as platforms for honest product reviews for an e-commerce business. Similarly, these social media pages can be used for proactive solving of end issues of customers and promptly answering their queries and thus improve the business or brand goodwill.

In [20] also noted that social media platforms provide a less formal way of reaching out to potential customers and creating communication with them. This makes it easy for an e-commerce business to engage in engage in two-way conversations with online customers who show interest in learning about a brand.

2.4 Social Media in Affiliate Marketing

Social media plays a crucial role in facilitating affiliate marketing. In [4] noted that before Instagram, Twitter and Facebook, affiliate marketing largely focused on lit-building, paid ads, and SEO to obtain links to relevant traffic. Though these methods are still relevant, social media including free and paid social media such as promoted posts and tweets have become a common method used by affiliate marketers to reach large audience. Emphasized that affiliate markers are increasingly can leveraging on the power of social media to make new connections and gain influencing by highlighting the value of a service or product to potential buyers. In a similar study, [2] demonstrated

using data obtained from a service company that advertising and social media activities affect affiliate marketing outcome. Result revealed that social media can boost the affiliate marketing effort and yield positive and encouraging results.

In a similar study, [31] analyzed the impact of advertising and social media activities to affiliate marketing outcomes, including affiliate leads, ad media, length of partnership and amount of commission. Finding showed that advertising and social media activities positively and significantly increase the number of affiliate leads and number of ad impressions. In the same vein, [27] opined that affiliate marketing has evolved from the strategy that focuses on gaining website clicks into one that focuses on cultivating leads from social media channels such as Facebook and Instagram. In [8] believes that influencers are instrumental in this evolution and advances that social leaders are utilizing their abilities to inspire conversations in their followers via social media to create successful affiliate campaigns. In [9] further argued that influencer markers are bridging the gap between social traffic conversations and web traffic conversations. According to [29] further advanced that influencer marketing drive traffic and sales by relying on referral promotion. In [6] further hinted that affiliate-focused agencies are moving away from focusing on using publisher to drive traffic to using social strategies and platforms. Similarly, [18] advanced that affiliate marketers are increasingly turning on social media channels to look for shoppers visiting Facebook and Instagram Stories to look for purchase on-the-go. In [11] further indicated that affiliate marketers must invest in the click-through metrics, website publishers as well as in promotions via social media in order to take advantage of a broad swath of businesses and customers on social media. Supporting others, [14] argued that savvy affiliates are fostering influencer marketing campaigns that leverage the reviewing and purchasing power of stars from the social media channel to drive traffic.

3. Methodology

3.1 Methodological Approach

In order to be able to answer study questions; researchers adopted the quantitative methodology which depended on the questionnaire to gather the needed data. The questionnaire was built in two main sections; the first was concerned with the demographic variables which included gender, age, educational level an experience, while the second section was concerned with the main variables of study including affiliate marketing variables and the demand on e-commerce.

3.2 Population and Sample

As for the population of study, researchers have chosen the population to be formed of cosmetics companies which are operating in Jordan during the fiscal year 2019 which reached (181) operating companies that are registered within Amman chamber of commerce. The sample of study was chosen to be

the marketing managers within the companies that are located in Amman which reached (95) company.

3.3 Statistical Tests

In order to process the gathered data and reach meaningful results; researchers used SPSS 21st Ed and the following tests were adopted:

- Descriptive Analysis
- Reliability test
- Collinearity statistics test

- Multiple regression test
- Simple Regression test

4. Results and Discussion

Following section presented results of analyzing the gathered data. The section appeared in two parts; the first demonstrated results of demographic variables while the other presented the questionnaire analysis.

4.1 Demographic Analysis

Table 1. Sample Characteristics according to Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	65	68.4	68.4	68.4
	Female	30	31.6	31.6	100.0
	Total	95	100.0	100.0	

Table (1) presented the sample characteristics according to gender. It appeared through the analysis

that the majority of the sample was men forming 68.4% of the total sample with frequency of 65 individuals compared to females with frequency of 30 individuals forming 31.6% of the sample.

Table 2. Sample Characteristics according to Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	22-28	13	13.7	13.7	13.7
	29-35	61	64.2	64.2	77.9
	36-42	15	15.8	15.8	93.7
	+43	6	6.3	6.3	100.0
	Total	95	100.0	100.0	

In table (2), sample characteristics according to age was calculated; it appeared that the majority of

the sample formed 64.2% for the age range 29-35 years old followed by the age range of 36-42 years old forming 15.8% of the sample.

Table 3. Sample Characteristics according to Educational Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BA	10	10.5	10.5	10.5
	MA	59	62.1	62.1	72.6
	PhD	26	27.4	27.4	100.0
	Total	95	100.0	100.0	

Table (3) above highlighted the sample characteristics according to educational level. As it can

be read from the table; 62.1% of the sample held the MA degree compared to the second rank of respondents who formed 27.4% of the sample holding the PhD degree.

Table 4. Sample Characteristics according to Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2-5	24	25.3	25.3	25.3
	6-9	59	62.1	62.1	87.4
	+10	12	12.6	12.6	100.0
	Total	95	100.0	100.0	

Table (4) presented sample characteristics according to experience. It appeared from the analysis that 62.1% of the sample had an experience of 6-9 years which can be seen to be logical given that affiliate marketing is a relatively new approach in the marketing field. In the second rank came individuals

with the experience of 2-5 years old forming 25.3% of the sample.

4.2 Questionnaire Analysis

Mean and standard deviation were calculated for the questionnaire statements. Following results appeared:

Table 5. Questionnaire Statement Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
Social Media-Based Affiliate Marketing					
CPS					
Cost per sale is relatively low risk marketing strategy	95	3	5	4.42	.576
Social media guarantees revenue which suits CPS	95	3	5	4.43	.558
Through social media CPS is guaranteed	95	3	5	4.38	.587
The huge popularity of social media supports marketing through CPS	95	2	5	4.55	.665
CPS	95	3.25	5.00	4.4447	.36133
CPA					
CPA is relatively risky	95	2	5	4.52	.713
CPA through social media can increase cost	95	3	5	4.54	.633
There is always a benefit from CPA through social media	95	2	5	4.62	.639
Pop-up ads and links can support CPA on social media	95	3	5	4.18	.565
One may not necessarily need to make a sale to get paid within a CPA network	95	3	5	4.39	.551
CPA revenues are usually based on lead generation such as submitting a phone number or email address to get some free product or information.	95	2	5	4.40	.764
CPA	95	3.17	4.83	4.4404	.38815
CPM					
CPM is one of the most common ways of buying online	95	2	5	4.31	.716
Revenue is guaranteed for every time the ad loads on a social media page	95	3	5	4.39	.689
In CPM the client is charged for the impression whether or not a consumer actually sees it	95	3	5	4.49	.599
CPM	95	3.00	5.00	4.3965	.51063
CPC					
In CPC the advertiser pays when a click is made on an ad	95	2	5	4.41	.751
CPC is favored because the ad is charged if the client is interested enough in the message to want more info	95	3	5	4.43	.630
Some CPC programs are very effective on social media	95	3	5	4.52	.562
CPC is potential for fraud if a company deliberately uses bots or some other technique to drive clicks not initiated by a real person.	95	3	5	4.38	.732
CPC	95	3.25	5.00	4.4342	.50161
Demand on E-Commerce					
Social media is one of the drivers of e-commerce	95	1	5	4.42	.752
E-commerce increased massively due to the popularity of social media websites	95	3	5	4.58	.612
Reviews and comments are one of the benefits for increasing e-commerce	95	2	5	4.37	.685
Social media managed to increase individuals' interest to buy online	95	3	5	4.53	.650
demand	95	3.00	5.00	4.4737	.52145

In table (5), results of analysis indicated that respondents had a positive attitude towards statements of questionnaire. It appeared that the mean of each statement was above the mean of scale 3.00 indicating to the results as positive.

4.3 Reliability test

In order to make sure that the questionnaire was reliable and able to measure the main aim of study; researchers subjected the questionnaire through using Cronbach's Alpha criterion to assess the internal consistency and reliability of the studied construct [35]. The Cronbach's Alpha coefficient is 0.885; the value

exceeds the accepted cut-off value of 0.60, as suggested by [35]. This indicates that each individual item is internally consistent and highly reliable.

4.4 Collinearity statistics test

Multicollinearity between the independent variables is checked using the Collinearity statistics: Tolerance and Variance Inflation Factor (VIF). The minimum acceptable cutoff value for tolerance is typically (0.10). The maximum acceptable cutoff value for the VIF is (10). In other words, to indicate no problem with multicollinearity tolerance value should not be less than (0.10) while VIF value should not be more than (10) [4].

Table 6. Collinearity statistics test

Model	Collinearity Statistics	
	Tolerance	VIF
CPS	.468	2.139
CPA	.344	2.910
CPM	.609	1.641
CPC	.541	1.847

Hypothesis testing:

Following is the results of hypotheses testing. The section appeared in two main parts, the first part tested the main hypothesis, while the second part tested the sub-hypotheses as it appeared in figure (1) study model.

As we see in table (6), VIF values for each independent variable is less than 10, with tolerance ranges between (0.344-0.609). This means that there is no occurrence for any multicollinearity problem between the independent variables.

In testing the main hypothesis articulated "**Social media-based affiliate marketing positively influences the demand of e-commerce**" results were as followed:

Table 7. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.805 ^a	.648	.632	.31613

Table 8. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	16.565	4	4.141	41.436	.000
Residual	8.995	90	.100		
Total	25.559	94			

Table 9. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	-.183-	.442			-.415-	.679
CPS	.561	.132	.389		4.254	.000
CPA	.390	.143	.290		2.720	.008
CPM	.216	.082	.211		2.636	.010
CPC	.664	.088	.639		7.516	.000

Multiple regression test was used to test the effect of the Social Media-Based Affiliate Marketing on the e-commerce demand; It was found that R (0.805) was the correlation of Social Media-Based Affiliate Marketing and e-commerce demand. Also it was found that R Square (0.648), which was the explained variance, was actually the square of the multiple R (64.8)², this means that (64.8%) of the variance (R-Square) in the dependent variable has been significantly explained by the independent variables. Also it was found that F = 41.436 was significant at 0.05 level, Also according to the coefficient table it was found that t_value for each independent variables (CPS, CPA, CPM and CPC) were significant at 0.05 level, that means :

- Social media-based CPS positively influences the demand of e-commerce

- Social media-based CPA positively influences the demand of e-commerce
- Social media-based CPM positively influences the demand of e-commerce
- Social media-based CPC positively influences the demand of e-commerce

Based on the previous results, it can be said that Social media-based affiliate marketing positively influences the demand of e-commerce.

In testing the study's sub-hypotheses; the following results were reached:

Ha: Social media-based CPS positively influences the demand of e-commerce

Table 10. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.493 ^a	.243	.235	.45602

Table 11. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.220	1	6.220	29.910	.000
Residual	19.339	93	.208		
Total	25.559	94			

Table 12. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	1.309	.580			2.256	.026
CPS	.712	.130	.493		5.469	.000

CPS positively influences the demand of e-commerce" with moderate Pearson correlation 0.493.

Hb: Social media-based CPA positively influences the demand of e-commerce

Simple Regression was used to test Ha as in tables (10, 11, 12). It was found that a calculated value of (F) was significant at (0.05) level, this means that null was rejected articulating that "Social media-based

Table 13. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.474 ^a	.225	.216	.46162

Table 14. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.742	1	5.742	26.946	.000 ^a
Residual	19.817	93	.213		
Total	25.559	94			

Table 15. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	1.646	.547			3.011	.003
CPA	.637	.123	.474		5.191	.000

Simple Regression was used to test hypothesis H_b as in tables (13, 14, 15). It was found that a calculated value of (F) was significant at (0.05) level which means that null was rejected. Based on those

results it can be said that "Social media-based CPA positively influences the demand of e-commerce" with moderate Pearson correlation 0.474.

H_c: Social media-based CPM positively influences the demand of e-commerce

Table 16. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.556 ^a	.309	.301	.43586

Table 17. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	7.892	1	7.892	41.542	.000 ^a
Residual	17.667	93	.190		
Total	25.559	94			

Table 18. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	1.979	.390			5.079	.000
CPM	.567	.088	.556		6.445	.000

Simple Regression was used to test hypothesis H_c as in tables (16, 17, 18). It was found that a calculated value of (F) was significant at (0.05) level. This means that null was rejected and "Social media-

based CPM positively influences the demand of e-commerce" with moderate Pearson correlation 0.556.

H_d: Social media-based CPC positively influences the demand of e-commerce

Table 19. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.746 ^a	.556	.551	.34927

Table 20. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	14.214	1	14.214	116.525	.000
Residual	11.345	3	.122		
Total	25.559	4			

Table 21. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	t
	(Constant)	1.036	.320		3.233 .002
	CPC	.775	.072	.746	10.795 .000

Simple Regression was used to test hypothesis as in table (19, 20, and 21). It was found that a calculated value of (F) was significant at (0.05) level which means that null hypothesis was rejected and "Social media-based CPC positively influences the demand of e-commerce" with HIGH Pearson correlation 0.493.

5. Discussion

Current study aimed at examining the influence of affiliate marketing variable on increasing the demand on e-commerce within the cosmetics market in Jordan during 2019. Based on the analysis above, and launching from the presented hypotheses it was revealed that there is a positive influence of affiliate marketing variables which managed to increase the demand on e-commerce within the cosmetics market in Jordan. According to results, it was proved that the idea of affiliate marketing had an influence on e-commerce through increasing the demand and the usage of e-commerce based on an R value of (0.805). Results of study were a perfect match with what Duffy (2005) came a cross in their study when they argued that "Affiliate marketing is likely to become the principal mainstream marketing strategy for e-commerce businesses in the future". Duffy (2005) saw that affiliate marketing along with its variables can help in increasing the demand on e-commerce launching from the idea of win-win relationship that gathers between the advertiser and the affiliate.

In addition to that, Suresh et al. (2018) agreed on the same results which appeared above. They argued that affiliate marketing is one of the main stream marketing approaches which help in increasing the demand on e-commerce through the cooperative relationship that gathers between the marketer and publisher. Also, authors argued that what makes the affiliate marketing a successful plan is the fact that both the marketer and the publisher are looking for the same benefit and they both equally get the positive results from utilizing affiliate marketing in their process. Both parties – advertiser and publisher – are looking to gain the attention of the customer – who resembles the 3rd part – and they both get the benefit of the customers' reach to the website, from one side the advertiser get their product to be reached and demanded and on the other side the publisher get many visits and clicks to their website, and again as many scholars have pointed out the it is a win-win relationship.

Based on the above argument, it appeared that affiliate marketing was seen by this study and by many other previous studies as a tool that helps in increasing the demand on e-commerce through the mutual

interests that gathers between the advertiser (marketer) and the publisher.

As for the variables of affiliate marketing; researchers have chosen the variables of (Cost-Per-Sale (CPS), Cost-Per-Action (CPA), Cost-Per- 1000 Impression (CPM), and Cost-Per-Click (CPC)). Those variables were processed to form a set of hypotheses for the study where the researchers hypothesized that the social media based affiliate marketing has a positive influence on e-commerce demand based as according to each one of the variables.

In order to find the degradation of variables' influence on e-commerce demand, researchers tested the set hypotheses, it appeared through the analysis that all taken variables (CPS, CPA, CPM and CPC) were accepted and there appeared an influence of these variables on e-commerce demand. The most influential variable of all appeared to be CPC – cost per click – affiliate marketing with an R value of 746^a which proved its efficiency to increase e-commerce demand when employed within social media websites. Normally speaking, the affiliate marketing can be applied on any platform or website that an individual can log into and use. Recently and during the last decade; social media appeared to be one of the main engines for affiliate marketing given the huge numbers of individuals who registered in social media website and log into these websites on daily bases. Through the analysis, it appeared that cost per click was the most positively influential affiliate marketing variables on increasing e-commerce demand, this can be attributed to the wide spread of affiliate marketing advertisements on social media and the ability of individuals to use it and buy products online.

Vernon (2018) agreed on the same results, he argued that e-commerce in general is influenced by the new trends and strategies that are followed in marketing given that fact that the main aim of marketing strategies is to increase the orientation of customers towards e-commerce and online purchasing. This was proved through the use of affiliate marketing and especially CPC or as it is known Pay per Click PPC. The idea of clicking a certain link or hyper-image can be a simple way to reach as many customers as possible with the least cost and the most efficiency.

On the 2nd level of influence there appeared the idea of CPM – Cost per Impression – with an R value of .556^a referring to this strategy in the 2nd rank. On that idea, Vernon (2018) also noted to the fact that CPM is one of the most influential affiliate marketing strategies that can increase e-commerce if it took place on social media as the man operating website. Author argued that whether affiliate marketing strategies were manual or automated it can help in gaining the

attention of customers given that some individuals spend many hours on social media and it helps in making the advertisement seeable and noticeable all the time. In the 3rd and 4th ranks there appeared CPS and CPA with an R value of (.493) and (.474) respectively referring to those affiliate marketing strategies as also influential but not to the degree of influence that CPC had on e-commerce demand.

6. Conclusion and Recommendations

6.1 Recap

Current study aimed at examining the influence of affiliate marketing strategies (CPA, CPS, CPC, and CPM) on e-commerce demand. A sample of (95) marketing managers from cosmetics companies located in Amman was chosen and exposed to a questionnaire. Results of study indicated that affiliate marketing strategies are influential in increasing the e-commerce demand especially if it was operated through social media. The most influential affiliate marketing strategy appeared to CPC (PPC) which managed to have a more positive influence on e-commerce through social media compared to other affiliate marketing strategies.

6.2 Conclusion

This paper purpose to explore the relationships between supply chain strategies and product performance in retail e-commerce. Affiliate marketing offers numerous organizations a moderately reasonable alternative to marketing interchanges in an online domain. Through the member program and affiliates themselves, the organization can contact individuals and markets that would typically not reach with utilizing traditional marketing strategies at all or would need to make high incomes. The additional estimation of the affiliate marketing business is only a contribution of a target individual who has no

association with that organization, this is getting to be for a potential client progressively target reference. Since it is affiliate marketing, financing costs are simple in light of the fact that a commission will be allowed simply after certain booked occasions will have been finished. For worldwide reasoning organizations, subsidiary showcasing ought to turn into the most significant correspondence and deals channel.

6.3 Marketing Implications

Based on study results and launching from the above argument it can be said that the idea of affiliate marketing is based on the notion of simplicity and away from complications. However, not everything that is simple can be dealt with in a simple way. The fact that affiliate marketing has an influence on e-commerce demand can change the chain of supply and demand as it might be connected one way or another to the nature of service-product that is being marketed and how it resembles the vision and mission of the website. Based on that the following is recommended:

- Increase the attention towards the manual CPC more than automated CPC as it gives the marketing managers a chance to monitor, edit and update their marketing approach.
- There is a need to gather between two main aspects when choosing the idea of affiliate marketing, the first is to connect between the vision and mission of the website and the product/service being marketed, and the concept of the website and to what degree it matches the concept of the product.

In order to achieve a high level of social media affiliate marketing; marketers should focus on the transparency of the endorsement they are following.

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