

Exploring Issues and Risks Faced by Consumers in Affiliate Marketing and their Impact on Attitude of Consumers

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Abstract

As affiliate marketing is technology driven marketing and a tool for customer acquisition as well as revenue generation, more and more number of people are involving in affiliate marketing. Thus, purchasing in this online world is not as much secure for the customers. So, this study is employed to identify the issues or barriers faced by the consumers while purchasing using affiliate marketing links and further to determine their attitude towards affiliate links due to these issues. Data was collected from consumers of Punjab who ever purchased fashion products after redirecting through affiliate marketing links. Using EFA and SEM, the study found that security risks, privacy risks, lack of transparency, cookies stuffing and spamming are the issues or barriers perceived by consumers in affiliate marketing. Thus, the study concluded that attitude of consumers is significantly influenced by these identified issues (security risks, privacy risks, lack of transparency, cookies stuffing and spamming), Thus, the affiliates and marketers should make improvements to remove these issues perceived by consumers and provide technical solutions so that the customers may buy using affiliate links without any problem.

Key Words

Affiliate Marketing, Affiliate Links, Transparency, Cookies, Spamming, Security Risks, Privacy Risks, Attitude

INTRODUCTION

Affiliate marketing is classified as a type of online advertising, where

merchants share percentage of sales revenue generated by each customer, who arrived to the company's website via a content provider. Content provider, also referred to as affiliate, usually places an online ad (for example a banner or a text link) at its website. When visitors click at the ad, they are redirected to merchant's website and affiliation is tracked by a cookie stored on visitors' computers. (Gallaugher, Auger, Barnir, 2001). Outsourcing of some of marketing work to third parties i.e. affiliates on the internet is affiliate marketing. Cookies plays a crucial role in the functioning of affiliate marketing concept. Cookies are the small pieces of data stored on the user's device when they visit a website.

According to Amarasekara and Mathrarani (2015) as cookies are widely used for tracking, the manner of usage of cookies is a very important business decision, which differs from company to company. An advertiser may consider it to be a USP (Unique Selling Point) to have multiple affiliate references and share the commission between all affiliates, while another advertiser may decide to offer the commission to the last affiliate who referred the same customer. A cookie with a long-lifetime or one that does not expire till the next conversion of sale, would allow an affiliate to earn the commission, even if the customer returns to purchase after a long lapse since the first visit. In the case of Amazon, the cookie expires in a few hours, allowing an affiliate only a small window of opportunity to earn their commission. (Amarasekara and Mathrarani, 2015) Affiliate referrals tracking, commission to the legitimate affiliates is possible only through cookies. This cookie allows the tracking software to collect the data required to calculate the appropriate commission, but only when the desired action is performed on the merchant's website. This data includes details about the referring URL and affiliate, the total amount of commission, the date and time of the transaction and other information.

Affiliate marketing's capacity to precisely measure visitor behaviour in terms of website visits, lead generation and sales is one of its key benefits. Affiliates could engage in behaviours that are fraudulent, illegal, or otherwise detrimental to the merchant's brand value while promoting the goods and services of the merchant, which poses a substantial risk. Affiliates are frequently a retailer's initial point of contact with potential clients, therefore any unfavourable actions taken by them could have a catastrophic impact on the retailer's operations. (Fox, P. B. and Wareham, J. D., 2012).

This model allows companies to tap into niche markets and leverage the credibility of third-party influencers, bloggers and content creators. However, while affiliate marketing offers several advantages to businesses, consumers

increasingly encounter significant challenges and risks in this landscape.

Numerous content providers shares the affiliate content and offers on their own websites having affiliate links in it. For generating revenue, various affiliates may involve in fraud and to cheat customers in an attempt to dilute the initial goal for personal benefits (Snyder and Kanich, 2015). Since affiliate were paid only for their results of affiliate marketing efforts as leads or conversion made, it is possible that affiliates may indulge themselves in illegal and fraudulent affiliate activities for making more and more leads and sales conversion which leads them to earn more commission (Fox and Wareham, 2007). This online marketing is technological driven, thus technology derives various risks for the customers while buying through affiliate marketing. Affiliates indulging in fraud may inserts some code to an unrelated page, writes a spam comment, or hacks a website which makes the visitors redirected to the fraudster's affiliate link. (Snyder and Kanich, 2015).

As stated by Mathur (2018) Affiliate disclosures are the statements on the affiliate websites to inform users that the affiliates are compensated for promoting the brands. Relationship of affiliates with the companies are disclosed through affiliate disclosure or affiliate disclaimer. It is mandatory requirement of FTC to disclosure monetary relationship to create trust and credibility.

AFFILIATE MARKETING AND TRACKING SYSTEM

Cookie tracking technology is commonly used to monitor the users' path, their number and the amount of transactions produced by affiliates in order to identify the affiliate accountable for a specific referral. (Goldschmidt *et al.*, 2003; Helmstetter and Metivier, 2000).

A viewer to the advertiser's e-commerce site may decide to make a purchase right away or may decide to come back a few days later to finish the transaction. Intention to purchase on the later date is also the affiliate marketing effort. Thus, affiliate is entitled to commission fee from e-commerce site. This is also what called the information seeking and information using behaviour of consumers. This requires the tracking system to track the visitor's behaviour accurately so as to allocate commission to the right affiliates. Hence, the HTTP cookie is stored on the visitor's computer for tracking process. To initiate the tracking process, an HTML code segment called "pixel" is put on a webpage, namely "click-pixel" on the affiliate's web page and "conversion-pixel" on the advertiser's e-commerce site. In this way, "clicks" on banner advertisements put on affiliate websites are tracked, as are clicks that result in "conversions" (or sale completions) at the e-commerce site.

TRACKING FAILURE

Failure of tracking the cookies results in losing the earned commission by affiliates.

- **Clearing cache memory** : if the visitor clear the cache memory while tracking conversions after clicks, the monitoring cookie is deleted.
- **Using incognito mode** : if the user browser is on incognito mode meaning thereby on private browsing mode, it also leads to the blocking of cookies by the user. Thus, results in failure of cookies.
- **Expiration of cookie duration** : every affiliate programs has their own different cookies duration related to different products. Tracking fails when the cookie timespan is expired before the user makes the transaction through that affiliate links.
- **Using different browser while purchase** : when the user uses two different browser while seeking the affiliate website and making the purchase on advertiser website through affiliate referrals, this results in expiration of cookie. Thus, leading to track failure.

While affiliate marketing has proven to be an effective strategy for driving sales and brand visibility, it has also introduced a range of risks and challenges for consumers.

Consumers navigating affiliate marketing environments are often exposed to deceptive practices, such as stuffing of cookies, undisclosed affiliate relationships, spam emails. These practices can create confusion, diminish trust and lead to dissatisfaction, impacting their overall shopping experience. As affiliate marketing grows in scale and sophistication, understanding these risks and their effect on consumer attitudes becomes crucial.

REVIEW OF LITERATURE

Adel (2024) in their research article 'The Influence of Affiliate Marketing on Tourist Decision-Making' examined the comprehensive effects of affiliate marketing on travellers' decision-making within the travel and tourist industry. Findings revealed that (efficiency of marketing process, content characteristics, marketer traits and tourist attributes significantly impact tourists' decision-making processes within the domain of affiliate marketing. The effectiveness of affiliate marketing significantly influences tourists by fostering trust, providing relevant and credible information and aligning with ethical practices.

Pham, & Truong (2023) in their case study titled 'analyzing factors

influencing youth purchase intention towards affiliate marketing programs. A case study in Vietnam' examined the factors impacting the youth's purchase intentions through affiliate marketing programs in Vietnam. The study was conducted in Can Tho City in Vietnam. 324 respondents living and working in Can Tho City, ages 18-45 are chosen for the study. EFA was applied and seven factors were explored are: attitude, social influence, perceived usefulness and perceived ease of use, informativeness, trustworthiness and perceived risk. Perceived risk was found to have negative impact as confidentiality of personal information was found a concern for the customers while purchasing through affiliate programs. It is suggested to strengthen the responsibility of state management agencies and linked organisations in order to control this activity. The research suggests the need for e-commerce applications to enhance information transparency, security systems and customer care services to improve the online shopping experience.

Amarasekara, Mathrani & Scogings (2020) in their research paper titled 'Stuffing, sniffing, squatting and stalking: Sham activities in affiliate marketing.' Highlighted the various fraudulent methods and vulnerabilities related to information seeking behaviors of customers. Four fraudulent activities were found are stuffing, sniffing, squatting and stalking. By stuffing the cookies of various advertisers' sites on the visitor's computer, the rogue affiliate earns the commission for the rogue affiliate referrer identified by the advertisers unknowingly. Conversion stealing, conversion faking, conversion hijacking were sniffing activities. By squatting on similar sounding fake URLs, affiliates earn unrightfully commission. As, AMN tracks their participating advertiser's visitors lists, AMN provides the visitors list from one advertiser to other participating advertiser. For other advertiser, that visitors can be the potential customers. Providing information to the third party and tracking by them is stalking. This is what called remarketing strategy by AMN through stalking activity.

Norouzi (2017) in their research article 'An integrated survey in affiliate marketing network' discusses affiliate marketing networks, a type of internet advertising that allows companies to increase their presence with comparatively little money. The affiliate marketing approach is used by a lot of well-known media, such as price comparison websites, blogs and websites with coupon codes. Adware, cookie stuffing, typo squatting and loyalty software were the fraud categories done by affiliates which are disadvantageous part in affiliate marketing.

Chachra, Savage & Voelker (2015) in their research study titled 'Affiliate crookies: Characterizing affiliate marketing abuse' studied the cookie stuffing as

a fraudulent activity by fraudsters by stuffing the cookies in user's browsers to avert the gain. Afftracker was used to identify the affiliate cookies. This study measured six large affiliate programs: CJ Affiliate, Rakuten LinkShare, ShareASale, ClickBank, Amazon Associates Program and HostGator Affiliate Program. While Amazon and HostGator are merchant run affiliate programs, the remaining four are consistently top rated affiliate networks. It was found that large affiliate networks (CJ Affiliate & Rakuten Linkshare) were affected the most by cookie stuffing than in house merchant affiliate programs as having stricter policies. So it's better to have merchant run affiliate programs to escape from affiliate marketing abuse. Apparels and accessories, departmental stores & travel and tourism sectors were most abused by cookie stuffing fraud.

Snyder & Kanich (2015) in their research paper titled 'No Please, After You: Detecting Fraud in Affiliate Marketing Networks' conducted an empirical analysis of affiliate marketing fraud. For the study, two months of HTTP request logs from a large public university was used. Firstly, an effective method for spotting cookie-stuffing requests in HTTP request records based on decision trees was created. Two affiliate marketing programmes accounted for more than 99.9% of the observed affiliate marketing activity in dataset, with the programs operated by Amazon and Go Daddy. It was found that one third of publishers were involved in cookie stuffing technique in an effort to get credit from internet merchants for unapproved referrals. Four parties: web users, honest publishers, fraudulent publishers, online retailers were the parties who affected by fraud was analysed. Online retailers suffers the most from this affiliate marketing fraud.

RESEARCH PROBLEM

Affiliate marketing has emerged as a key channel in digital marketing, providing major benefits to organisations through cost-effective advertising and greater reach. However, the quick adoption of this marketing strategy has exposed customers to a variety of challenges and concerns. Consumers frequently struggle to determine the legitimacy and credibility of affiliate-driven material, which can include deceptive promotional strategies, unreported sponsorships and biased or misleading product evaluations, spamming activities. These methods can cause uncertainty, mistrust and unhappiness, influencing how consumers perceive both affiliates and the products being promoted.

Despite growing concerns about these issues, there is little study on the specific hazards that consumers face in affiliate marketing situations. Furthermore, the extent to which these risks influence consumers' attitudes is unknown. Understanding these dynamics is critical because understanding of

consumers' attitude is essential for building long-term relationships with brands in affiliate marketing marketplaces.

Thus, the purpose of this study is to look into the primary dangers and challenges that customers confront while using affiliate marketing, as well as how these concerns affect their opinions towards both affiliates and associated brands. Addressing this gap is critical to developing a more open and consumer-centric affiliate marketing ecosystem in which customers can make educated decisions without being misled or influenced.

SIGNIFICANCE OF THE STUDY

The significance of this study lies in its potential to contribute to a deeper understanding of the evolving relationship between consumers and affiliate marketing in the digital age. As affiliate marketing continues to grow, it becomes increasingly important to address the risks and challenges that consumers face in navigating this landscape. By exploring the problems associated with deceptive practices, stuffing of cookies and lack of transparency, this research provides valuable insights into the impact of these risks on consumer trust, perception and purchasing behavior.

First, this study will provide marketers, affiliate partners and businesses with a clearer understanding of the consumer perspective, highlighting the importance of ethical practices in building and maintaining consumer trust. Identifying the risks that affect consumer attitudes will help businesses design more transparent and trustworthy affiliate marketing strategies, thereby improving brand loyalty and long-term customer relationships.

Second, this research will contribute to the academic literature on consumer behavior in the context of affiliate marketing, an area that remains underexplored. It will fill gaps in the existing research by focusing specifically on the risks consumers face and their influence on decision-making processes.

Lastly, the findings of this study can inform policymakers and regulatory bodies about the need for guidelines or stricter regulations that protect consumers from deceptive affiliate marketing practices. This, in turn, can foster a more secure and reliable digital marketplace, promoting greater consumer confidence and satisfaction.

So, this study holds significance for improving both practical marketing efforts and academic understanding of affiliate marketing's impact on consumer attitude, while also contributing to the development of more ethical standards in the industry.

OBJECTIVE OF THE STUDY

The study aimed to explore the issues challenged by consumers in using affiliate marketing links and their influence on attitude of consumers towards affiliate marketing.

RESEARCH METHODOLOGY

Geographical Scope : Considering the geographical scope, this research was carried out using questionnaire in Punjab (India). The research has concentrated on three specific districts within Punjab: Gurdaspur, Hoshiarpur and Sahibzada Ajit Singh. These districts were chosen based on their high literacy rates, which suggest a population that is potentially more receptive and responsive to online marketing tactics, including affiliate marketing.

Respondents : Data was collected from 600 consumers who have ever purchased fashion products (Apparels, Accessories and Footwear) using affiliate links.

Sampling Technique : Purposive and snowball sampling technique was used for data collection.

Research Design : An exploratory and descriptive research design with quantitative approach was used for analyzing and finding results of the study.

INSTRUMENT DEVELOPMENT

A scale was developed to identify the issues and challenges associated with affiliate marketing by consumers. Using literature review, variables related to challenge and issues related to affiliate marketing are identified as shown in Table 1.

Table 1
Variables Related to Issues to Users of Affiliate Marketing

Variables	Previous Studies
Redirect users without clicks, Stuffing cookies into user browser, Caused to visit fraud affiliate links, Tricking visitors to other websites unintentionally	Snyder and Kanich, 2015; Chachra <i>et al.</i> , 2015; Amarasekara <i>et al.</i> , 2020; Amarasekara & Mathrarani (2015)
Security risks, Privacy risks	Smith <i>et al.</i> (1996)
Bothers by non-disclosure of ads, Tried to obscure fact of affiliate ads, Deceive customers by non-disclosure	Mathur, 2018; Gregori <i>et al.</i> 2014
Sending of unsolicited emails, Privacy violation through spamming, Deceptive affiliate marketing through spams	Adegoke, 2004; De Paula, 2004; Duffy, 2005; Edwards, 2007; Regine & Lewin, 2000; Amarasekara & Mathrarani (2015)

DATA ANALYSIS AND INTERPRETATION

Part-A : Application of EFA

Exploratory Factor Analysis : Principal Component Analysis (PCA) with varimax rotation methods used to done EFA to attain this objective.

Cronbach Alpha Results

Table 2

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
.943	.945	18

Interpretation : For this objective, cronbach alpha value for 18 items is 0.945 which is higher than 0.7 representing the high reliability. Thus proving the suitability of scale for further analysis.

Sampling Adequacy : The KMO measure is 0.919, which is above the recommended value of 0.7 and indicates that the study's sampling is suitable and acceptable for use with exploratory factor analysis (EFA) (Kaiser, 1974). The result of Barlett's Test of Sphericity 0.00 (significant) indicates that correlations between indicators were sufficiently large for Exploratory Factor Analysis (Hair *et al.*, 2010)

Table 3

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.919
Bartlett's Test of Sphericity	Approx. Chi-Square	10380.460
	df	190
	Sig.	.000

Table 4

Rotated Component Matrix

Variables	Component				
	1	2	3	4	5
Fraudsters affiliates causes visitors to also visit the fraudster's affiliate link	.879				
Fraudulent publisher tricks a web user's browser to visit other websites without intention.	.879				
Scammers “stuff” their own cookies into a user's browser.	.853				

Continued

Continued Table 4

Fraudulent affiliates redirect users to affiliate URLs without any clicks.	.835				
Affiliate web site does not has the ability to solve problems from hackers.		.806			
It usually bothers me when online affiliate companies ask me for personal information		.802			
Online transactions on affiliate web site are not protected by the latest know-how.		.773			
Purchasing on affiliate web site cause financial risks.		.760			
Online payment through affiliate website is not safe.		.743			
Affiliate web site apply my personal information for other purposes without authorization.			.854		
The monetary information that I provide after redirecting through affiliate web site is not well protected.			.849		
Internet hackers might take control of my account if I use affiliate marketing services.			.846		
Non-disclosure of containing affiliate links in ads bothers me.				.854	
The affiliates tried to deceive the viewer about the fact that it was affiliate advertisement containing affiliate links.				.845	
The affiliate tried to obscure the fact that this was an affiliate advertisement				.810	
Affiliates shares unsolicited affiliate emails without permission bothers me.					.772
Privacy of online customers through spamming in affiliate marketing is greatly violated.					.737
Some affiliate posts do not come from people who appear to send them.					.733
Eigen Values	9.485	2.258	1.658	1.105	1.006
% Variance	47.423	11.289	8.289	5.527	5.032
% Cumulative Variance	47.423	58.713	67.001	72.528	77.56
Scale Reliability Alpha (Cronbach Alpha)	0.945	0.938	0.950	0.924	0.802

Interpretation

Considering the convergent validity and discriminant validity, factor loadings of all the variables in the study are larger than 0.50 with statistical significance and preferably greater than 0.70 (Hair *et al.*, 2006) with no cross loadings as shown in Table 4. After applying Principal Component Analysis with varimax rotation, 18 items get reduced to 5 factors. There are only five factors with eigen values of more than 1. In this study, the five extracted factors explain 77.672% of variance which is far more satisfactory and acceptable. Factor loadings of all the items are shown in Table 4. Factor loading should be more than 0.6 (Schuessler, 1971). For this objective, factor loadings ranged from 0.818 to 0.936. These five factors are: security risks, privacy risks, lack of transparency, cookie stuffing and spamming.

Factor 1: Cookie stuffing

Factor 2: Security risks

Factor 3: Privacy risks

Factor 4: Lack of transparency

Factor 5: Spamming

RESEARCH MODEL

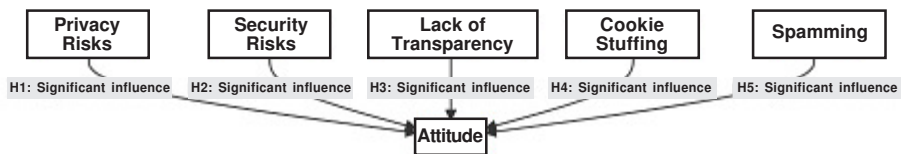


Figure 1 : Research Model for Challenges and Attitude

THEORETICAL EXPLANATION OF THE MODEL

Cookie Stuffing : Cookie stuffing is an un-ethical practice in affiliate marketing where cookies are added to a user's browser without their knowledge or consent. Dishonest website operators use a tactic known as "cookie stuffing" to deceive the affiliate marketing network into giving them credit for customer sales made as a result of other affiliate marketing initiatives. (Synder and Kanich, 2015). It is an effort to obtain credit from internet businesses for unauthorised referrals by using fraudulent cookie-stuffing tactics. (Synder and Kanich, 2015). By adding the iframe on affiliate link on retailer's website by fraudulent publisher, fraudulent publisher gets credit for delivering the web user to retailer's website

even though there is no intention of visitor to visit that online retailer website. Malware may installed by malicious party in visitor machine making visitor to visit online retailer website having fraudulent affiliate identifier. This annoys the web users (Synder and Kanich) and breaks the trust of users on affiliate links which makes web users to negatively perceive about affiliate marketing. Chachra *et al.*, 2015 founds cookie stuffing as an fraudulent activity done by publishers in order to divert gain by stuffing the cookies in user's browser. In the study by Amarasekara *et al.*, 2020, For earning the commission, affiliates indulge in stuffing the cookies in users browser, taking credit of someone commission made by such sales. Snyder, 2015 founds that one third of publishers were involved in cookie stuffing technique and earning the gains from unapproved referrals. So, Cookie stuffing can violate privacy laws and regulations that require transparency and user consent for tracking activities. when consumers discovered that cookies are loaded on their devices without their knowledge, it leads to breach of trust of consumers towards affiliate marketing system. This makes consumers negatively perceive affiliate marketing.

Lack of Transparency : Lack of transparency is an illegal practice in affiliate marketing which breach the trust of consumers towards affiliate marketing and influenced the attitude of consumers towards affiliate marketing. Only 10% of affiliate marketers on social media actually disclose their relationship as affiliates with advertisers. Users can understand only the explanatory disclosures and such disclosure decreased the perception of users favoring the endorsed product (Mathur, 2018). For building the trust of consumers with affiliate marketing parties, it is important for affiliates to disclose their affiliate relationship with merchants to consumers. In absence of affiliate disclosure, Customers may be sceptical of the legitimacy of affiliate marketing practices. Affiliate disclosure actually disclose the motive behind the publishing affiliate content, endorsements by affiliates. Transparency in affiliate relationship builds trust and get assurance of authenticity of reviews and endorsement by affiliates.

Spamming : For promoting the affiliate products or services, sending unsolicited or irrelevant promotional messages having affiliate links to large number of audience is spamming in affiliate marketing. Spamming is an illegal practice in affiliate marketing. Spamming through email, social media platforms, SMS, comments or search engine can be possible in affiliate marketing. This leads to the range of negative views about affiliates and bothers customers about affiliate marketing. Adware, spyware, pop-up ads and email address collection all contributed to the idea of affiliate spam, which made prospective

online users less receptive to affiliate marketing. (Adegoke, 2004; De Paula, 2004; Duffy, 2005; Edwards, 2007; Regine & Lewin, 2000).

Security Risks : Users may feel unsafe while making payment transactions after redirecting through affiliate websites. Users feels unprotected and may have fear of hacking of data when redirected through affiliate websites and make transactions and purchases. They perceive security issues as there is usage of technology and internet in affiliate marketing activities. In a study by (Abdelhady *et al.*, 2020) also found security plays a major role in influencing perceived value of customers and customer loyalty. As security plays a major role in influencing the customer loyalty, affiliate websites should maintain relationship with the businesses providing the security services like security audits, scanning website for vulnerabilities, monitoring the malicious activity or any other related issues. (Abdelhady *et al.*, 2020).

Privacy Risks : Users are fear of getting their information used for other purposes without their authorization and will take control of their account if used affiliate services. These issues signifies these risks as the most significant risks faced by consumers. This puts the major impact on attitude of consumers as compared to other issues. These results are in consistent with other studies. Privacy founds to have a major role in influencing perceived value of customers and customer loyalty (Abdelhady *et al.*, 2020). Perceived risk was found to have negative impact as confidentiality of personal information was found a concern for the customers while purchasing through affiliate programs. (Pham and Truong, 2023).

Hypothesis of the Study

- H₁ : Privacy risks significantly influence attitude towards affiliate marketing.
- H₂ : Security risks significantly influence attitude towards affiliate marketing.
- H₃ : Lack of transparency significantly influence attitude towards affiliate marketing.
- H₄ : Cookie stuffing significantly influence attitude towards affiliate marketing.
- H₅ : Spamming significantly influence attitude towards affiliate marketing.

PART B: Structural Equation Modelling (SEM)

To analyse the structural relationships, two steps are taken in structural equation modelling :

- Confirmatory Factor Analysis (CFA) Under CFA, Measurement model is evaluated to examine the construct's validity and reliability with the use of AMOS 21 (Analysis of Moment Structures). Two steps of conducting CFA are :
- Assessment of Construct Validity (Through Convergent and Discriminant Validity) (Table 5 and 6)
- Model Fit Indices (CMIN/DF, CFI, RMSEA, GFI, TLI, NFI, PNFI, PCFI)
- Path Testing (Hypothesis Testing) (Table 7)

Table 5
Convergent Validity

Constructs	CR	AVE
SP	0.806	0.582
PR	0.950	0.864
SE	0.939	0.754
LOT	0.924	0.803
CS	0.945	0.812
ATT	0.851	0.656

CR - Composite Reliability, AVE - Average Variance Extracted

Table 6
Discriminant Validity for Affiliate Marketing Constructs

	SP	PR	SE	LoT	CS	ATT
SP	0.763					
PR	0.489	0.930				
SE	0.584	0.627	0.868			
LoT	0.600	0.443	0.627	0.896		
CS	0.638	0.432	0.480	0.500	0.901	
ATT	0.485	0.629	0.593	0.434	0.393	0.810

SP - Spamming, PR – Privacy Risks, SE – Security Risks, LoT – Lack of Transparency, CS – Cookie Stuffing, ATT - Attitude towards Affiliate Marketing.

Interpretation : Table 5 and 6 demonstrates the constructs' composite reliability (CR) and average variance extracted (AVE), alongside the correlations among constructs (SP, PR, SE, LoT, CS, ATT) to assess convergent and

discriminant validity. AVE values above 0.5 and CR values above 0.7, coupled with inter-construct correlations that are lower than the square root of AVE for each construct, indicate strong convergent and discriminant validity. This supports the distinctiveness of the constructs and the reliability and validity of the measurement model.

Measurement Model Fit Indices

Model fit indices serve as a crucial method for evaluating a model's appropriateness and goodness of fit, particularly indicating the data's compatibility for application within Confirmatory Factor Analysis (CFA). A measurement model is considered satisfactory as CMIN/DF < 5; PCLOSE > 0.05; CFI and IFI > 0.9; RMSEA < 0.05.

Structural Model Fit Indices : After CFA, impact of issues and challenges on attitude of consumers towards affiliate marketing was measured. A model is considered satisfactory as CMIN/DF < 5; PCLOSE > 0.05; CFI and IFI > 0.9; RMSEA < 0.05

Table 7
Testing of the Hypothesis

Hypothesis	Relationship	Std Estimate	S.E.	C.R.	P Value	Decision
H1	ATT ← PR	.353	.044	7.954	***	Accepted
H2	ATT ← SE	.261	.047	3.446	***	Accepted
H3	ATT ← LoT	.320	.046	4.330	***	Accepted
H4	ATT ← CS	.347	.045	7.245	***	Accepted
H5	ATT ← SP	.204	.036	2.923	.045	Accepted

Note : *** means <0.001

Interpretation : This Table presents the results of hypothesis testing conducted to examine the relationship between various issues faced by consumers and their attitudes towards affiliate marketing. Each hypothesis (H1 through H5) tests a different potential influence on consumer attitudes (ATT) towards affiliate marketing, using standardized estimates, standard errors (S.E.), critical ratios (C.R.) and p-values to assess significance. The decision column indicates whether the hypothesis is accepted based on the results. The specific relationships and findings are as follows :-

- **H1 : ATT ← PR** examines the effect of privacy risks (PR) on consumer attitudes towards affiliate marketing. The standardized estimate of .353 indicates a positive relationship. The critical ratio

of 7.954 and a significance level denoted by "****" (commonly representing $p < .001$) suggest that this relationship is statistically significant. The hypothesis is accepted.

- **H2 : ATT ← SE** explores the impact of security risks (SE) on attitudes towards affiliate marketing. With a standardized estimate of .261 and a critical ratio of 3.446, this relationship is also found to be significant and positive, leading to the acceptance of the hypothesis.
- **H3 : ATT ← LoT** investigates how the lack of transparency (LoT) affects attitudes. The estimate of .320 and a critical ratio of 4.330 indicate a positive and significant relationship, accepting the hypothesis.
- **H4 : ATT ← CS** looks at the effect of cookie stuffing (CS) on consumer attitudes. The relationship is positive (.347) and significant (C.R. = 7.245), leading to the acceptance of the hypothesis.
- **H5 : ATT ← SP** assesses the influence of spamming (SP) on attitudes towards affiliate marketing. The estimate is lower (.204) compared to other factors but is still significant with a p-value of .045, slightly above typical thresholds for significance but still leading to the acceptance of the hypothesis.

FINDINGS OF THE STUDY

The results of the findings have found that there are some issues or problems faced by consumers while interacting or purchasing through affiliate marketing which influences their attitude towards it. The findings revealed that consumers are concerned about their privacy and security while purchasing through affiliate marketing. Privacy and security issues influences the attitude of users. Consumers are reluctant to buy through affiliate links due to the privacy and security risks related to affiliate marketing. Results states that consumers hesitate to buy due to lack of transparency of disclosure of affiliate links in affiliate posts. Lack of transparency may lead consumers to question the reliability of the product or service recommendations made by affiliates. Consumers might wonder whether the recommendation is genuinely based on quality and relevance or if there are un-disclosed financial motivations. This ensures that attitude of consumers would be impacted when there is lack of transparency. Analysis depicts that cookies stuffing to be major issue faced by consumers. Cookie stuffing to be the stronger predictor of attitude of users

towards affiliate marketing this makes consumers reluctant to purchase via affiliate links. As due to cookie stuffing, consumers are redirected to some other websites than intended, or make clicks without their intention, this bothers the customers and ruined the trust of users towards affiliate marketing. And lastly, spamming also influences the attitude of consumers.

THEORETICAL IMPLICATIONS

By integrating and examining the perceived issues and challenges encountered by users in affiliate marketing, this study pioneers in conceptualizing how these concerns influence users' attitudes towards affiliate marketing. Previous studies have touched upon the problems faced by affiliate marketing consumers, but this study advances the discourse by incorporating these issues into a cohesive model, examining their impact on affiliate users' attitudes comprehensively. This research makes a substantial contribution to the affiliate marketing literature by offering fresh insights into consumer behavior and introducing innovative models for studying various aspects of affiliate marketing. The theoretical implications of this study not only enrich the academic understanding of affiliate marketing but also provide a robust foundation for future research in this evolving field.

PRACTICAL IMPLICATIONS

Addressing privacy and security risks is crucial for maintaining consumer trust. Companies should collaborate with platforms offering secure payment solutions and prioritize data protection to alleviate consumer fears, as suggested by Goldfarb and Tucker (2011), who emphasize the impact of privacy concerns on online advertising effectiveness. Proper system of identifying the fraudulent affiliates should be made so that affiliates don't indulge in fraudulent activities. Guidelines of penalty should be framed by merchants if any unauthorized referrals by affiliates. Assurances and guarantees of security of transactions should be given by affiliates to customers. Affiliate links should be clearly disclosed near the affiliate links and the meaning of affiliate link should be in understandable language. Hyperlink to the 'meaning of affiliate link and working of affiliate marketing' can be created to make users understandable what it actually is and to make them aware. Limited affiliate links should be placed. A limit of number of affiliate links to be placed on affiliate websites should be set by merchants on affiliates.

Transparency in disclosing affiliate relationships is vital for consumer trust. Culnan and Armstrong (1999) argue for the ethical handling of consumer

information and clear disclosure of affiliate relationships to foster trust and transparency in the digital marketplace. Block chain technology should be adopted mandatorily in affiliate marketing for the safe, secure, transparent transactions and reduces the risk of data breaches. Pop up disclosure should be implemented so that when clicking on any affiliate link, a pop up message should be seen on screen which consumers get aware of affiliate relationship and information.

Implementing robust mechanisms to detect and prevent fraudulent activities, such as cookie stuffing and spamming, is essential. Snyder and Kanich (2015) highlight the detrimental effect of such practices on consumer trust and the overall integrity of affiliate marketing. Use pay per conversion method to deal or solve the problem of cookie stuffing. Cookie less tracking technology should be used.

Establishing clear guidelines and regulations for affiliate marketing practices can help ensure transparency, protect consumer privacy and maintain a fair marketing landscape. The Federal Trade Commission (FTC) has set precedents in regulating online advertising, which can serve as a model for other regulatory bodies (FTC, 2013). Anti-spam laws should be there for affiliate marketing compliance. Affiliates should put in place CAPTCHAs and additional security measures on affiliate website to stop automated bots from sending out spam. These safeguards can assist in preventing unauthorized usage of forms, comment sections and other interactive features. It should make compulsory for affiliate to adhere anti-spam laws while posting affiliate links. Affiliates should adhere to ethical marketing practices for the success of affiliate marketing strategy. Affiliate must adhere to legal laws and guidelines. At the time of joining affiliate program by affiliates, affiliates should be made aware of anti-spam laws, data protection laws and consumer protection laws. Affiliates should be well aware of consequences of In case of any breach of laws in part of affiliates.

The practical implications derived from this study provide a road-map for enhancing affiliate marketing strategies, ensuring consumer protection and fostering a transparent and trust-filled digital marketing environment. Adopting these recommendations, supported by real-world citations, can lead to more effective and ethical affiliate marketing practices across the industry.

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