



STACKED MARKETER

ANNUAL REPORT 2019

Formerly known as
WHAT THE AFF ...

Key Data

- Explaining some of the numbers 2

Letter from The Crew

- What is Stacked Marketer? 3

- Why the name change? 3

- Why are we doing this report? 4

- What do we think of our first full year? 6

- Outlook for 2020 9



Key Data

Emails sent	1,734,906
Open rate	42.9%
Unsubscribe rate	0.1%
Subscribers on 1.1.2019	4,242
Subscribers on 31.12.2019	9,061
YoY growth	113.6%
Revenue	\$ 153,100
Operating expenses (COGS, SG&A)	\$ 126,200
Operating income (EBIT)	\$ 26,900
EBIT margin	17.6%
Average revenue per subscriber per month	\$ 1.87
Active UAC FB Ads	\$ 4.00

Explaining some of the numbers

Operating expenses include all expenses that have to do with running the newsletter business (team, tools, marketing, etc.).

Why EBIT? Because it shows the project operations better. This business is doable from anywhere and it's digital-only. We didn't want to include any Austrian-specific tax numbers that won't apply to anybody else .

How do you calculate user acquisition costs? Those are the effective costs for our FB campaigns for a new user with an average open rate. We delete all "new subscribers" who don't open their early emails.

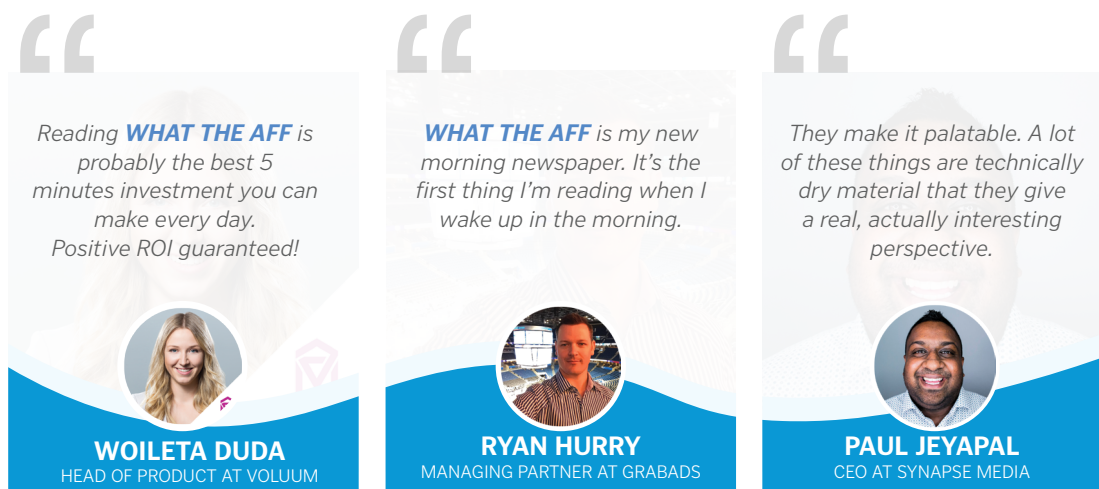
Letter From The Crew

What is Stacked Marketer?

Stacked Marketer is a marketing-focused newsletter with carefully curated news, trends, tech and actionable advice for the modern marketer... The marketer armed with a complete set of skills that makes them able to drive measurable key results, for small to big businesses.

It was known as WHAT THE AFF just a couple of weeks ago. We started in late April 2018 without really knowing where this can lead us. We just saw there are cool, easy to read daily newsletters in business and finance so we wanted to try and create one for our industry.

While we're far from the level of the big ones in reach, we're humbled by the feedback we get from our readers and we know that by paying close attention to feedback and working hard, we can make more marketers' days better with our newsletter.



Why did you change the name?

When choosing the name **WHAT THE AFF** we wanted to move quickly. We wanted to create a newsletter for the industry we knew the best that still caught a glimpse of our general tone, thus the play on WTF.

In 1.5 years, we noticed a few serious problems with the name. People mispronounce it, misspell it, our domain is awful to verbally share and most people don't get that

“AFF” comes from “affiliate”. Too many told us that they signed up in spite of the name, not because of it.

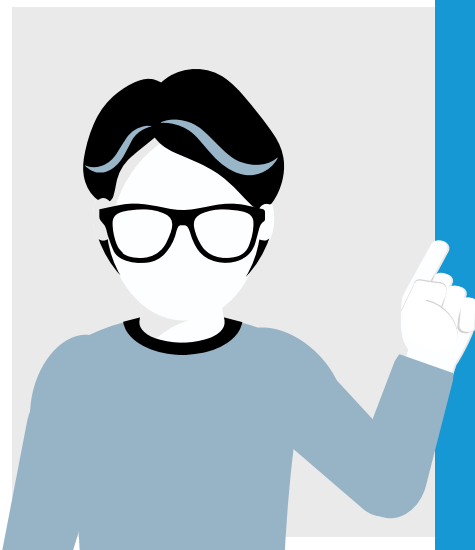
At the end of 2019, we started looking for other names that could still clearly represent The Crew and what you ladies and gents have grown to like. That’s **STACKED MARKETER**. Why?

STACKED: Because we bring you information on various traffic sources, in various verticals, so you have a complete stack of marketing content to hone your skills. **A full stack of skills**, if you will...

MARKETER: Because that’s you. You are a marketer, or at least a part of you is... It’s that simple.

And together, becoming a STACKED MARKETER is what most modern marketers aim for: A marketer armed with a complete set of skills that makes them able to drive measurable key results, for small to big businesses.

Why are you doing this report?



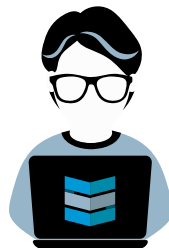
We have 4 reasons why we are doing this.

1. *We want to set the tone for some more transparency in an industry where there are a lot of snake-oil practices.*
2. *It keeps us accountable because we will not share only numbers, we will share some of our thoughts and plans for the future as well.*
3. *We wanted to show something of a live case study for a business that started from zero not so long ago and put real numbers out there, whether they are impressive or not.*
4. *We think many of you readers are very smart marketers and business people that will end up giving us priceless feedback when you have more information.*

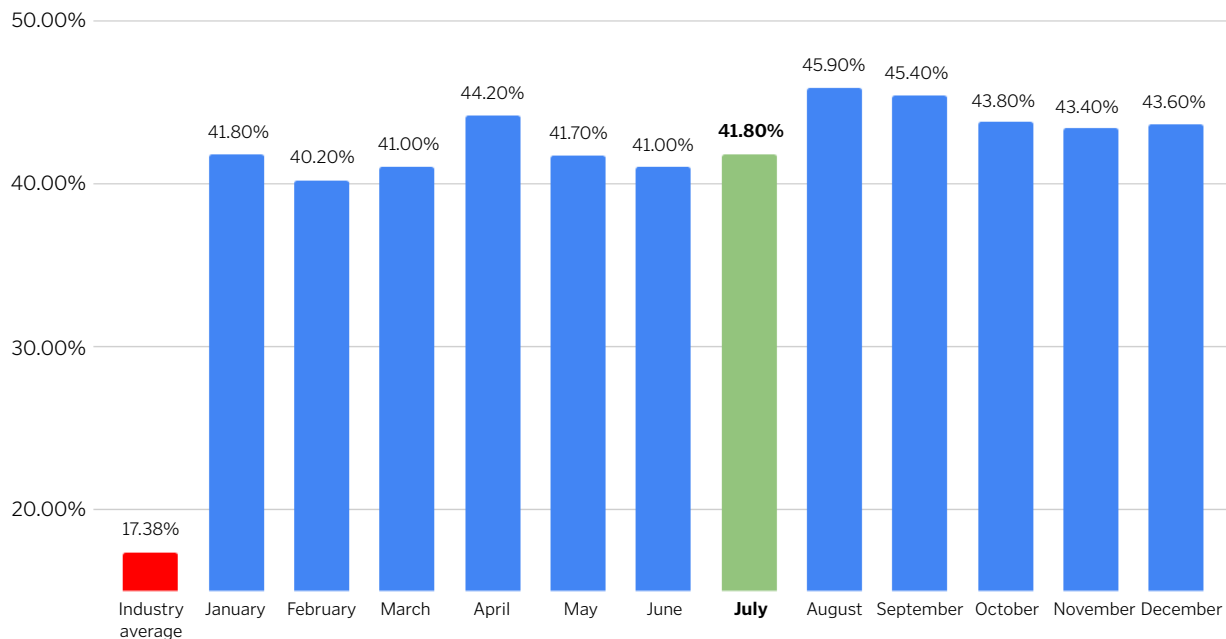
How do we read our numbers?

Emails sent - The number of recipients over the year. It's the product of the subscribers times number of newsletters sent. In 2019, we sent slightly over 1.7M emails with an average of 6700 subscribers across the year.

Open rate - How many of those 1.7M emails were opened. Our 2019 average is 42.9%. In 2020, we hope to improve on that and get closer to 45%.



Average Monthly Open Rate in 2019



Industry average for Marketing & Advertising according to MailChimp - <https://mailchimp.com/resources/email-marketing-benchmarks/>

July 2019 - We noticed we have to be a bit more aggressive on cleaning up **new inactive subscribers** from referrals and media buying which helped our average open rate the following months.

Unsubscribe rate - How many unique recipients unsubscribe from our emails with each campaign. At 0.10%, the number is well below industry average but it's always something to try and get lower over time. More than 33% of the unsubscribers are because they no longer work in the industry.

Revenue - Quite self-explanatory, it's all the income from newsletter sponsorships and partnerships.

Operating expenses - This includes a mix of tools that we use, teams salaries and certain T&A related expenses. The biggest investment is the team. We focused on building a team that can create the type of content our readers expect from us day-in day-out, so that we can serve 1k, 10k or 100k subscribers in the future.

Given the business model, the operating expenses grow much slower than revenue because we have to do the same amount of work whether we have 100 or 100k active subscribers.

Average revenue per user per month - We look at how much revenue per subscriber we generated in 2019 on a month-to-month basis. The number is based on our revenue for the month divided by the subscriber number at the beginning of the month, when our media kit is renewed.

Our sponsorship packages are pre-sold, therefore we present our current subscriber numbers to sell advertising placements for the future. We connect our average revenue per subscriber to the day the sale was made and not the day the newsletter goes out.

What did we do well?

Content. We've adjusted the average length of the newsletter based on feedback. This was an interesting task because some people wanted a shorter newsletter but some wanted a longer newsletter.

This showed us that people want more topics but in a smaller package so we've adjusted the average length of each section and created a new section which we call

“ROUNDING UP THE STACK”, where we include 4-7 tweet-length updates that didn’t make it into an own story.

ROUNDING UP THE STACK

- **TWITTER:** You can keep ignoring Twitter as much as you want, but it just reported its first ever \$1B quarter while also achieving its highest user growth.
 - **INSTAGRAM:** Too much drama going on on Instagram? You can use this new feature to reduce the clutter on your timeline - it allows you to manage the people you’ve interacted with the least over the past 90 days.
 - **BUSINESS:** Join Steve Tan as he shares his recipe for making a business successful, from planning to marketing to timings to employees and everything else.
 - **TOOLS:** Steven Kang has been on a roll over the last few weeks, finding new tools for SEO left, right and centre. [Here’s another one](#) from him which lets you find any website’s host info.
 - **CHROME:** Chrome has been on a roll as well with its announcement of several new changes. Starting today, it will block mixed-content on secured (HTTPS) pages and will only load secure subresources by default.
-

This way, those who wanted to consume more content had the option to see more of what we look out for. Those who wanted a shorter newsletter also have it. In other words, more content in a shorter newsletter.

As a sidenote, this new ROUNDING UP THE STACK section also helped our average CTR, because there are now more readers clicking out. While our goal is not to make people click out, aside from when reading the sponsored content, this does have the added benefit of higher engagement rates, which means an easier path to the inbox, especially on Gmail.

Sponsorships and sponsored content. We adjusted our offer several times since late 2018 and throughout 2019. What we learned is that the sweet-spot is a package of 3 placements. This offers us the chance to test 3 different angles.

An important lesson was that we are no magic bullet and a different angle can bring highly different results for the exact same product or service that we advertise. With this, we've managed to get our return sponsor ratio to somewhere between 30-40%.

We're also confident in our reputation (when it comes to deliverability) that we have included an image as part of our previously text-only offer.

Consistency and reliability. It's been over 1.5 years at the time we wrote this and we've never missed a day for our newsletter. We have partners telling us outright that they were on the fence whether to book more emails or not but decided to go ahead because they like working with us.

While we do strive for self-improvement, we think we've proven ourselves to be consistent, reliable and professional - both for our readers and for our sponsors.

.....

None of this would have been possible
without a process-focused mindset
that we try to nurture in **The Crew**.

.....

What could we have done better?

There's always room for improvement, right? There are many small hiccups in any project and we will not bore you with that. We will, however, talk about a few things we've learned.

Focus. We launched 2 side-projects next to the newsletter. A job board and a podcast. We learned the hard way that it's better to focus on creating the best newsletter that we can instead of spreading ourselves too thinly and doing everything "kind of OK".

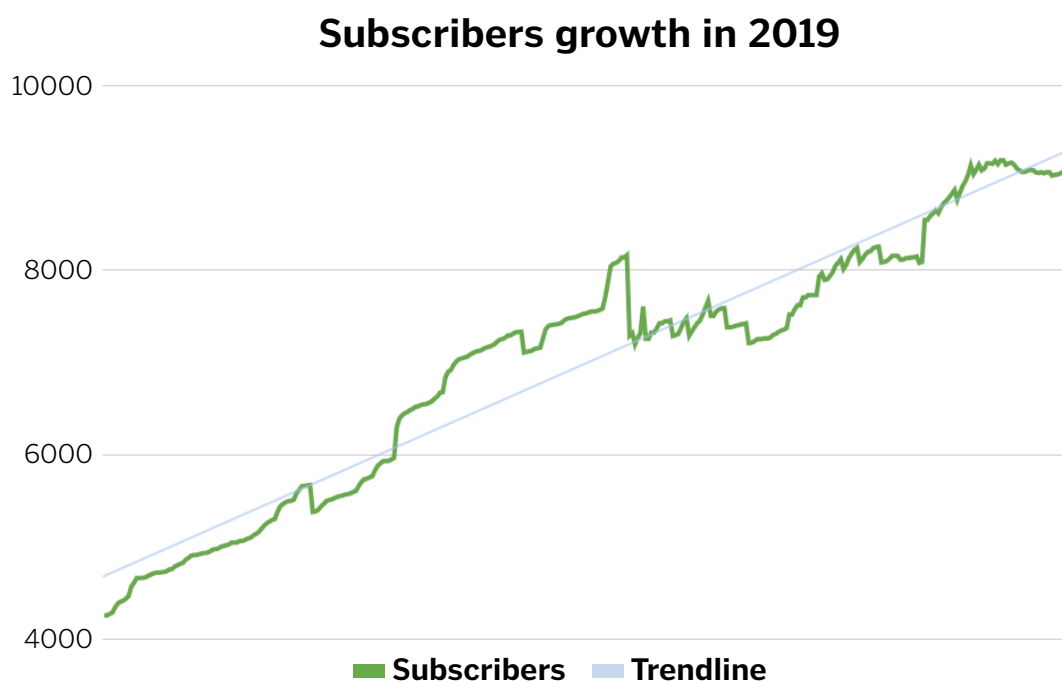
On that note, we know for sure we could have done both of those 2 side-projects better but only at the cost of a worse daily newsletter.

Conferences. It took us until Affiliate World Asia 2019 to say that we managed to find a good workflow when it comes to attending conferences and achieving our goals there. An important lesson is that conferences are not for getting more readers.

Once that became clear, we had to figure out what is the best way to approach new companies at conferences, how many interactions are needed before there's a decision on their side and how to continue building on existing partnerships too. We certainly could have done better here last year. *Better late than never though...*

Growth. OK, this might sound strange when we managed to more than double our readership by using mostly referrals, word of mouth and a bit of media buying... That's the issue!

This was mostly done in bursts, when readers with a big audience shared or when we had a partnership with someone to promote us to their audience. It was not done with a highly-predictable and scalable approach.



So while growth numbers are cool, our strategy there has to improve, otherwise we could plateau.

What is the outlook for 2020?

Media buying. With a new name but the same Crew behind it, we want to apply everything we've learned in 2019 when it comes to media buying for our purpose and improve for it in 2020.

Last year, it was a small part of our growth and we were just testing the waters. In 2020, we want to make media buying a prime growth avenue for us. It's the most scalable and predictable.

Referral system. Our first version that we launched approximately a year ago helped drive a significant part of our 2019 growth but it was far from a perfect system.

Alongside the new name, we've adjusted our referral system:

- More steps so that the next prize is always just a few referrals away.
- Adjusted prizes to have everything simpler than before. *No more bundles.* One big lesson from these years is that when there's a bundle in a prize, the perceived value is the average value of every prize, it's not the sum of the prizes.
- We will vary the prizes and style of images that mention the referral system in our newsletter. *Banner blindness is a thing.*




Sponsorships. Just about all sponsors are also newsletter readers. We also know it can take anywhere from 2 days to 1 year to get from first contact and positive signal to actually booking a package.

In order to make this process smoother, we've built a quarterly newsletter where anyone interested in our sponsorship opportunities can opt-in and get regular updates about reach, pricing and any other special offers we might put out there.


This makes it easier for anyone interested to follow our offers and find the right timing for them. It also makes it easier for us to keep those interested up to date.

If you are interested in it, [you can sign up right here](#). Keep in mind, you will have to confirm your email and only then you are subscribed.


“
I like doing business with people who make it easy and you guys certainly do that for us! Thanks for everything so far, looking forward to extending our dealings.

 **ROSS ALAN**
General Manager at Traffic Force

“
Your subscribers must have twice if not three times the intelligence of other platforms we've advertised on.

 **AARON P.**
Founder, KINTURA

“
I think I am ready to be a testimonial on your newsletter website as we just crossed 10x ROI in 6 months.

 **EHUD BASIS**
Online Aquisition Director at Outbrain

Goals. Improvement sounds nice and all but we do also have some measurable goals by the end of 2020.

-
- **20,000+** active subscribers with **40%+** average open rate.
 - **\$250,000** revenue for the year
-

While both revenue and subscribers are obvious metrics, we've learned in 1.5 years that those are a very direct reflection on the quality of content and results we provide for our readers and sponsors.

We also keep the mandatory high open rate as a metric, because getting more emails is simple. Getting more readers is what we want and that's a more complicated endeavour.



IMPRINT

Publisher:

Spectrum IT Solutions GmbH, Schwindgasse 10/13, 1040
Wien, Austria

Company registry:

Handelsgericht Wien, FN 393588 g
VAT: ATU67898466

E-Mail:

crew@stackedmarketer.com

Website:

www.stackedmarketer.com

Concept, Design, Text, Visuals:

The Stacked Marketer Crew