

A Comprehensive Guide:

NAVIGATING THE CANADIAN AFFILIATE LANDSCAPE

PRESENTED BY



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INTRODUCTION

Welcome to "A Comprehensive Guide: Navigating the Canadian Affiliate Landscape". Whether you're a Canadian business aiming to expand your reach and drive sales, or a US business looking to enter the Canadian market, we've got you covered. This comprehensive ebook is designed to equip you with the knowledge and trends necessary to thrive in the world of affiliate marketing in Canada. This guide will walk you through the unique aspects of the Canadian landscape to help you expand and optimize your affiliate efforts specifically for the Canadian audience.

From understanding the unique characteristics of the Canadian market to leveraging local trends and consumer behaviour, we'll outline the essentials you need to know. We'll explore the top affiliate networks and platforms in Canada, some of the top Canadian publishers you can work with, and delve into the legal and regulatory considerations specific to the Canadian affiliate marketing landscape.

Let's dive in and unlock the immense potential of affiliate marketing in Canada. Read on to take your online business to new heights and tap into the vast opportunities awaiting you in the Great White North.





WHAT IS AFFILIATE MARKETING?

Affiliate marketing is a performance-based marketing strategy where a business rewards individuals or other businesses for driving leads or generating sales for their brand. It's a collaborative approach where these affiliate partners promote the products or services of the business through various marketing channels, such as on their websites, blogs, social media, email marketing, and more.

Here's how it works:



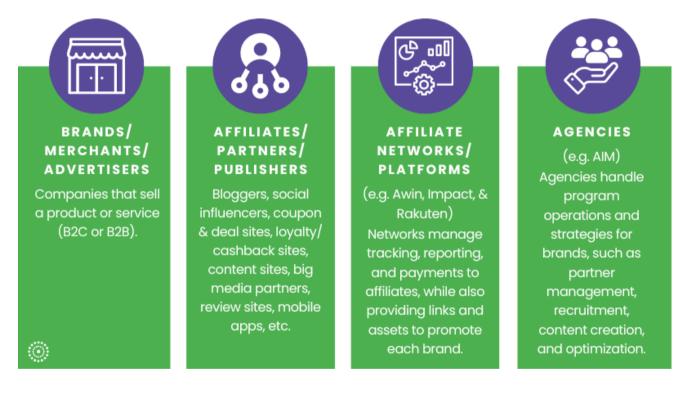
converts on website.



WHO ARE THE KEY PLAYERS?

In affiliate marketing, there are typically four main parties involved:

Who Are the Key Players?



Brand/Merchant/Advertiser: This is the party that owns or sells the product or service. The merchant seeks to increase their sales or online presence and establishes an affiliate program in order to achieve this. They provide the product, track sales or leads generated by affiliates, and pay them a commission.

Affiliate/Partner/Publisher: Affiliates are individuals or entities who promote the merchant's



products or services on their own platforms, such as websites, blogs, social media accounts, or email lists. Affiliates come in all shapes and sizes and can include bloggers, influencers, content creators, niche website owners, coupon sites, cashback sites, employee benefit portals, and more. These partners drive traffic to the merchant's site through various marketing methods, such as creating content, using ads, or recommending products through social posts. They earn a commission for each sale, lead, or desired action generated through their promotional efforts.

Affiliate Network/Platform: An affiliate network or platform acts as an intermediary between the merchant and the affiliate. These networks provide a centralized platform where merchants can list their affiliate programs, and affiliates can find and join those programs. The network tracks affiliate performance, handles commission payments, and provides reporting tools.

Agencies/Consultants: Agencies (like <u>AIM</u>) or consultants help merchants set up and manage the day-to-day operations of their affiliate programs. For example, agencies handle all program operations and strategies including partner communications and management, recruitment, data reporting and analyzing, content creation as well as partner optimization.



BENEFITS OF AFFILIATE MARKETING

Benefits of Affiliate Marketing

Increased Reach: Partners can expose your brand to new audiences, expanding your customer reach beyond your existing marketing efforts.

Collaboration: Affiliate marketing builds partnerships and mutually beneficial relationships with affiliates who have a vested interest in your brand and your success.

Performance-based: You only pay affiliates when they generate a desired action, such as sales or leads, ensuring a cost-effective approach to promoting your brand.

Low Risk: Unlike traditional advertising methods, you have greater control over your marketing budget as you pay commissions based on actual results.

Affiliate marketing offers a multitude of benefits for both companies and individuals looking to monetize their online presence. To begin with, it provides a cost-effective way for businesses to expand their reach and increase sales. By partnering with affiliates, companies can leverage the power of their networks, tapping into new audiences and markets that may have otherwise been inaccessible. This allows businesses to generate additional revenue streams without the need for extensive advertising budgets or infrastructure investments, making it a low-risk marketing strategy.



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For affiliates, the benefits of participating in affiliate marketing are equally enticing. One of the most appealing aspects is the potential to earn passive income. Affiliates can promote products or services they genuinely believe in, and every successful referral or sale they drive through their unique affiliate link(s) results in a commission. This means that affiliates have the opportunity to earn money while they sleep, as their content and promotions continue to work for them around the clock.

Overall, affiliate marketing fosters a win-win and collaborative relationship between companies and affiliates. While businesses benefit from increased brand exposure and sales, affiliates gain access to high-quality products or services they can recommend to their audience. This creates a sense of trust and credibility, as affiliates are seen as valuable sources of information and recommendations. Also, the feedback loop between affiliates and companies often leads to product improvement and innovation, benefiting both parties and the customers they serve.

For more information on affiliate marketing and how it works, click here.



AFFILIATE MARKETING OPPORTUNITY IN CANADA



"Affiliate marketing is currently estimated to account for 16% of all online purchases in the US & Canada and is growing at a rate of 10% each year" (<u>Source</u>)



Affiliate marketing is a dynamic and lucrative marketing channel that presents remarkable prospects for businesses and brands, whether they are already operating within Canada or looking to expand into the Canadian market from the US or Europe. Having firmly established itself as a cornerstone of online retailers' marketing strategies in the US, affiliate marketing has experienced rapid growth within Canada as well. It currently contributes to a significant 16% of all online purchases and continues to grow at an impressive rate of 10% annually (source). With its immense potential and cross-border appeal, affiliate marketing provides a promising pathway to success and growth in the diverse Canadian business landscape.

Here are several additional factors that highlight the opportunities associated with operating an affiliate marketing program in Canada:

- Access to a Growing Market: <u>Canada is one of the fastest-growing countries, having grown its population at almost twice the rate of the United States between 2016 and 2021</u>. Boasting a <u>sizable population of over 40 million people</u>, Canada provides a substantial customer base for businesses. Its growing and impressive population numbers establish Canada as the second-largest country globally by total area (after Russia) and the largest in North America.
- E-commerce Growth: Canadian e-commerce as a whole is expected to <u>grow by an</u> <u>additional 11% and is expected to be 14.6% of total retail sales in 2023</u>. With affiliate marketing contributing to 16% of all online sales, brands can partner with affiliates who specialize in promoting online products and services, you can leverage this upward trend in consumer behaviour.
- Mobile and Social Media Dominance: Canadians are avid mobile users and very active on social media platforms. In fact, <u>32.5% of Canada's digital buyers will make a purchase via social network platforms in 2023</u>. Partners often leverage these channels to promote products and engage with audiences. By working with partners who have expertise in mobile marketing and social media strategies, you can enhance your brand's exposure and effectively engage with Canadian consumers.
- Lower-Cost Placement Opportunities and Testing: The cost of securing placements and exposure with affiliate partners in Canada is much lower than in the US. Therefore, many brands will consider Canada as a beta-testing ground for their US programs due to the similarity of cultures and languages.



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- **Regional Targeting:** If your business caters to specific regions within Canada, you can work with affiliate partners who have a strong presence in those areas. For example, if you are targeting French Canadians, there are a number of Québecbased affiliates that can help promote your brand in French. This localization can help you reach and
- Niche Markets and Industries: Canada boasts a wide range of industries and niche markets, showcasing its remarkable diversity. Whether you operate in fashion, finance, technology, health and wellness, home improvement, or other sectors, affiliate marketing allows you to tap into niche communities and target customers with specific interests, enhancing your brand visibility and driving targeted traffic.



KEY FACTORS FOR NON-CANADIAN BRANDS EXPANDING INTO THE CANADIAN MARKET

For non-Canadian brands seeking to enter the Canadian market through their affiliate program, careful consideration of certain factors is essential to ensure a successful expansion. For example, many companies that have an established footprint in the US are interested in expanding north due to the similarities between the two countries. However, Canada is a very distinct country with its own set of identities, norms, and regulations. The key to a successful expansion is understanding these differences and to plan for them.

Let's take a look at the following key considerations:

- Market Research: It's important to conduct thorough market research to understand Canadian consumer demographics, preferences, and buying behaviours. Identify the target audience and assess the demand for your products or services in Canada. Recognize and adapt to cultural differences between the US and Canada. While there are similarities, there are also unique aspects of Canadian culture that may impact marketing strategies, messaging, product positioning, and customer engagement.
- **Competitive Analysis:** Analyze the competitive landscape in Canada and identify key competitors. Understand their market positioning, pricing strategies, distribution channels, and marketing tactics to differentiate your brand effectively.
- **Customize Creative for Canadian Audience:** In order to achieve success, research and comprehend the distinctive requirements and behaviours of Canadian consumers to effectively customize your brand messaging, product offerings, and marketing campaigns to resonate with a Canadian audience. You may also want to consider translating or adapting marketing materials into French for certain regions of Canada, especially in Québec.



- **Distribution and Logistics:** Assess the most efficient distribution channels to reach your target market in Canada. Determine whether to establish a local presence, collaborate with distributors, or leverage e-commerce platforms. Consider logistical aspects such as transportation, customs, and warehousing.
- **Pricing and Currency:** Consider the impact of currency exchange rates and pricing strategies. Evaluate pricing structures, competitive landscape, and local market dynamics to set competitive and appealing prices for Canadian consumers.
- Website Considerations: You may consider obtaining a ".ca" domain name and ensuring your online operations comply with Canadian legislation. A Canadian web address shows customers that <u>your business has a presence in Canada</u> and that you charge in Canadian dollars (CAD).
- **Customer Support and Service:** Establish reliable customer support channels, whether through local representatives, call centres, or online platforms. Consider offering bilingual support to cater to English and French-speaking customers.
- Legal and Regulatory Compliance: Familiarize yourself with Canadian laws and regulations governing e-commerce, consumer protection, marketing, advertising, and privacy. Also, it's important to ensure compliance with labeling requirements, product safety standards, packaging regulations, and any specific industry regulations.
- **Tax and Accounting:** Understand Canadian tax laws, reporting requirements, and accounting practices. In Canada, taxes are imposed at the federal, provincial, and municipal levels of government. <u>Canadian taxes</u> include income tax, sales tax, withholding tax, and branch tax. Consult with legal and accounting professionals to ensure compliance and efficient financial management.
- Intellectual Property Protection: Evaluate intellectual property considerations and secure appropriate protections for your brand, trademarks, patents, and copyrights in Canada.



CANADIAN SHOPPING TRENDS AND BEHAVIOUR

Canadians are shopping online more than ever. A survey conducted by Canada Post shows that <u>89 percent of people</u> plan to maintain or increase their online shopping moving forward and this trend shows no signs of slowing down.

Although Canada and the US may appear similar on the surface, it is crucial to recognize that these are still two very different countries. In turn, Canadian consumers possess distinct characteristics that can set them apart from their southern neighbors. Gaining a deep understanding of these differentiating factors empowers companies to tailor their marketing strategies effectively and connect with the unique preferences and needs of the Canadian market. Some Canadian trends and behaviours to consider are:



Now, let's break down each of these behaviours even further.

- **Cultural Diversity:** Canada is known for its multiculturalism, with diverse ethnic backgrounds and languages. Recognizing and respecting this diversity is essential for successful brand engagement.
- **Bilingualism:** English and French are both official languages in Canada. Taking language preferences into account when developing marketing materials can enhance customer engagement.

While the majority of Canadians speak English, many also speak French with <u>French</u> <u>Canadians making up around 20 percent of the national population</u> (the majority living in the province of Québec). Therefore, there is a lot of opportunity for businesses to target French-Canadian customers by creating French content or working with French affiliates based in Québec that have a large French-Canadian audience.

It's also beneficial to recognize that the French language in Québec is different from France. Therefore, if you need your English content translated, it would be best to hire a local translator.

Important Note: There are language laws and regulations that exist for businesses that operate within and/or target audiences based in Québec. It is always recommended to consult with your legal advisor to understand how these laws affect your business and how you can ensure you are compliant. For more information <u>click here</u>.

- **Environmental Consciousness:** Canadians generally prioritize sustainability and environmental issues. Brands that demonstrate eco-friendly practices or support environmental causes are likely to resonate well with consumers.
- **Tech-Savvy Population:** Canadians have a high rate of internet and smartphone usage. In fact, <u>42% of Canadian consumers shop on their phones at least monthly</u>. Leveraging digital platforms, social media, and mobile-friendly experiences can effectively reach and engage Canadian consumers.
- **Social Responsibility:** Canadians often value brands that demonstrate corporate social responsibility, including ethical business practices, community involvement, and charitable initiatives.



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- Value for Quality: While price sensitivity exists, Canadian consumers also appreciate value and quality for their money. Providing products or services that meet high standards can contribute to customer satisfaction. For example, Canadians will typically <u>pay a premium for certain products</u> such as:
 - · Locally produced or sourced products
 - Products made from recycled materials, sustainable or eco-friendly
 - Products that avoid testing/cruelty to animals
 - Bespoke or custom-made products

Canadian consumers will pay a premium for certain products



(Image Source)

• **E-commerce and Convenience:** The convenience of online shopping and fast delivery options is increasingly important to Canadian consumers. Brands that offer seamless online experiences and efficient delivery services may have a competitive advantage.

Canadians also like to support Canadian-made brands and local businesses. <u>According</u> to research conducted by Canada Post, 60 percent of survey participants expressed a deliberate intention to purchase from Canadian businesses. Additionally, 44 percent of respondents stated their preference for supporting small, independent online businesses.

Canadian consumers are also conscious of shipping costs when shopping online. While not all shoppers expect free shipping, it holds considerable importance for them. A recent survey shows <u>80 percent of shoppers</u> indicated that shipping costs significantly influence their online shopping experience.

When promoting to Canadian shoppers, it is advisable to consider incorporating Free Shipping as a promotional offering. This can be implemented as a loyalty reward, during key shopping periods, or by establishing a minimum order threshold to qualify for free shipping. By taking these factors into account, brands can enhance their appeal and meet the expectations of Canadian online shoppers.



KEY HOLIDAYS IN CANADA

While Canadian holidays share similarities with those in the United States, there are notable distinctions. Below are a few key holidays that are unique to Canada:

KEY HOLIDAYS IN CANADA*





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Also similar to the US, the holiday season is considered the busiest shopping period in the retail sector in Canada. In addition to Black Friday, Cyber Monday, and Green Monday, Boxing Day is another big shopping event in Canada, occurring the day after Christmas.

While these events are not considered holidays, consumers look forward to these days all the same. It's these days when many retail brands offer huge discounts on products and services.



www.allinclusivemarketing.com



AFFILIATE PARTNERS IN CANADA

In Canada, the affiliate partner landscape is diverse, encompassing various categories ranging from fashion and technology to finance, travel, discount sites, loyalty sites, and more. As the affiliate marketing industry is dynamic and constantly evolving, the landscape of top-performing and up-and-coming partners within the ecosystem can change over time.

However, to get you started, we have compiled a collection of notable Canadian publishers that you can collaborate with. (<u>Source</u>)



Cashback / Loyalty

Aeroplan eStore is an online shopping portal where members can earn 1 Aeroplan Mile for every dollar they spend. Aeroplan eStore brings the best in online shopping from Canada and the US.

- Top Performing Categories: Clothing, Electronics
- **Audience:** 54% male, 26% ages 25-34, 70% Canadian traffic
- **Reach:** 7M+ members



Cashback / Loyalty

AIR MILES Canada, part of Loyalty One Tierl, is the #1 loyalty reward program in Canada. The online marketplace of the AIR MILES® Reward Program where Collectors get 1 Mile for every \$20 they spend at 250+ online partners

- Top Performing Categories: Clothing, Electronics
- Audience: 70% family users, ages 31-65
- **Reach:** 9.4M active collectors



Rakuten

Cashback / Loyalty

Rakuten is one of the largest rewards publishers in eCommerce. Members earn cashback rewards by purchasing from brands they love. Rakuten makes it easy to reach shoppers with highly-personalized shopping experiences and targeting opportunities.

- Top Performing Categories: Clothing, electronics, babies & kids, travel & vacation
- Audience: 70% female, 80% ages 25-54, 75% \$100K+ HHI
- **Reach:** 6.8M Canadian members

upfeat

Deal Site

Upfeat helps publishers promote revenue-driving content to savvy shoppers. They use custom tools and technology to drive traffic and increase conversions from select media partners.

- Top Performing Categories: Clothing and Accessories, Home and Garden, Electronics
- Audience: 65% male, 31% ages 25-34
- Reach: 54M clicks to retailers



Employee Benefit / Closed Network

Perkopolis is Canada's largest employee discount program with 1,200 of Canada's biggest corporations in the partnership.

- Top Performing Categories: Electronics, Travel, Health & Beauty
- Audience: Canadian employees, 51% male, 31% ages 25-34
- **Reach:** 1.1M+ active members





Employee Benefit / Closed Network

Venngo is The Original Perks Company. They help improve employee, member, and customer engagement and quality of life with exclusive group discount programs.

- Top Performing Categories: Electronics, clothing, department stores
- Audience: 1.5M Canadian Households
- **Reach:** 50M active shoppers

BuzzFeed CANADA

Content

BuzzFeed is home to the best of the Internet. Across food, news, pop culture, and commerce, it inspires what audiences watch, read, buy, and obsess over next. They are committed to making the Internet better: providing creative and trusted news and entertainment content and inspiring audiences to live better lives.

- Top Performing Categories: Fashion, Health, Lifestyle
- Audience: 63% female, 28% ages 35-44, 31% \$50K+ HHI
- Reach: 1M+ monthly page views



Content

Québecor Media Inc. is a Canadian media conglomerate that owns a wide array of media outlets such as Canadian Living, Journal de Québec, Journal de Montreal, Coup de Pouce and more. Québecor Media sets the standard for entertainment, news, and culture in Québec.

- Top Performing Categories: Fashion, Health & Beauty, Travel
- Audience: 54% female, ages 25-54
- **Reach:** 26M unique monthly views (combined across all properties)





Content

Bell Media delivers the most popular news, sports, entertainment, and lifestyle media in Canada across many properties including www.lookdujour.ca, www.voyagevoyage.ca, www.theloop.ca, www.canalvie.com, and www.noovomoi.ca.

- Top Performing Categories: Fashion, Home, Travel
- Audience: varies per website
- **Reach:** Varies per website



Deal Site

RedFlagDeals.com is a leading provider of online promotions and shopping tools to Canadians that attracts more than 2.5M monthly readers. The dedicated staff finds deals, coupons, and freebies across 14 categories for the community of 450k+ Canadians who joined RedFlagDeals.com.

- Top Performing Categories: Technology, Crafting
- Audience: 53% female, 27% ages 25-34, 41% \$110K+ HHI, 59% Ontarioarea
- **Reach:** 2.5M unique monthly visits



NETWORKS & PLATFORMS

Affiliate marketing networks act as a marketplace connecting retailers and affiliates, allowing both parties to work together in a marketing partnership. These networks offer a variety of resources and tracking solutions, serving as a hub for partners to access brand materials such as links and creatives for promotional purposes. Additionally, they facilitate commission payments, aid in communication, and assist in the recruitment of new partners for an affiliate program.

When selecting an affiliate network to manage your Canadian affiliate program, several important factors should be taken into account, such as:

- **Reputation and Track Record:** Look for affiliate networks with a strong reputation and a proven track record with other Canadian brands, or International brands that have expanded into Canada. Research their history, client base, and reviews from other brands and affiliates.
- Network Reach and Relevant Affiliate Base: Evaluate the network's reach and number of affiliates in their marketplace. Does the affiliate network have a large number of Canadian-based affiliates and are they relevant to your industry and/or niche?
- **Performance Tracking and Reporting Capabilities:** Consider the network's capabilities for tracking and reporting affiliate performance. Ensure they provide detailed analytics, conversion tracking, and other relevant data, in CAD, that will help you monitor and optimize your program effectively.
- **Commission Structure and Payout Capabilities:** Understand the network's commission structure and payout terms. Evaluate whether the rates and payment frequency align with your budget and expectations. Also, ensure the network can pay affiliates in their currency (i.e. CAD).
- **Support and Resources:** Consider the level of support and resources provided by the affiliate network.
- **Technology and Tools:** Assess the network's technology and tools available for managing your affiliate program. Look for features such as affiliate tracking, creative assets, promotional tools, and integration options with your existing systems.



- **Cost and Fees:** Understand the pricing structure and any fees associated with joining the network. Consider the value provided by the network in relation to the costs involved.
- **Compliance and Fraud Prevention:** Inquire about the network's measures to ensure compliance with applicable laws and regulations, especially within Canada. Additionally, ask about their fraud prevention techniques to protect your brand and partners from fraudulent activities.
- **Network Policies and Terms:** Read and understand the network's policies and terms of service, including any exclusivity requirements, termination clauses, and data usage policies. Ensure they align with your brand's values and goals.
- Location: Affiliate networks that have offices in or are based in Canada, such as <u>Rakuten Advertising Canada</u>, have an advantage over other networks as they understand the local market. They understand Canadian tax laws, rules, and regulations, and have strong relationships with Canadian affiliates. These factors can be extremely beneficial for both brands and partners.

Below are some of the top affiliate networks in the industry that have a large number of Canadian publishers and brands in their network:

- <u>Rakuten Advertising</u> (Offices in Toronto)
- <u>Impact</u>
- <u>CJ</u>
- <u>AWIN/ShareASale</u>

- <u>AvantLink</u>
- <u>PartnerStack</u> (Offices in Toronto)



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- Impact
- <u>CJ</u>
- AWIN/ShareASale
- AvantLink
- PartnerStack (Offices in Toronto)



AFFILIATE CONFERENCES IN CANADA

Attending affiliate conferences offers you the chance to network, gain knowledge, increase brand visibility, recruit affiliates, stay informed, and establish your presence in the affiliate marketing industry. It can be a valuable investment to enhance your brand recognition, drive affiliate program growth, and foster fruitful partnerships.

While there are a number of marketing events and conferences in Canada to consider, here are a few top events to look into.

- <u>Rakuten Advertising DealMaker Canada</u> Rakuten Advertising has spent two decades building a close community of affiliates, brands, and innovative marketing leaders, and DealMaker is where they bring them all together. This is a great event to meet representatives from hundreds of brands, as well as agencies, and make connections with affiliate partners.
- <u>eTail Canada</u> eTail is where the top minds in retail meet, collaborate and learn about what's disrupting the industry today and what'll change tomorrow. Designed to build your business and your profit, eTail Canada cuts out the fluff and provides you with content from retail innovators in the trenches.
- <u>Digimarcon Canada</u> This is a digital marketing event that aims to help reinforce customer loyalty, improve lead generation, increase sales, or drive stronger consumer engagement. Sessions focus on building traffic, expanding brand awareness, improving customer service, and gaining insight into today's latest digital tools.
- <u>DX3</u> Promoted as Canada's biggest retail, marketing, and technology event, DX3 offers opportunities to network with thousands of marketing, brand, retail, and tech professionals. Learn from the best and brightest with speaker sessions, improve your knowledge with free workshops, and more.



LAWS AND REGULATIONS FOR MARKETING AND AFFILIATE PROGRAMS IN CANADA

In Canada, affiliate marketing is subject to various laws and regulations, including the Competition Act, the Canadian Anti-Spam Legislation (CASL), and the Personal Information Protection and Electronic Documents Act (PIPEDA). There are also some Provincial regulations that may be applicable to your marketing efforts such as Québec's Law 25. Below you will find an overview of each regulation with links and resources for more information.

The Competition Act

The enforcement of laws concerning deceptive marketing practices falls under the jurisdiction of the Competition Bureau. As an entity operating under the federal government, the Competition Bureau administers the Competition Act, aiming to combat fraud and eliminate misleading marketing strategies. Under the Competition Act, organizations must ensure that their advertising practices are not misleading or deceptive. Violations of the Competition Act can lead to civil or criminal action initiated by the Competition Bureau, as outlined in Sections 52 and 74.01 of the Act.

For more information <u>click here</u>.

The Canadian Anti-Spam Legislation (CASL)

CASL regulates the sending of commercial electronic messages (CEMs), which include emails, text messages, and other electronic messages sent for commercial purposes. Brands and affiliates must obtain consent from recipients before sending CEMs and include an unsubscribe mechanism in their messages.

For more information, <u>click here</u>.

Personal Information Protection and Electronic Documents Act (PIPEDA)

PIPEDA applies to the collection, use, and disclosure of personal information in the course of commercial activities. Organizations subject to PIPEDA typically need to seek an individual's consent before collecting, using, or disclosing their personal information.



Individuals retain the right to access the personal information held by an organization and can contest its accuracy if necessary.

Moreover, personal information can only be utilized for the specific purposes for which it was initially collected. If an organization intends to use it for a different purpose, it must obtain renewed consent from the individual. Adequate safeguards must be implemented to protect personal information from unauthorized access or disclosure.

For more information, click here.

Other useful links:

• <u>https://www.priv.gc.ca/en/privacy-topics/privacy-laws-in-canada/the-personal-information-protection-and-electronic-documents-act-pipeda/pipeda_brief/</u>

Law 25 (Québec)

Québec introduced Law 25 (formerly Bill 64) on September 22, 2022, as their latest privacy legislation. This law strengthens existing frameworks by enhancing data protection rights for citizens and imposing more stringent obligations on organizations handling personal information.

<u>Law 25</u> primarily focuses on mandating explicit consent from individuals before their personal information can be used by companies. The law establishes automatic rights to confidentiality for individuals and promotes increased transparency regarding the collection of personal details by organizations.

Other useful links:

- https://www.cai.gouv.qc.ca/documents/CAI_Guide_obligations_entreprises_vf.pdf
- <u>https://www.priv.gc.ca/en/privacy-topics/privacy-laws-in-canada/the-personal-information-protection-and-electronic-documents-act-pipeda/pipeda_brief/</u>
- <u>https://wsisme.com/wp-content/uploads/2023/03/Law-25_Summary-of-modifications_EN.pdf</u>

Influencer Marketing & Disclosure Guidelines

The Advertising Standards Canada (<u>ASC</u>), a self-regulating advertising industry group, formed an Influencer Marketing Steering Committee to develop a document to assist advertisers and influencers in understanding and complying with the Competition Act. The guidelines include best practices and examples for <u>disclosing any material</u> <u>connections</u> between influencers/affiliates and the brands, products, or services they are promoting, such as financial compensation or free products.



All parties engaged in influencer marketing collaborations are responsible for ensuring mandatory disclosure compliance. This includes not only the brand, advertiser, and influencers themselves but also any agency, PR firm, or company involved in facilitating the sponsorship. The burden of meeting disclosure requirements is shared among these entities.

The Guidelines for Influencer Marketing and Disclosures can be found here.

Other useful links:

<u>https://ised-isde.canada.ca/site/competition-bureau-canada/en/deceptive-marketing-practices/types-deceptive-marketing-practices/influencer-marketing-and-competition-act</u>

Sweepstakes Regulations

If you are looking to run a contest or sweepstakes in Canada, it is important to understand all the rules and regulations around these types of promotions. Noncompliance with these laws can lead to substantial consequences, such as hefty fines and potential sentences with conditions.

The laws that govern contests and sweepstakes in Canada include <u>The Competition Act</u> and <u>The Criminal Code</u>. If Québec residents can enter, you must also comply with Québec's <u>Act Respecting Lotteries, Publicity Contests, and Amusement Machines</u>. If personal information is collected during the contest for marketing purposes, the contest must also comply with Canada's <u>Personal Information Protection and Electronic</u> <u>Documents Act</u> (PIPEDA). If you are sending email or text messages, the <u>Canadian Anti-</u> <u>Spam Legislation</u> may apply.





SUMMARY

In summary, the affiliate marketing industry in Canada is experiencing significant growth and presents huge opportunities for businesses. To capitalize on this growth, it is crucial for companies to gain insights into the intricacies of the Canadian market and adapt their strategies accordingly.

One key aspect to consider is gaining a deep understanding of Canadian consumer preferences and behaviours. Canada is a diverse country with distinct regional and cultural nuances that can impact consumer buying habits. By conducting market research and analyzing consumer data, businesses can uncover valuable insights that will help tailor their affiliate marketing campaigns to resonate with Canadian audiences. This could involve adjusting messaging, adapting promotional tactics, or even customizing product offerings to align with Canadian preferences.

Identifying key affiliates and networks for partnerships is another crucial step toward maximizing the potential of affiliate marketing in Canada. They play a pivotal role in effectively promoting a business's products or services to Canadian consumers. Collaborating with reputable affiliates and networks that have a strong presence in the Canadian market can greatly enhance a brand's visibility and reach, leading to increased conversions and revenue.

By leveraging this comprehensive understanding of the Canadian landscape, forging strategic partnerships with influential partners, and adhering to regulatory guidelines, businesses can significantly expand their online presence and generate substantial revenue through affiliate marketing in Canada. It is an ever-evolving industry that demands continuous adaptation and optimization, but with the right approach and a commitment to understanding the Canadian market, businesses can thrive and achieve long-term success.



ABOUT NATALIE FILION

Natalie, a passionate and driven expert, joined AIM in 2015 with a focus on strategic digital marketing growth. Her successful track record in launching and managing top affiliate programs in health & fitness, retail, and travel brings a wealth of experience to the table. Natalie's proficiency in industry best practices and winning strategies consistently drives the success of her programs. All the while, her unwavering dedication to helping clients surpass their goals fuels her pursuit of new opportunities, enabling them to achieve their eCommerce targets.

With a deep understanding of both US and Canadian markets, and fluency in French, Natalie provides invaluable insights and strategies to maximize an affiliate program's success. Whether the goal is to target English or French-speaking audiences, Natalie's expertise has proven instrumental in navigating cultural nuances, optimizing campaigns, and driving remarkable results. Her commitment to delivering exceptional outcomes for clients sets her apart as a trusted and accomplished digital marketing professional.





ABOUT ALL INCLUSIVE MARKETING, INC.

Since its inception in 2009, All Inclusive Marketing, Inc. (AIM) has been helping brands reach, engage and convert its buyers and performance-based partnerships.

AIM has been designing and delivering best-in-class strategy, expertise, and execution of scalable, strategic affiliate marketing programs to its ever-growing roster of clients, and won the Global Excellence Award at the 2018 Performance Marketing Awards in London.

AIM's mission, vision, and purpose are all the same: **Set the standard of excellence in** affiliate program management worldwide.

AIM's global team is located throughout Canada, the U.S., and Europe and is happy to serve you and help your program grow in the right way, with the right audience, and the right partnerships for your brand.

If you would like to learn more about <u>affiliate marketing in Canada</u>, don't hesitate to reach out to one of our <u>knowledgeable experts</u>. We will be happy to provide you with further information and guidance.



Disclaimer. This document is for informational purposes only and should not be construed as legal advice. Please note that the industry and information are constantly evolving, and we recommend that you still consult with a legal advisor.

