Affiliate Marketing

AFFILIATE MARKETING FUNDAMENTALS

eMarketing INSTITUTE

Affiliate Marketing: Affiliate Marketing Fundamentals

Title: Affiliate Marketing: Affiliate Marketing Fundamentals
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Introduction

1. Introduction

The online world has tremendously affected our everyday lives that sometimes it might even seem impossible to imagine our lives without technology and online communication. This trend naturally transferred to the business world, where the new technologies opened up so many exciting opportunities. The businesses out there were no longer confined by location or restricted by infrastructure. Once everyone hurled to the big cities because these have been places enabling your business to grow. Businesses needed more qualified employees, they wanted exposure to more customers and opportunities to network and create partnerships. All of these required your business having headquarters in a big city, but this is no longer needed. All you need is a computer and the internet connection, and you are ready to take your business anywhere you want.

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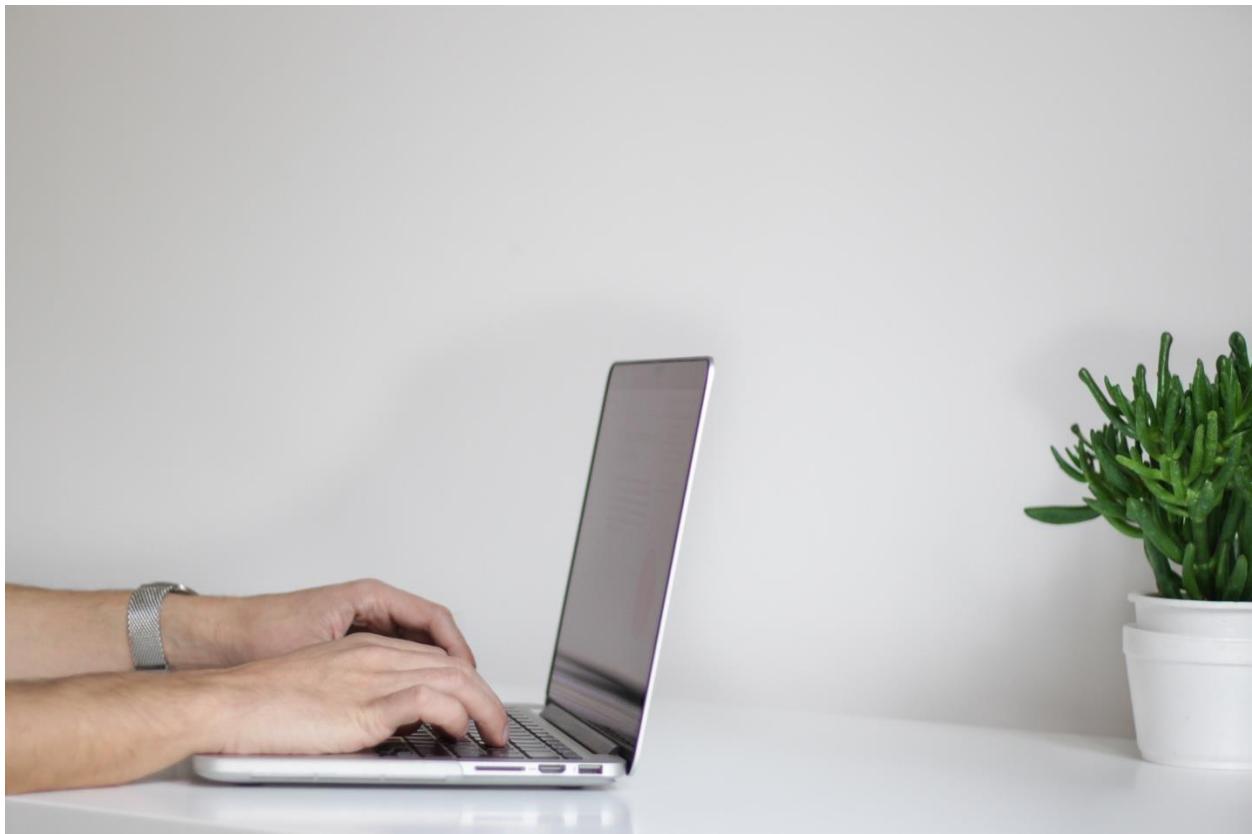
Speaking of the business world, this term has so long been used in relation to big corporations and management teams, but nowadays, we see more and more one-man businesses that grow and expand their reach globally. There is a significant number of businesses completely set up and run by a single person. Or they start as such, only to expand as their influence online

begins to increase. Entrepreneurship has become a popular business model which helped so many wonderful business ideas come to life.

The possibilities on the market are numerous, especially if we have in mind the online market. There are so many different ways and strategies to set up and grow a business, depending on the niche, resources, knowledge, etc. What is safe to say is that these opportunities are a part of the online world, and new opportunities keep popping up. One of those is affiliate marketing.

Affiliate marketing

While every business starting out nowadays will first create a website, optimize it and then head to social media to establish a presence there, not everyone will consider affiliate marketing as an opportunity at first. The goal of this ebook will be to show you the real potential of affiliate marketing and how developing a strategy of your own can help your profits soar and your business grow.

For starters, you will need to understand the difference between being a merchant and an affiliate because these require two completely different strategies. In fact, these can develop your business in different ways, so you can either focus on one or choose to be both, a merchant and an affiliate, which, although less frequent, is still doable. You will also learn about business models that are available in affiliate marketing. Affiliate programs and tools will be essential parts of your strategy, which is why you need to learn about those as well. Your goal will be to learn as much as possible about affiliate marketing opportunities and about different affiliate programs and tools that enable you to form your own custom strategy, an approach and a plan which will be oriented towards one idea – *improve your business through affiliate marketing*.

Affiliate marketing is a part of online marketing, which means it is connected and related to all of the segments of online marketing. This is why there will be a chapter about this connection, and how using affiliate marketing requires at least basic knowledge of online marketing in general.

Affiliate marketing statistics

Before defining the term and analyzing this concept of affiliate marketing, it is helpful to have in mind a couple of statistics that illustrate the state of affiliate marketing in the business world at this moment.

- Approximately 15% of the digital media industry's revenue now comes from affiliate marketing. (BusinessInsider)

- Over 50% of top affiliate programs fall into 4 categories: Fashion, Sports, Health & Beauty, Travel (AMNavigator)

- Top factors for choosing an affiliate program are product or service relevancy (18.15%), affiliate program reputation (15.97%) and affiliate network or tracking platform (11.58%). (AffStat)

- The most common places to find new affiliate programs include information on the merchant's website, searches on Google and affiliate network websites. (AffStat)

- Affiliate marketing will affect 14% of all e-commerce purchases in the United States. (DigitalCommerce360)

- With the power of social media, content publishers, and a plethora of digital media readily available at their fingertips, today's consumers are more educated and shopper-savvy than ever before. (Rakuten)

- When it comes to purchasing decision, price point had the most influence on a Millennial (62%), outweighing recommendations from a friend (55%), brand reputation (47%), and product quality (35%). (Rakuten)

- Mobile devices were crucial for Millennial mothers to search for the best possible price of a product (79.4%), read reviews (68.9%), and download coupons (67.1%). Even in-store shopping was greatly influenced by Millennial mobile users, with over half (52%) comparing prices to other retailers. (Rakuten)

- More than 30% of affiliate-generated sales originate from a mobile device. (Awin)

- Nearly 50% of affiliate-referred traffic originates from a mobile device. (Awin)

- 40% of marketing professionals quote affiliate marketing as the most desired digital skill. (AMNavigator)

What we can conclude about affiliate marketing is the following:

- Affiliate marketing has (and will continue to have) an important role in e-commerce.

- Affiliate marketing is an amazing opportunity to increase sales (and revenue) for both merchants and affiliates.

- Content is the best way to promote affiliate links.

- Working on authenticity and reputation is the best way to earn credibility online and thus increase the profitability of affiliate marketing.

- Mobile is affecting affiliate marketing as well, which means mobile user experience is something merchants and affiliates need to focus on.

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What Is Affiliate Marketing?

2. What Is Affiliate Marketing?

As one of the strategies available to online businesses, affiliate marketing offers plenty of opportunities but before you get started you need to understand the entire concept and what it is all about.

The origin and development of affiliate marketing

The entire concept of affiliate marketing is focused on sharing the revenue by partnering up with others, and it is the concept that has been around for a while before the world wide web even started. In terms of affiliate marketing as an online business model, we can trace back its origin back to 1994 when the first affiliate program was launched by PC Flowers & Gifts. One year later, they had over 2000 partners in their affiliate program. Perhaps the best-known affiliate program today, Amazon's affiliate program, was launched in 1996. In fact, e-commerce websites, in general, started seeing affiliate marketing as an excellent way for them to increase sales without any direct promotion from their part.

Image: https://pixabay.com/en/wallet-money-credit-card-online-2125548/
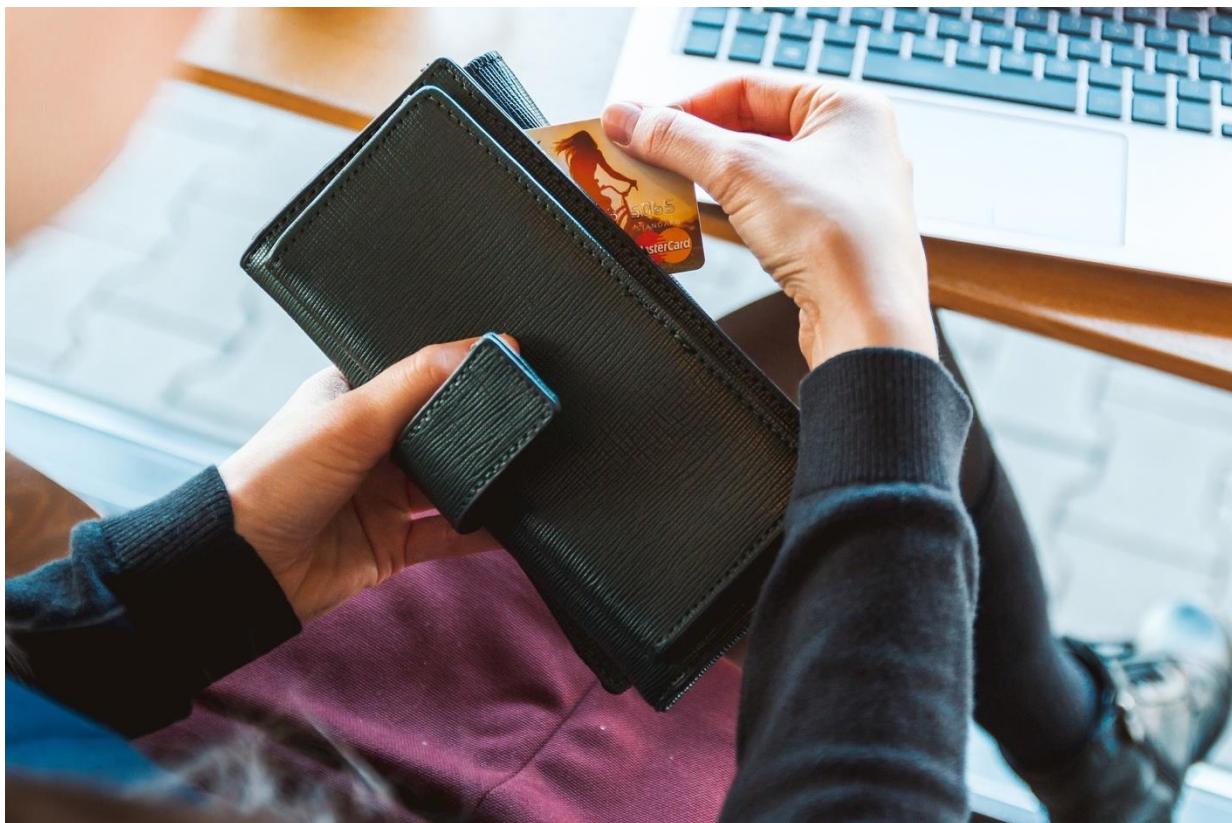
Even though there have been several business models in affiliate marketing, what really changed the game was the introduction of Web 2.0. This shifted the focus to the user-generated content, optimization, and integration of social media.

As a result, affiliate marketing became even more available to the ordinary people, bloggers, influencers, etc. who suddenly started seeing this type of marketing as a perfect way for them to monetize their online influence. No longer has this partnership been available for businesses only, but individuals started taking a massive role in the concept, changing the world of affiliate marketing for good.

Affiliate marketing defined

Affiliate marketing is a type of performance-based marketing. This means that the efficiency evaluation and reward systems are based on the performance, which can be evaluated at specific intervals, or it can have a particular goal that needs to be achieved.

There are two roles in affiliate marketing which are crucial for this entire system to work. First, there are merchants, who decide to create an affiliate program. They provide an offer for others to promote their business and earn their commission. On the other side, there are affiliates, who are also known as publishers. They are the ones that are interested in joining an affiliate program.

The main reason for merchants to create an affiliate program in the first place is the potential to increase sales and boost profit with no direct promotional campaign, except for enabling affiliates to join the program. Since the entire concept of affiliate marketing is performance-based, there is no investment or pre-payment required by the merchants.

Affiliates are also motivated by profit to join an affiliate program. Once they enter the program, they are able to promote the merchant's products in any form they can, in order to increase sales. Their performance is tracked using trackable links and they are paid based on that performance, i.e., based on the conversions they achieve.

Digital buyers

Apart from merchants and affiliates, who take an active role in affiliate marketing, it is also important to mention digital buyers. These are the modern consumers who are experiencing the buying process in a completely different way nowadays. Not only does the habit of buying online instead of offline changes rapidly, but the way the consumers buy is also changing.

Digital buyers are more prone to explore products before they buy. This is how showrooming and webrooming were introduced in e-commerce. Nowadays, buyers want recommendations,

and they want to see the benefits of the product. In fact, they look for recommendations from friends and people they respect (bloggers, influencers, etc.).

All of this has a positive influence on affiliate marketing because it increases the chance of online buyers finding the products through recommended (affiliate) links. Furthermore, a lot of surveys show that affiliate marketing drives performance, which includes brand discovery and awareness, as well customer engagement and purchase. Affiliate marketing basically connects merchants and buyers and affiliates are those who connect the two.

Image: https://rakutenmarketing.com/affiliate.html
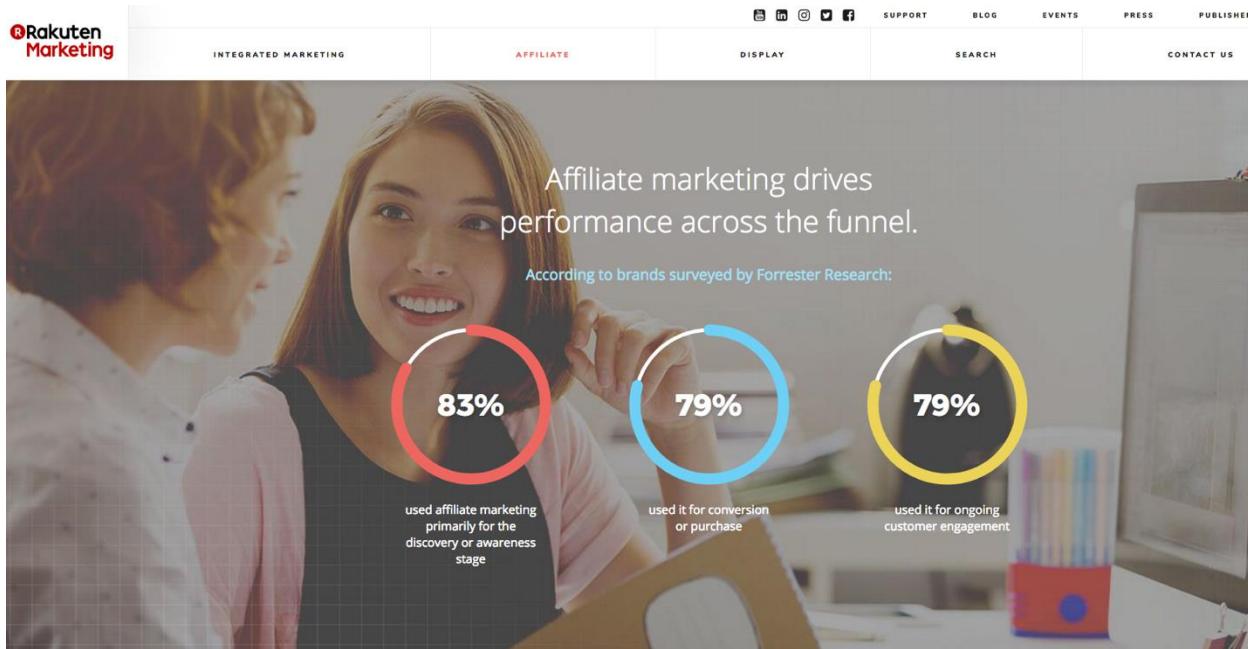
Getting started

Learning more about affiliate marketing (by reading this ebook for example) is the first step that is going to help you get started with this type of marketing. It is essential that you understand the basics to be able to explore your options and how you can leverage the potential of affiliate marketing.

As mentioned above, you will have to choose one of the two roles in affiliate marketing. If you have a product and you need help with promotion of that product, then you will be a merchant. On the other hand, if you have a great blog, lots of subscribers, or online influence, and you want to cash that in, you can do that by becoming an affiliate.

We can summarize the entire process by defining the tasks of these two participants. On one side, a merchant sets up a program. He provides everything needed for the product promotion,

including images and links. Affiliates join this program and start advertising the product using online resources. Their activity is being tracked through links. Once the online user clicks on an affiliate link, that activity is stored in the user's browser cookies. When the user buys a product, and this has been detected as a visit originating from an affiliate link, that affiliate is paid a commission.

The time interval during which the cookies stay in the browser can be different from one website to another, but it is usually a period of 30 or 60 days. This means that the transaction can be detected during that time interval and still be contributed to the affiliate. For example, the user clicks on the affiliate link, checks out the product, but decides not to buy. However, the same user goes back and buys the product days later. This sale can still be attributed to the affiliate if the cookies are stored in the browser.

Types of affiliate websites

Affiliate links can be shared on a number of different types of websites including:

- Price/Feature comparison websites
- Product review websites
- Personal websites
- Coupon websites
- File-sharing websites
- Video-sharing websites
- Shopping directories

There is no limitation when it comes to promoting an affiliate link, so an affiliate can use multiple resources to share these links online. In fact, the more exposure the link gets, the more likely it is for the affiliate to earn the commission.

Benefits of affiliate marketing

A tremendous popularity of this method of online marketing is the result of many benefits that can be obtained, for both merchants and affiliates.

Benefits for merchants

There is a number of benefits for merchants which encourages them to create and make available affiliate programs for their products and use this as a way to grow their businesses in the digital world.

Pay for performance

With affiliate marketing, merchants do not need any investment. There is no risk involved because no payment is made in advance. Affiliate marketing is often called performance-based marketing, which means the affiliates are only paid based on their performance. Once the sale is completed, the affiliate is paid a percentage of that sale.

Easy tracking

Trackable links and affiliate marketing tools are used to create and track the performance of the affiliate links. This way, the merchants can successfully manage and monitor the traffic and inbound links generated by the affiliates.

Exposure and more inbound links

Since affiliate marketing is all about affiliates promoting your links, with methods that include posting the links on their website(s) or blog(s), it is likely that you will increase the exposure of your brand as well as the search engine visibility. If the websites that link to you have a good domain or paid authority, this will be a great boost for your SEO. Obviously, you will have to be careful here, because you should avoid accepting affiliates who are likely to post links on spammy websites or use suspicious methods to promote the links. This can harm your site reputation and thus have a negative influence on the site's search engine ranking.

Increase in traffic through referrals

Another benefit obtained through links in affiliate marketing is an increase in traffic. To make this traffic really an asset of yours, you will need to have a compelling landing page and a powerful CTA, to make sure you take advantage of the traffic you receive through affiliate links. You might also want to generate leads through an offer or online promotion, which is another aspect you will need to include when designing the landing page.

Lead generation

Not only do you get to increase traffic and amplify sales, but you will also generate leads at the same time, with no additional costs involved. It is necessary to create a website page that will encourage users to sign up or claim an offer, after which they can become a part of your

mailing list. Regardless of the affiliate's performance and earned commissions, these leads remain your asset that can be used later on for email campaigns.

Full control over commission rates, promo materials, and selection of affiliates

When you set up an affiliate program, you define the terms for participation, which means that the commission and other terms (such as cookies life) are in your control. The affiliates who want to join will have to accept those terms. You will also provide images and other materials used for the promotion, so here is another aspect you can control.

Benefits for affiliates

When it comes to affiliates, affiliate marketing also provides many benefits:

No investment

Unlike opening your own online store, where you will need an investment to start off, affiliate marketing helps you promote and sell products with no investment from your part. You do not own the products, so there are no costs of making or buying products. The only investment needed is the promotion of the product.

Minimal or no operating costs

If you already have a website or a blog and influential social media channels, you will not have additional costs. However, if you are starting without any of these, you will need to create a website (or blog) and to set up social media channels, and these will involve certain expenses, depending on whether you will need assistance with those tasks or you will do them on your own. The costs involved would be for website maintenance, content creation, and content promotion.

No need to stock products

Since you do not own the products you are promoting, you will not need a warehouse to stock the products. In fact, if those are physical products, you will not be involved in the shipping process either. The only goal you have is to promote the product and direct the buyer to the website where the product can be bought using your affiliate link. Handling the products and shipping is done by a merchant, and it does not require your involvement.

Possibility to earn money 24/7

Affiliate links bring you profit at any moment of the day. Any time the visitors click on the link the activity is tracked and there is a possibility to earn a commission if the conversion is

completed. This kind of passive income is an excellent opportunity for bloggers to make a profit even when they are focused on other projects.

Large audience to reach online

Affiliate marketing offers a great potential because you are not limited by a specific territory or language. This helps you reach a large group of people, which results in more opportunities to earn from affiliate links promotion.

Multiple platforms to use for the promotion

As an affiliate, you will have many platforms to use to promote the products. The most common way to do so is using your website or blog, but social networks can also be used for such promotion.

Both merchants and affiliates can use affiliate marketing to grow their business online. They are joined by one common goal – *to increase profit*. Affiliate's willingness to promote merchant's products is motivated by a possibility to earn a part of the profit. On the other hand, a merchant is motivated to increase sales and is willing to share the profit in exchange for a new (or often recurring) customer.

It is a win-win relationship which is the main reason why affiliate marketing continues to be often used in online marketing.

3

Becoming a Merchant

3. Becoming a Merchant

Knowing about the benefits of affiliate marketing for merchants is enough to spark some interested in this performance-based strategy, but if you want to become a merchant, you will need to deeply understand what it entails and how to create and publish your affiliate program.

What is a merchant?

A merchant is a person (or a company) that creates an affiliate program. Merchants are sometimes called advertisers, creators, sellers, or vendors. Anyone with a product they want to promote can become a merchant by creating an affiliate program. An entrepreneur, a startup or a large company are all possible merchants because participating in affiliate marketing process is not conditioned by a size of the business or an existing budget.

In fact, merchants are required little or no investment at all. Costs of affiliate program management may occur, especially when using affiliate software or network, but the program needs no investment for affiliates because they are paid based on their performance. This means that only when the sale is finalized will the merchant issue a payment for the affiliate.

As a merchant, your main responsibility is to have an affiliate program that works and correctly track transactions referred by the participants in your program. The management of this program requires software that will manage and track the performance of the affiliates and a person who will monitor the program and communicate with the participants in the program.

You are also able to choose the affiliates you want to work with. The main reason why affiliates should apply and then go through the acceptance process is the fact that suspicious techniques and methods have always been a part of affiliate marketing. Merchants need their links to be promoted, but placing those links just about anywhere is not acceptable because it can actually harm your SEO and reduce your website search engine rank.

This is why, you should create an application form for affiliates and choose criteria that should be met for an affiliate to become a member of the affiliate program. For example, you might want to focus only on one industry and select only the affiliates from that industry. Another requirement can be the location. In this case, you would only accept the affiliates from a specific countries. Other metrics can also be used to filter and select affiliates, such as page domain, Alexa rank, etc.

How to become a merchant?

The process of becoming a merchant involves several phases during which you will prepare the program and everything needed before the program is published and officially available online for affiliates to join.

Create a plan

The starting point is creating the plan. The central point of this plan is the product(s) or service(s) you want to sell through this affiliate program. You can choose one or several products (or services) depending on your business goals.

Image: https://unsplash.com/photos/aOYA7D3fse8

Budget

Creating and making the program available requires several things which include:

- Affiliate platform costs
- Banners and other materials creation (or you can use DIY method)
- Landing page creation

Try to predict the costs, in the beginning, to determine the commission for the affiliates later on because your goal is to make this program profitable. Based on these management costs, you might want to increase or decrease planned commissions for the affiliates.

Commission

The next step is determining the commission that will be paid to the affiliates. Have in mind that this information is usually available to the affiliates before they join the program, and it is one of the factors that will motivate them to join.

The commission can range anywhere from 1% to even 100%. This depends on several factors:

- Industry standards - These dictate the terms on the market, and they should be a guideline when determining the commission. You do not want to go too much below or above industry standards, to stay competitive.

- One-time payment vs. subscription - If you have a subscription-based service or product, your commission should be higher, because one referring visit from the affiliates will actually result in multiple purchases for you.

- Size and popularity of your brand - Brand recognition has an important role, and in affiliate marketing, large brands usually offer lower commission rates than smaller brands.

Another thing to think about in terms of the commission is the following. Not all of the affiliates are the same, which is why you might want to provide different commissions for different affiliates. Special offers and more generous commissions can be reserved for a limited number of participants in the program. Those affiliates can be long-term partners, those who already promote your competitors or the affiliates that have already generated a significant number of visits (and sales). If you choose to have different rates for different affiliates, make sure you plan that ahead, so that you can be consistent with the payments. Define the exact rates, and how one qualifies for higher commission rates.

A final thought on commissions - *do not lower the rates*. This can have a negative influence on the performance of your program, so you should avoid dropping the rates for even a little. Instead, when defining the rates in the first place, try not to give the maximum portion of the net profit you are comfortable. Save that maximum for the premium affiliates (if you have such classification), but offer a bit lower commission rates for the others.

Cookie life

Cookie life is another part of affiliate program you will have to think about when creating a plan. There are no specific rules for determining an ideal cookie life, but when you do so, think about these:

- Most internet users occasionally delete cookies (for example once a month)
- The largest percentage of sales occurs within a day of the click on the affiliate link
- Make sure you check your competitors and industry standards regarding cookie life

You can set up cookie life anywhere from one day (which is a bit strict option and it is rarely used) to 365 days or even lifetime. Longer cookie life increases the chance for the affiliates to earn their commission even if the sales happen days or weeks after the click on the affiliate link. Increasing cookie life is also one way to motivate the affiliates to join your program.

Terms of service

Terms of service or affiliate agreement is a document that regulates the terms and conditions that are valid for the affiliate program. Affiliates joining the program will have to accept those terms and conditions. This document helps you control the affiliate program and ensures you avoid and successfully deal with issues that might occur along the way.

The document can regulate:

- Affiliate obligations
- Prohibited activities
- Restrictions
- Merchant's rights and obligations
- Access to the affiliate's account
- Payment regulations
- Termination of agreement
- Disclaimer
- Limitations of liability

Description

Description of the affiliate program provides information for the affiliates who are interested in joining. Even though each description should be unique and you could style it any way you want, there are a couple of elements that are usually a part of every affiliate program description.

- Details about the program

- Information related to the cookie life

- Data available for the affiliates

- Advantages of joining the program

- Information on how to sign up (or contact information)

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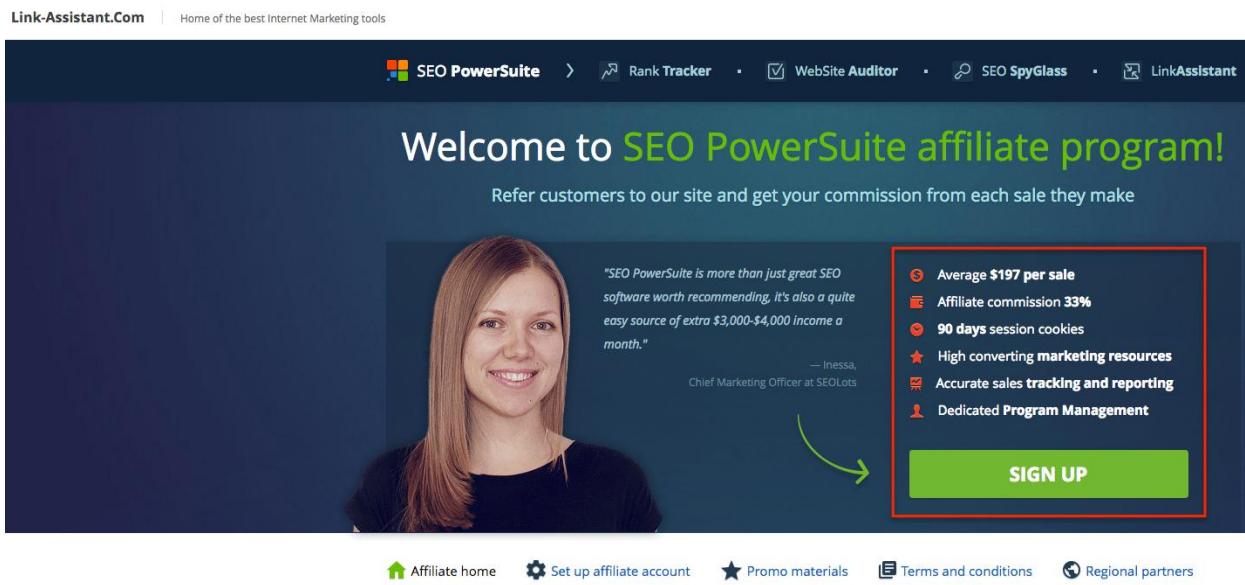
When creating the description, make sure the text is concise and focused only on what is most important for the affiliates to know before joining. This text should also persuade the affiliates to consider your program, so it needs to be engaging and interesting with perks of the program featured. Once you reach affiliates with this description, they can explore a more detailed explanation of the program and requirements in the terms of service document.

Application form

Most merchants use an affiliate network to manage their programs, which is why application form is submitted through this network. This means that the affiliates should first join the network (or log in if they already have an account) and then they will apply.

An alternative is to have an application form without going through the affiliate network application process. Instead, a merchant provides an application form which features affiliate's information relevant to the merchant:

- Company information
- Address
- User details
- Website URL
- Accepting the terms of service

Additional questions can also be a part of an application form, and they can include information about:

- How did the affiliate find the program
- Does the affiliate have a strategy and a plan on how to promote the product
- Is the affiliate part of another (related) affiliate program

Affiliate Sign Up

Apply to our network by submitting your information below.

* - required field

Account Details

Company / Name: *	
Address 1:	
Address 2:	
City:	
Country:	united states
State:	alabama
Zipcode:	
Phone:	

User Details

E-mail Address: *	
Password: *	
Confirm Password: *	

Password must be between 6 and 16 characters

First Name:	
Last Name:	
Title:	

Additional Questions

Website: *	

Email templates

Email templates are a part of the initial correspondence with the affiliates. They include acceptance (approval) email and denial email. With these emails you inform the affiliates about the status of their application and whether they had succeeded in joining the program. Since the text involved in this correspondence is usually pretty much the same, it is helpful to create these email templates.

Approval email should also include:

- The data about the program/company - Affiliates sometimes apply to multiple programs, so it is helpful to remind them.

- Activation promo - Some merchants like to offer a special promo to the affiliates, such as cookie life increase during the first month since the activation, or commission increase, etc. The goal of such promotion is to encourage affiliates to start working on advertising your program immediately.
- Affiliate links - To speed up the process, even more, you could send affiliate links that are already coded, so they can simply copy and paste them.
- Contact information - You want to be accessible to the affiliates for any doubts or questions they might have, so make sure you end the email with contact information.

The main part of the denial email is the information that the affiliate has not been accepted. Other details could include:

- The reason for not accepting the affiliate - Usually, you will state *"do not meet our approval criteria"* as the reason. This is a generic reply, and it is perfect for an email template as it can be sent to all affiliates who are not accepted to the program. Occasionally, you might include the specific criteria that affected your decision, but this email contains more specific information and cannot be used as a general template.
- Contact information - Even if you decide not to accept a particular affiliate, you might want to leave the communication open by providing contact information. This way the affiliates can reapply if they fixed the issues that do not meet your criteria. Or, this simply gives them a chance to explain their strategy and why they applied for the program. In some cases, you might even reconsider the application. Additionally, denial email might be sent as a part of automated filtering and errors might occur. This is why it is essential to enable affiliates to contact you and ask for a personal review of their application.

Set up goals

The affiliate program is usually a part of your promotional strategy, and as such, it has goals you want to achieve. Thinking about goals in advance is going to help you choose the right approach, and it helps you evaluate the performance of the affiliate program.

The most common goal affiliates set up is increasing sales. Since affiliates directly help you increase sales by promoting the product links, this strategy is perfect for expanding the base of buyers. However, other goals can be achieved as well, such as:

- Generate leads

- Promote your brand

- Increase traffic

- Generate inbound links

- Expand your reach

When determining goals, try to be specific and descriptive. Elaborate each goal to define the quantifiers that will later help you in measuring your success in achieving goals. Detailed definition of goals also helps you determine the strategies you want to use to be able to achieve those goals. For example, if your goal is lead generation, try determining how much each lead is worth to you and this will then affect commissions you are able to offer to the affiliates.

Choose a network/software

Affiliate networks and/or software is usually a part of affiliate marketing process because they assist the creation, management, and control of the affiliate program. Before you become a part of affiliate marketing, you will need to explore features of both networks and software, to see how you can benefit from each, regardless if you are a merchant or an affiliate. This topic is a part of two separate chapters later on in this ebook.

Promo material

Promo material is a part of the affiliate program, which is often referred to as affiliate creatives. It includes banners, brand assets, and other creative marketing materials that are made available to the affiliates for them to use when promoting your program. These materials are provided by the merchant and they should:

- Be effective and engaging

- Have great graphics with readable fonts

- Have URL or phone number on the banner

- Feature a call-to-action

- Be free from grammar mistakes and typos

- Have a brand name or a logo

In terms of size, creatives can vary in size, depending on the type of promotion the affiliate is going to work on. As a merchant, you should provide a variety of banner sizes, so that affiliates can choose the right one for the campaign they are implementing. Many merchants make this mistake and overlook the importance of size varieties. Affiliates may not want or know how to edit the graphic, which means they may end up using the wrong size. If the image file is too small, it will come out blurry. If it is too large, it might have a negative impact on loading time.

Strategy to promote the program

Finally, when you have everything needed to start your program, try to develop a strategy to promote the program. It is also a part of the process of becoming a merchant because your goal is to spread the word about the program. A strategy is a part of your plan that you create with clear goals and actions that will take you to that goal. When creating a strategy, think about this:

- Objective goals - Consider your goals objectively and realistically to make sure you focus on something you can achieve.

- Determine the budget - Promotion of the affiliate program can include a specific budget which will be used for paid promotion. Think about your business, the expected benefits of this promotion and then based on that, determine the budget you are comfortable to invest.

- List the actions - This list includes the activities and the media you will use for the promotion of the program. Obviously, the website is the starting point, but you can also use paid search engines ads, social media, etc.

- Determine strategy's KPIs (Key Performance Indicators) - The goal is to determine specific values which will help you evaluate the performance of your strategy. KPIs should be measurable and relevant to help you assess and analyze the outcome and the influence this approach has on your business in general.

What to expect?

Becoming a merchant is only the first part. It is a more active phase, where you will have a lot of things to focus on starting from creating a plan to developing a strategy. However, once the program is live, once you start accepting the affiliates, the second phase begins.

What you can expect from this program is to be well-organized and efficient, if you have taken care of all the necessary components that make a successful program. If everything is organized well, if you have arranged the application process and you have a software tracking the progress for you, you can expect to have a program that runs smoothly, even when you are not online.

What you cannot expect is for this program to skyrocket overnight. Finding affiliates is not that simple, nor is it that fast. You will have to work on promoting your program actively in the online communities. You will also have to offer some competitive terms and commissions as a way to motivate new affiliates to join. Besides promotion, the second phase also includes the management of the program. You have to monitor the activities of the affiliates, to issue earned commissions promptly, and to analyze the efficiency of the affiliates who are promoting your links. All of this helps you improve your program, stay competitive on the market and make sure you are really making the most out of affiliate marketing.

4

How to Become an Affiliate

4. How to Become an Affiliate

As said, there are two roles in affiliate marketing. Merchants, who create affiliate programs, and affiliates who join those programs. If you are interested in becoming an affiliate, this chapter will lead you through the process highlighting the most important things to have in mind when starting out as an affiliate.

What is an affiliate?

An affiliate is a participant in an affiliate program. Affiliates are also called publishers. Most commonly, affiliates are bloggers, content creators, and influencers, who create content online and use it to feature affiliate links. The more successful the affiliate is in building his or her online presence and gaining trust, the more success they will have with encouraging people to click on the affiliate links. The links can be promoted as a part of the text (a text link), or they can be placed as a clickable banner on the website or blog (an image link).

Affiliates earn their commission based on the achieved conversions, and they are usually presented as a percentage of sales generated through the affiliate links. This is why the affiliates with greater authority are more likely to convert the visitors and increase the number of conversions.

For affiliates (or publishers), affiliate marketing has become a great way to earn extra commission, with no or little effort from their end. All they have to do is to create content featuring the affiliate links and promote it using their usual methods for promoting content online. The affiliates do not have or send out the actual product. In fact, they are not even involved in the sales process. All they do is recommend the product and refer the visitors to the place where they can find more information and buy the product.

With the development of influencer marketing and influencers who enjoy trust and respect from the online community, affiliate marketing has been a massively popularized way for the publishers to earn or increase their monthly income.

How to become an affiliate?

Just like with merchants, becoming an affiliate is a process that includes several stages.

Online presence

It all starts with the online presence for the affiliates. They need a platform where they will publish their content, communicate with the followers and eventually share affiliate links. There is a broad category of dividing affiliates based on their online presence.

Affiliates who have already established their presence

This group includes bloggers and influencers that have already established their presence. They enjoy a significant amount of authority online which is often built through years of hard work. Their goal is to create content and to provide this content to online users. Affiliate marketing becomes a source of additional income for them. Affiliates who have already established their presence are usually quite selective when deciding which products to promote, and they are more likely to promote only those products or services they genuinely love and use. The main reason for this is the trust they enjoy. Even though they try to earn income from affiliate marketing, building online influence is a complex process and it is not worth jeopardizing this success by promoting irrelevant or low-quality products just for the sake of monetary compensation.

Affiliate-devoted websites

The second group of affiliates includes publishers who are creating websites devoted to affiliate marketing and promotion of affiliate links through this website. Unlike the first group, here affiliates usually choose a niche they want to focus on as well as the products that would be promoted. For example, there can be a website for new parents (with baby-related products featured), or for bike enthusiasts (with bikes and gear promoted through the website), etc. Such websites often feature reviews and comparison of similar products or services. The publisher first creates the website and then it is time for creating content, with affiliate links and banners.

Despite the fact that affiliate-devoted websites enjoy less influence than affiliate links shared by influencers, these links still reach online users and a certain portion of them will undoubtedly find useful recommendations.

Essentials

The essentials needed for you to become an affiliate include:

- Online platforms to promote your content - These include your own website (or blog), social media accounts, forum profiles, etc. Basically, it is any platform where you have online presence which can be used to share affiliate links.

- Niche - You cannot simply start promoting just about anything because no one is a know-it-all. People expect you to recommend the products, so try to focus on one niche about which you know a lot and with products that you can really vouch for.

- Payment method - Explore the options you have for receiving payments and which one is the most convenient for you (PayPal, credit card, etc.)

- Products (service) you want to promote - If you are creating an affiliate-devoted website, one of the essentials should be choosing the products, services or brands you want to promote.

Choosing the program

Now that you know which products you want to promote, it is time to find affiliate programs to join. One of the popular ways for finding new affiliate marketing opportunities is joining affiliate networks. These networks specialize in connecting merchants and affiliates and they provide an interface for them to collaborate. The alternative is looking for the affiliate programs directly on merchants' websites. For this, you will need to search through a search engine. You look for a certain brand or product you would like to promote, and then you check if they have an affiliate program available. If there is an affiliate program available, the link with more information is usually displayed in the website footer.


Image: https://www.anniescatalog.com

To make the decision about which programs to join and which ones might not be worth the trouble, here are the things to have in mind:

- Relevancy of the product to your visitors - You should not bother promoting products that are unlikely to get your visitors interested because you will hardly see any profit from those links, even if the conditions offered by the merchants are amazing. Stick to the products that are truly relevant and which would be useful for your visitors to maximize the influence and the efficiency of these links.
- Commission rates - There are no universal commission rates, so this could be another reason for choosing one program over the other. Some merchants offer special bonuses and increased commissions for affiliates who deliver extra performance, so always check about all of the commissions and rewards available to you if you join the program.
- Cookie life - You do not have a say regarding the cookie life the merchants will offer, but this might affect your decision of whether to join a specific program.
- Minimum payments - Some merchants have certain minimums for issuing payments, which is worth knowing before you join. This minimum can be a threshold for the first issued payment, but it can also be required from month to month basis.
- Payment model - Merchants can offer one or several payment models. Since these models affect your commission and how likely you are to generate income through affiliate marketing, it is helpful to find out more about payment model(s) before you send your application.

Joining the affiliate program

Having checked out all of the programs that are available to you and having selected the programs you are interested in joining, start the application process. You will have a form to fill in which features the information about you (or your company), user details, and website. Other information may also be required such as the address, phone number, social media accounts, etc.

Some merchants may require you to join a particular affiliate network which is their partner and helps them manage the program. In this case, you will first find the information about the program on the merchant's website.

Annie's Affiliate Program

Have Your Own Website or Blog? Make Money with Annie's Catalog!

Annie's offers one of the most appealing affiliate programs available, providing an exceptional income opportunity for our valued affiliates. Give visitors to your website or blog a chance to enjoy all the patterns, yarn and books we have available and make money for yourself! It's fun, easy and **FREE**. **Join the Annie's affiliate program today!**

Our affiliate program allows websites or blogs like yours to earn money by adding links to Annie's catalog.

Image: https://www.anniescatalog.com/affiliates.html

By clicking on the link, the merchant redirects you to the affiliate network profile, where you will need to either log in (if you already have an account) or sign up to create a new account.

CJ Affiliate Publisher Sign Up

To apply to the Annie's Affiliate Program sign up below as a CJ Publisher

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How to work with CJ
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Publisher requirements

Join for free now!
Let's start by confirming your main contact email address.

Language

English

First Name *

Last Name *

Email *

I'm not a robot

Click next to continue the sign up and application process

NEXT

Annie's Affiliate Program
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Join Annie's Affiliate Program today and start earning 30% commission on craft online video classes, 20% on all other purchases from new customers and 5% from existing customers!

Annie's founded in 1975, a leader in the craft market, known for its catalogs, books, kits and magazines.

The Annie's catalog is known for the originality of its designs, and is a favorite source for needlecraft inspiration and supplies.

Our products include crochet patterns, knitting patterns, quilting patterns, card and paper crafts, beading and jewelry, plastic canvas, cross-stitch, yarn & thread, fabric, craft supplies and more.

We offer a variety of text links and banners in various shapes and sizes as well as special promotions throughout the year. Use our creative to promote the Annie's brand or to promote specific offers, categories, or products on your website.

Strategy to promote the affiliate links

Once you become an affiliate or a publisher, your next task is to start promoting the affiliate links. Consider this as a promotional campaign that is supposed to help you increase your profit from your online activities. Therefore, it is advisable to plan this strategy and explore your options that can help you improve the exposure of the affiliate links.

Think about this strategy as an approach you want to design, an approach that will help you earn commission, but still maintain your credibility and respect in the online community. You do not want your content to become just a big sell-out. You want to think how to integrate affiliate marketing without disrupting your overall presentation and online marketing strategy.

Be honest

A lot of affiliates disclose information about them earning commission through affiliate links. This helps you inform the visitors and be honest regarding the content, which is something the users will appreciate.

Be genuine

Just because you decide to promote a particular program through affiliate links, it does not mean that you should start promoting anything. You want to keep your reputation and be genuine, so you should only promote products that you really have used or you know for a fact that those are truly something that your followers would appreciate.

Be relevant

Another thing that contributes to your reputation is relevancy. Therefore, make sure the products you feature on your website or blog are relevant to your target group. Promoting irrelevant products can harm your reputation, but more importantly, it has a small chance of generating revenue for you because hardly anyone will click the link. With irrelevant products, you fail at targeting your website visitors.

Be creative

Apart from you, there are hundreds, if not thousands of other affiliates, who are promoting the same merchants. To make sure your content is the one that gets the most exposure and the highest rank in the search engines, be creative. Use engaging images, catchy title, and high-quality narrative.

Be organized

Some affiliate links can be promoted all over the place, including your website homepage, a side banner on a blog, etc. while some are just not suitable for this kind of a promotion. Try to stay organized and keep track of all the affiliate links you are promoting. Some of them will simply be mentioned in a blog post, with a relevant anchor text directing the visitors to the right page. The main reason for this can be the relevance of the content promoted in the affiliate link. That content might be relevant to the actual article, but it might not have a place on the homepage.

What to expect?

As with any type of marketing, you cannot expect any results if you are not doing your best to implement and monitor the strategy with clear goals and approach in mind. Affiliate marketing is a great type of passive income, but it requires an organized approach to maximize its potential. Your job does not end here because you will need to regularly monitor the affiliate links to check if they still work and to analyze their performance. This provides insights into how those products resonate with your followers and what you can do to make affiliate marketing even more successful for you in the future.

5

Managing an Affiliate Program

5. Managing an Affiliate Program

Once the affiliate program is up and running, merchants need to manage the program which allows them to:

- Monitor the activities of the affiliates

- Compare the performance of the affiliates

- Analyze the success of the affiliate program

Most of these management activities are done using affiliate software. The software provides an interface for the merchants to monitor and record all the relevant data for the program assessment. The software also allows more control over affiliates, links, and all the program activities.

KPIs (Key Performance Indicators)

Key performance indicators (KPIs) are measurable values used in different parts of online marketing, as well as in running a business in general. Their main role is to demonstrate the success of achieving business goals. KPIs allow a company to measure and compare the performance and whether that performance enables the company to reach its goals.

In affiliate marketing, the goal of KPIs is to measure the success of affiliate marketing strategy and whether this strategy pays off. This is very important, especially when it comes to extensive affiliate programs that have hundreds of affiliates. If you are running a program for a while now, it is likely that the number of affiliates has been growing over time. However, not all of those affiliates are productive, nor do they all bring to the overall success of your affiliate marketing. This is why it is helpful to be able to measure and compare the data related to the program.

There are several KPIs you can analyze when managing an affiliate program, and the choice of which ones to monitor sometimes depends on the type of program you are running.

The number of affiliates

The number of affiliates directly indicates how popular your program is. What it does not suggest is its success or the profit obtained through such a program. One of the primary goals of affiliate marketing management is the promotion of the program and engaging as many new affiliates as possible. The pace at which you recruit new affiliates also indicates how successful

your approach is. Having more affiliates means more exposure online and more new potential sales generated through these affiliate links.

Average activity percentage

This percentage represents the number of active affiliates during a particular period. It is advisable to always use one period (a month, three months, a year, etc.) when calculating the activity percentage in order to compare the activities during different periods. For example, if you take one month as a period you will monitor, you can see how the activity changes over the last several months. Many factors can affect this activity. Some affiliates might focus on topics that are popular during a specific period of the year, such as summer (for a blog about summer holidays). You might notice higher activity percentage during the months when you offer bonuses, etc.

In all, this KPI helps you estimate the trends related to affiliate activities and the profit you can generate through affiliate marketing during different parts of the year.

Traffic

Traffic generated through affiliate links represents the number of clicks (page views) that originated from the affiliate websites. The increase of traffic is the first statistics that will be bumped up as soon as affiliate links are placed on other website or blogs. Before generating any sales or conversions, you will see traffic originating from these links.

While this KPIs is very important and expected to grow, it does not necessarily mean that you will get any value from it. Here are the reasons why:

- Irrelevant traffic - If the affiliate is targeting the wrong audience and promoting your website (and product or services) to the people who have no interest in it, you might see traffic, but it will not result in any conversions. In fact, it will probably increase your bounce rate, which will have a negative influence on SEO.

- Inability to convert - Even if the targeting works perfectly and you see that visitor counter raising each day, conversion might still be difficult to reach because you are not able to convert the visitors. Have in mind that traffic you receive from the affiliates may include visitors who have never heard of your brand, so the landing page must be informative and engaging to make sure you convert them. Besides

landing page design and content, mobile optimization is another aspect you will need to consider here.

- Spam - Seeing a boost in traffic in your website analytics does not always have to be a good thing. The main reason for this is spam. Regarding website traffic, spam is irrelevant traffic, often caused by bots, which can seriously ruin your data in website analytics. You might accept affiliates in good faith to join your program, but not all of them deserve to be a part of this program, so make sure you monitor the statistics for referral spam traffic.

Sales

The number of sales is one of the most important KPIs, especially if you use PPS (pay per sale) compensation model, which most merchants do. Even though the affiliate software will track and automatically issue payments for you when those are contributed to a particular affiliate, the number of sales is a metric that can tell a lot about your affiliate marketing, as well as about your online marketing in general.

Increase in sales indicates the success of:

- A particular affiliate(s) in generating clicks

- Quality products that meet expectations

- A great design and presentation of a landing page that converts well

- A responsive website

Regarding the affiliate program productivity, use this metric to analyze and compare:

- The performance of individual affiliates

- The performance of specific promotional banners/creative materials

- The type of affiliate that stands out (influencers in a particular industry, bloggers, etc.)

- The type of post that converts (a banner, a product review, etc.)

- Different periods of the year

Information obtained through the analysis of this KPI helps with optimizing the approach you use in affiliate marketing, but it also provides insights for the sales department. You might get

some new insights about your target group, about geographic factors or type of content. This can help you shape your sales strategy and determine how you can expand your market or improve your product.

Conversions

It might seem redundant to point out conversions as KPI because sales usually are conversions. However, a conversion can be a lot of things for different merchants, and some of them might choose pay per conversion compensation model rather than PPS. This metric basically shows the desired action performance. While that can be (and often is) sale, it can also be a lead, a signup, a download of an ebook, filling out a survey, etc.

To calculate the ratio at which you achieve conversions, compare the overall traffic with the number of conversions. What this percentage says is how successful you are at gaining conversions.

In affiliate marketing, this success (or failure) at obtaining conversions is shared between the affiliate and merchants. On one side, we have affiliates who are responsible for referring targeted, relevant traffic through their promotion of affiliate links. If they are successful at this, they are most likely to increase the number of conversions. On the other hand, we have merchants who have to convert the visitors through an effective landing page. Regardless if it is a signup page or a product page, the main goal of this page is to convert, which is why the design of the landing page deserves a special care. Together, their effort is what contributes to the increase of conversions.

The main goal of these KPIs is to evaluate the performance of the affiliate marketing strategy. However, if you have an affiliate manager assigned to take care of the program implementation and promotion, KPIs can be a great way to evaluate the manager's performance and how successful he or she is at this task. When implementing affiliate marketing strategy, start by defining goals for each of these KPIs, so that you can compare them and analyze the performance of both the strategy and the manager with more success.

Communication methods

Communication with the affiliates is going to be one of the regular tasks merchants will have when managing an affiliate program. This communication can be divided into two segments:

Automated communication

An affiliate program is managed through a software, and this software usually has automated communication features that allow you to create templates and send them out when they are

triggered. For example, when an affiliate is accepted to an affiliate program, a welcome email is automatically sent.

The main characteristic of this type of communication is that it is:

- Predesigned - You create messages in advance, sometimes months in advance.

- Mass - The same email template is sent to all of the affiliates.

- Scheduled - Each email template is sent based on a certain trigger, i.e. an action that requires that message to be sent.

Type of emails that can be a part of automated communication are:

- Welcome email

- Weekly (Monthly) performance report email

- News announcement email

- Sale confirmation email

Ongoing communication

While automated communication can save you a lot of time with predesigned templates, ongoing communication requires your immediate attention. This type of communication includes email correspondence with the affiliates that is out of the ordinary pattern. It requires the merchant to address a certain issue and provide answer for a situation that might be unique, unforeseen, or unusual.

Here are some types of email that are included here:

- Feedback email

- Response to a question

- Response to a proposal, a comment or a suggestion

- Message to point out to something (extraordinary success, low performance, spammy traffic, etc.)

Elements of good communication

Communication is an important part of doing business online, especially when you know that the message you type is the only way to communicate, unlike real-life communication where gestures and body language can say even more than words. This is why you have to develop

communication as an essential skill to interact with the affiliates who are a part of your program.

- Personalization - Make each message personal, even if it is a template email. Make your affiliate feel special and acknowledged.

- Timeliness - It is the quality of being there at the right time. When you have an email from an affiliate, try to respond as swiftly as possible.

- Preciseness - Your emails should be completely precise and on point. This is a characteristic of a professional approach.

- Conciseness - Use as few words as possible to convey the message and to provide enough relevant information and details to the message recipient.

- Actionable - Your response and ideas should be fully actionable if you want to solve an issue or a problem successfully.

Although most of the communication is usually done through email, other channels for communication with the affiliates can also be used such as:

- Internal messaging service
- Instant messenger
- Social media
- Phone

Managing affiliates

To ensure the success and efficiency of your affiliate program, you will also need to manage affiliates. This means that you should monitor and analyze the performance of the affiliates and how they contribute to your goals.

Start by dividing affiliates into groups:

- Beginners - These are the affiliates who have recently joined your program, and they might need an extra hand with ways they can promote you and increase their commission.

- Regular affiliates - These are affiliates you are regularly collaborating with, and they show moderate success. You might want to offer some special deals or coupons to motivate them to increase their performance.

- Super affiliates - These are the affiliates you want to keep. And you probably want to award them with better commission rates or other special perks. Super affiliates are usually a part of your program for a while and they generate a lot of conversions. Sometimes merchants can have one affiliate who might be accounted for more than half of the affiliate sales.

- Fraudulent affiliates - Since these affiliates use fraudulent methods and fake performance, you should detect and ban them from your program.

These ideas refer to the management of the existing affiliates, but part of the management will be accepting (or rejecting) new affiliates as well. Each affiliate goes through an application form to become a member of an affiliate program. Merchants are supposed to review each application and decide whether to accept the affiliate or not, based on some of these criteria:

- Existing blog (website) - Since you want the affiliate to promote your links through the website links, this is one of the first criteria you will consider.

- Average number of visits - Besides the existing blog, merchants can also choose to work only with affiliates who already have a considerable following on their blog (or website).

- Country - Depending on the type of products or services you offer, you can select country (or geographic area) as one of the requirements for the affiliates.

- Social media presence – This can also be a deciding factor when choosing affiliates. Some merchants prefer working with established influencers who have a significant number of social media followers.

- Affiliate's strategy - Your application can include the part where you ask affiliates about their strategy for affiliate link promotion. This section can tell you a lot about the affiliate in question. For example, if you see that the affiliate is going to use PPC search engine advertising, it will be clear to you that the affiliate has not read the terms of service where you do not accept affiliates that use this type of promotion.

Understanding all of these elements and how each of them affects the affiliate program is crucial for running a successful program. KPIs help you analyze the metrics and draw conclusions about the overall strategy and about the affiliates. Managing these data and taking actions based on them is going to help you improve the rates significantly.

Management of the affiliates and communication is another level that will be test for your affiliate marketing strategy (and affiliate manager) to handle the situations and analyze the role each affiliate can and is taking in the program. Not only does it help you assess their performance, but it also helps you predict the success of your strategy and determine steps necessary to improve it.

6

Affiliate Marketing Compensation Models

6. Affiliate Marketing Compensation Models

Compensation models or pricing models are present in several areas of online marketing, including affiliate marketing. What is typical for affiliate marketing is that its achievement is based on the performance, which means that desired action must be completed for the compensation to be issued. Only when the affiliate succeeds in converting the visitors, based on the agreed compensation model, will the commission be issued. Of course, there is always the risk of not being able to convert the visitors in which case the affiliate will not receive the commission.

Image: https://pixabay.com/en/keyboard-pay-click-order-business-2309108/

One of the main things a merchant and an affiliate will have to agree upon is the compensation model they will use. Merchants usually offer one compensation model for the program, but some of them might offer several. If there is a choice, an affiliate will choose the affiliate model that is most likely to be efficient and thus generate the highest profit. For merchants, the selection of a compensation model is determined by the type of conversions they want to achieve through the affiliate program.

It is helpful for both, merchants and affiliates to learn about different compensation models and what they entail.

Pay per sale (PPS)

This is the most commonly used compensation model. In fact, some studies state that over 80% affiliate programs online are using PPS compensation model.

An affiliate program using this payment compensation is focused on increasing sales through affiliate links. The process goes like this. The affiliate shares an affiliate link featuring a product or service. The affiliate links directly to the product page on the merchant's website, from which the product can be bought. The click on the buy button and the actual sale are recorded due to cookies even days after the original click on the link happens. Once the sale is complete, the affiliate receives the compensation, i.e. a percentage of the sale.

This is a form of revenue-sharing compensation model. Merchants have no additional costs, but instead, the revenue collected from the sale is shared with the affiliate. Moreover, this compensation model enjoys great popularity because there are no additional costs before the sale is complete.

Pay per action (PPA)

Even though this method is far less popular than the previous one, it still is ahead of all other compensation models in affiliate marketing. With pay per action method, the merchants issue a payment to the affiliates for every visitor who completed a desired action. This action can be to create an account, to sign up for a newsletter, to download an e-book, to fill out a form, etc. Basically, any action that a merchant see value in can be awarded when being promoted by the affiliate. The best way for affiliates to earn their commission is to send targeted traffic, i.e. online visitors who are most likely to perform the desired action.

This compensation model is also known as pay per lead, pay per acquisition or pay per conversion. All of these are desired actions, hence the name variations.

When using this compensation model, merchants are likely to have additional costs. Unlike with the previous method, when the revenue is earned and then shared, with PPA there is not a direct revenue for the merchant in that given moment. Still, the merchant issues a payment for each desired action being completed because they see a particular value in this action and they award the affiliates who achieve this kind of a conversion.

For example, if lead generation is the goal the merchant wants to achieve, he would pay a fixed commission to the affiliate who would generate leads. There could be no percentage of revenue, like with PPS, because the sale is not the goal in this case. The potential of using a lead later in email marketing is the motive for merchants to invest in this type of affiliate marketing even if there is no sale completed initially. Since there is no revenue at the moment of the conversion, the merchants will have to assign a budget for paying the commissions to the affiliates who participate in this kind of affiliate program.

Pay per action includes two distinctive types of compensation models that can occur with affiliate marketing. Those include:

Pay per call

Just like clicks are tracked, calls can also be tracked using technology that creates a connection. Some merchants have click-to-call service which allows users to quickly click on the button and get in touch with the merchant, regardless if it is through a representative, customer service, etc. This feature is particularly handy for mobile users, which is why it is growing in popularity as the number of mobile users rising each year.

Pay per install

Another way merchants can promote their business and increase exposure is by encouraging their app installs. In this case, the affiliate uses the affiliate link to refer the online users to install the app. The affiliate is paid per installation, as this is the desired action for the merchant.

Pay per click (PPC)

This compensation model is a payment model which is typical for search engine marketing (SEM), but it is a model that can also be used in affiliate marketing. The idea behind this model is to mark a click on the link as the desired action. Every time a user clicks on that link, the affiliate is contributed this action and commission is issued by the merchant.

With this type of compensation model, it is irrelevant how many times the link is displayed and what happens after the click (whether the user buys, signs up, downloads, etc.). It is all about generating clicks.

Like with pay per action, there is no direct revenue for the merchant with this model, which means that the merchants undertake the risk of converting the visitors once the click is generated.

Pay per mile (PPM)

Pay per mile, or pay per thousand impressions is not as popular in affiliate marketing, but some merchants do offer this option through affiliate networks. It is another payment model mostly associated with search engine marketing. This concept includes payment based on a thousand views.

Based on the concepts of each of these compensation models, it is evident that merchants see most benefits in the first model (pay per sale) because there is no investment or risk of losing the investment and failing to achieve conversion. It is the safest way for the merchants to pay only based on the performance they see, from the revenue they make. For affiliates, this might be a challenge, but if they have success at using their online influence and referring the right visitors, affiliates will increase their chance for successfully converting the visitors and getting the commission with each of these models.

Void affiliate transactions

Affiliates earn the percentage of the sale which means that their commission is issued at the moment of sale. However, there are situations when this transaction becomes void, and the affiliates cannot claim their profit. For example, if the sale is canceled or the product is returned, the affiliate will not be issued the commission if the pay per sale compensation model is being used.

This is why it is important to understand the concepts of valid and void transactions and how each of them affects the commission eligibility.

To make sure to regulate the transaction properly, a merchant has to clearly define what a valid transaction is and when the transaction can become valid. If the merchant offers 14-day free trial period or no-questions-asked return policy, the commission is usually held during this period. It means that the affiliate is attributed the commission at the moment of sale, but this commission cannot be claimed until this trial period is over. Only after the period is over can the merchant be sure that the sale is finalized and that the transaction is really valid as stipulated by the terms of service.

There are multiple situations when the transaction is void, in which case the affiliate is not eligible for the commission. Some of the reasons when the transaction becomes void include the following:

- Payment authorization failure (the payment cannot be processed due to the expired credit card or low balance)
- Canceled order
- Duplicate order
- Returned product
- Unclaimed shipping
- Fraudulent sale

- Self-referral (some merchants choose not to allows self-referrals, which is defined in the terms of service of the affiliate program)

- Non-qualified lead (for PPL compensation model)

It is also advisable to let the affiliate know about void transactions because they might not be aware of an issue and they might be expecting a payment.

Payments and transactions are a crucial part of affiliate marketing, which is why merchants are advisable to create the terms of service to regulate all of the circumstances that can occur when the transaction is being made. Not only does this give credibility to the affiliate program, but it makes program management and monitoring much easier. From affiliate's side, it is necessary to acknowledge the existence of such document and to explore the conditions it regulates before joining.

7

Affiliate Marketing Strategies for Merchants

7. Affiliate Marketing Strategies for Merchants

As a business endeavor, affiliate marketing requires a plan for its implementation and successful management, which is why you should explore strategies that are available for this type of marketing. These might slightly differ from your online marketing strategies, but you will also see a lot of correlations and common elements. The reason for this is the fact that affiliate marketing is still a type of online marketing. Consequently, the major assets in online marketing promotion are also used in affiliate marketing.

Website

Everything starts with your website. This is the place where you can attract potential affiliates and allow them to apply for your program. Later on, you expect these affiliates to attract visitors to your website. To make these happen, you need a website which:

- Represents your company (and products/services) well
- Is trustworthy and looks credible
- Works smoothly without loading errors, broken links, etc.

Although the performance of the whole website is important for running a successful online business when it comes to affiliate marketing two pages require special care.

Affiliate program page

The first one is the affiliate program page. This page represents your affiliate program, and it is supposed to encourage people to join. Try to provide enough information to convince them and also try to highlight the benefits of joining and advertising your company. Invite affiliates to participate with a featured CTA on the affiliate program page.

Landing page

The second page which is particularly important is the landing page. Sometimes, there can be several landing pages because you could advertise several different product pages. The goal of this page is to convert the visitors, so your affiliate marketing strategy should be focused on the optimization of this page. It is the first page the visitors will see once they click on the affiliate link, so it needs to follow the requirements listed above. It should represent your company, load fast and look trustworthy. These are all the qualities that will help you gain the attention of the visitors and increase your chances of converting them.

Having in mind that PPS is the most commonly used compensation model, the landing page in affiliate marketing is often equivalent to the product (or service) page or pricing page.

When it comes to PPL compensation model, the landing page should commonly feature a CTA on it. Since lead generation is the goal here, the merchants often use a form to offer something for the visitors in exchange for their email address. In this case, some of the CTAs the merchants could use include:

- Sign up now

- Register for the event

- Claim your coupon

- Download your ebook

- Get your free template

Since clicking on that CTA represents the merchant's goal, the button should be prominently placed and highlighted with the contrasting color. To leverage the power of this button in terms of mobile visits, the button should be near the top of the page, so mobile users will not have to scroll too much to find it.

Social media

Another strategy that can help with affiliate marketing is using social media. As a business owner, you already know the significance of social media marketing and how you can use it to boost the website performance. Starting from online presentation, to customer engagement, social media is probably an asset in your online marketing strategy to help with promoting your business online.

However, there are several ways social media can help you with affiliate marketing as well.
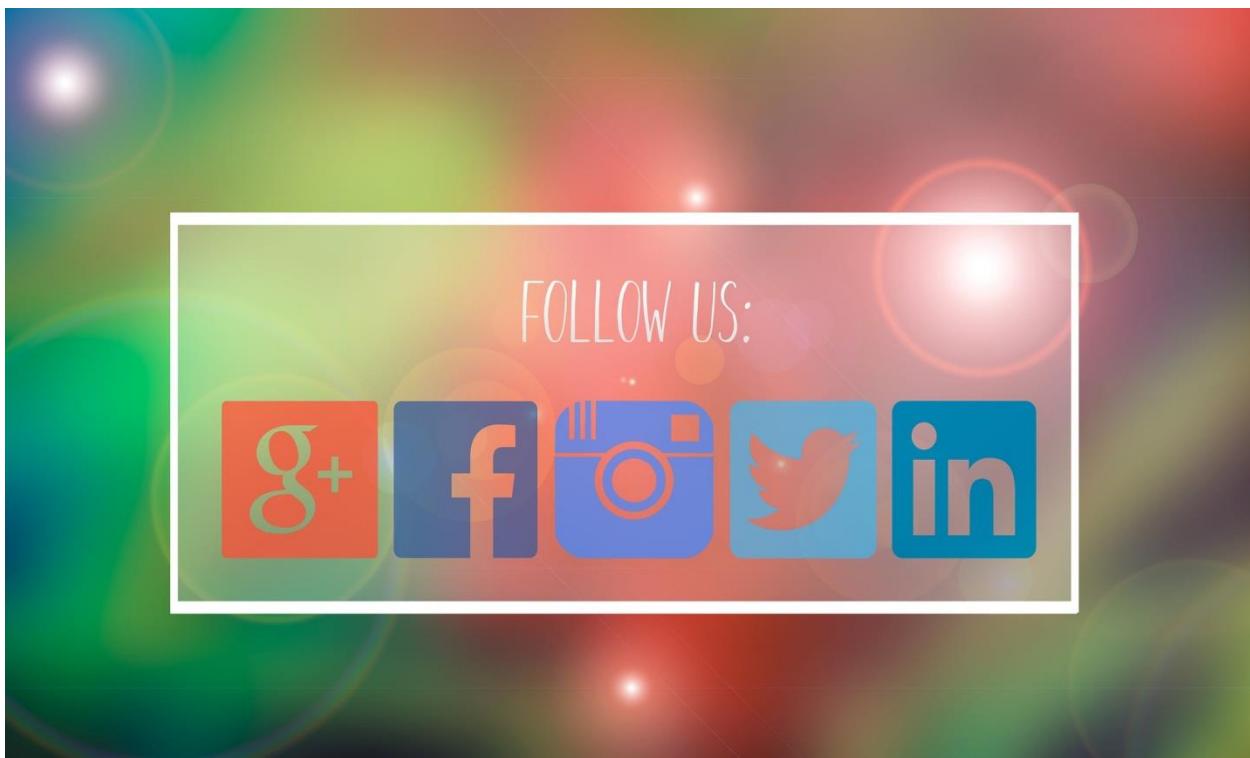
Scout for affiliates

If you want to directly get in touch with the affiliates and see if they are interested in joining the program, social networks are one way you can do so. This way you can assess their influence and what kind relationship they have with their audience.

Attach reviews

Social networks offer an opportunity to share user reviews and testimonials with prospective customers. Not only are these a part of your social media profiles, but they can also be featured on the landing page.

Gain trust

Having a presence on social media also helps with gaining trust among online users, as most of them will look up a brand on social media before purchase.

Newsletter subscribers

Another asset that can help with promoting your affiliate program is the mailing list. For this strategy to work, you will need to segment the list and choose only the subscribers who could potentially be affiliates. Recruiting affiliates from the newsletter list enables you to find

satisfied customers who are likely to share this experience with their followers alongside affiliate links.

Image: https://pixabay.com/en/news-headlines-newsletter-530220/

Email marketing shows excellent results when it comes to reaching online users, so this is a perfect media to use to get in touch with the potential affiliates. You will need an email message that explains the affiliate program with a link pointing to the page where the recipients can apply. You might want to offer exclusive perks to the subscribers who become affiliates as a way to encourage more of them to join.

Affiliate networks

As a place to connect affiliates and merchants, an affiliate network represents an incredible asset in boosting the performance of your program. Once you publish your affiliate program on the network, it instantly becomes visible to the affiliates. Some networks choose to feature new or popular programs, which can also help you reach more affiliates. This kind of strategy is quite effective because an affiliate network enables you to target the right people, i.e. those who want to join affiliate programs and earn their income through affiliate links.

The target group is there, and all you need to do is to make sure that your program is the one they join and not those of your competitors. This can be done through an engaging application page and by offering more competitive terms (better commission rates, longer cookie life, etc.).

Affiliate directories

Using affiliate directories is also one of the methods for recruiting affiliates. These directories specialize in the promotion of the affiliate programs available online. Even though directories are not the most popular media nowadays, there are still affiliates who use them to look up new programs, which is why this could be one option to explore when spreading the word about your affiliate program.

Affiliate program manager

Affiliate program manager is the person managing and monitoring the performance of the affiliate program. It could also be the person who designed the entire program. Ideally, you should have a manager handling everything related to the program because this way you get to have someone who is expert in the program and knows its features inside out. An affiliate program manager specializes in handling software and technology necessary for tracking and monitoring the program, as well as knowledge needed to assess the program performance and help with designing the affiliate marketing strategy.

At first, most business owners do this management themselves or a person from the existing team. However, if the program starts to expand and you start to accept more and more affiliates, you will soon notice that the number of tasks will require a full-time devotion from one person (or a team). It is at this point when you should explore the option of hiring (or training one of the employees to become) an affiliate manager.

Since the goal of the strategy is to improve your program and expand the influence of your brand, affiliate program manager is one of the necessary steps along this path.

Monitor and combine

The bottom line is that each of these strategies individually will help you boost the performance of your affiliate program. Your goal is to monitor the implementation of each of them and find ways to optimize them based on your business goals and ideas.

Image: https://unsplash.com/photos/nJX74kn1yn4
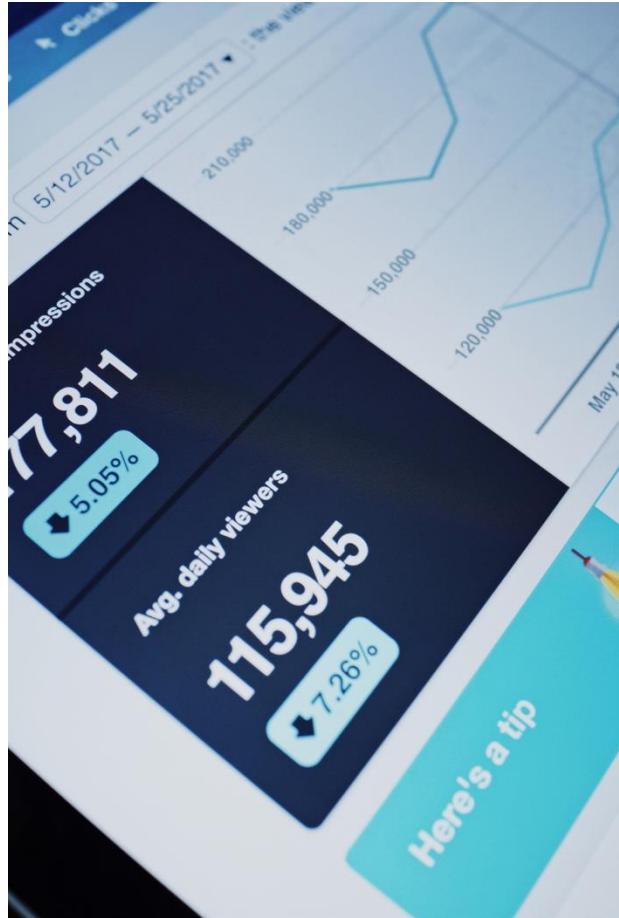
It is also recommended to combine using several of these strategies because you need to maximize the influence of your program through all of the channels that are available to you. Although a significant percentage of affiliates will seek you, the opportunity to promote your affiliate program is something you should not miss.

8

Affiliate Marketing Strategies for Affiliates

8. Affiliate Marketing Strategies for Affiliates

Affiliates have their own tactics when promoting the affiliate links. Even though they must follow the terms of service valid for the affiliate program, they still have a lot of freedom when choosing which strategies to use for affiliate link promotion. Most of them promote the affiliate links together with their content using all methods they usually do, such as social media or email marketing.

There are several types of strategies affiliates use when it comes to how affiliate links are integrated.

Product reviews

This is a widespread strategy used by the affiliates. If there is a product or service they want to promote, they write a blog post as a product review. This type of content performs well among the target group because it is full of helpful tips. More importantly, a product review written by someone they know and respect ranks very high for them. An opinion shared by a person they trust can worth much more than any advertising or promotional message.

In fact, a lot of the success is based on trust. Creating integrity and being transparent about links you promote is going to help with the relationship with your audience. False reviews, especially positive ones are specifically designed for profit through affiliate marketing, but they do not perform as well as honest reviews posted by influencers.

Strategy for sharing product reviews has a high conversion rate because the online users who visit these websites are ready to buy. They simply explore their options and want to know a little bit more about the product or its features. This is why this type of an article can increase the chance of achieving conversion through the affiliate links. The interest in the product is already there, and the post is supposed to encourage the visitor to click on the link and eventually buy.

Additionally, product reviews can rank very high in the search engines due to their title that uses keywords. For example, if you type "iPhone 8" in the search field in the search engine, you are likely to see the reviews just below the official Apple's website.

When affiliates create this kind of post, they use product name in the title, which helps them rank high for the related queries, thus boosting their SEO.

Product review is a strategy often used by affiliate websites that base their presence on product comparison and reviews. For this type of website, affiliates usually specialize in a single topic

and then feature reviews related to that topic, usually with comparison feature integrated for easier search of the website.

Within this strategy, the publisher should:

- Describe the product in details

- Mention the features of the product

- Highlight the benefits (or drawbacks)

- Add images

- Include the price (or any discounts if available)

- Share the experience of using the product

- Include comparison with similar products (optional)

- Mention other products of the same brand (optional)

Image: https://mominspiredlife.com/unofficial-guide-learning-lego/

Product mention

Rather than focusing the entire blog post on a single product, like with a product review, this strategy involves mentioning a product with an affiliate link added. This product is usually a part of a post on a topic that is somehow related to the product. For instance, you could write a cupcake recipe blog post and then mention cooking supplies needed for the recipe. This way, you simply mention the product without describing it much and going into details about product features, price, etc.

This post contains affiliate links.

Here's what you need to make your own button Easter egg:

- Buttons! I have a growing button collection I could have pulled from, but I wanted pastel-y rainbow, so I ended up buying some extra at Hobby Lobby. You can find some really great deals on buttons on Amazon, though – I love the idea of using printed buttons, like these ones.
- Mod Podge – I think you could get away with any craft glue, but ModPodge is easy to apply and dries clear.
- Wooden plaque – I used this one, although I found it quite a bit cheaper at the craft store.
- Easter egg template to trace and a pencil – You can freehand it if you've got the skills, but if not, just download the free template I've included in this post and cut it out to trace.

Here's how to make your button Easter Egg:

The common place for the product mention is a blog post, but the affiliate link can also be shared on social media. The main benefit of this strategy is the fact that there is no need to devote your time to writing a full-length product review.

Instead, you keep your blog about the topics you usually write about, but product mention becomes a strategy to monetize your blog and explore the option of earning through passive income.

As always, it is advisable only to feature the products you have used and can truly recommend. This helps you maintain your credibility and reputation among the online users.

Banners

Affiliate links can also be shared in a form of a banner. So instead of a text link, there will be an image link. Having this in mind, you can see how this strategy resembles display ads. At first glance, there is no difference. This is true for the display part because these look the same. However, the major distinction is this one. When the advertisement is a part of display ads, it means that there is an agreement between the website and the merchant to display this ad, usually for a particular compensation. In this case, the merchant would have to pay a fixed expense (most probably in advance) to have this banner placed on the third-party website.

The affiliate banner option involves no costs for the merchant. When the affiliate link is placed as an image banner on the website, the compensation model stays just the same, like with text links used in that affiliate program. The affiliate who is accepted to the program can use this method if he or she believes that it will improve the chances of reaching conversions and thus increase the profit for the affiliate.

The main benefit of this strategy is that the affiliate targets the website visitors on all the pages, so it maximizes the exposure the link is going to get. Unlike product reviews, where the affiliate link is a part of one page, the banner link can be displayed on multiple or even on all the pages of the website to increase its reach and therefore, its potential to convert the visitors.

Coupons

Coupons are a very popular type of online promotion as they directly target the potential buyers offering an extra motivation for purchase in the form of a discount that can be claimed through the coupon. For this strategy to be available for affiliates, they have to have an agreement with the merchants to allow a reduced price for the referred traffic.

It is not a solution often used in affiliate marketing mainly because it requires special terms and conditions in regarding price. In this case, the merchant would have to customize those for that specific collaboration. This strategy significantly reduces the merchant's profit because the merchant needs to lower the price (for the coupon) and then assign the commission for the affiliate. If a merchant has a lot of affiliates, it is less likely that this option of giving away coupons would be offered to the affiliates.

Affiliate marketing on YouTube

The massive expansion and popularity of video content reflected on affiliate marketing as well, introducing a new way for an affiliate link to reach the online users. Individuals creating content on YouTube, also known as YouTubers, are becoming influencers, each specializing in a certain

niche. They grow their following through this platform and enjoy great respect and trust among the viewers. These influencers are faced with the reality of being able to influence and persuade their audience, and soon they started to explore options to monetize this influence they enjoy on YouTube.

The first part of the process is the same like with traditional affiliate marketing model. The YouTubers join affiliate programs they are interested in promoting, choose the products and get links.

However, the way they present these affiliate products is different because of the content format they use. Instead of a traditional blogging review or mention, the YouTubers usually have a product to show in the video. This means that they either have to buy the product or the merchant has to send the product hoping to get this kind of promotion.

YouTubers then show the product, and they often show how it works. For example, if the affiliate product is a nail polish, the YouTuber could show how it looks when applied. If the product featured in such a video is a baby carrier, the YouTuber could show how to place the baby in the carrier, how to position baby safely, etc. They also love to share their opinion on how the product looks, how they feel, when/where they could use it, etc.

The idea is to bring the product closer to the audience and describe why the person has chosen those exact products to recommend. This resonates well with the audience, helping them to imagine themselves using the product and thus brings them closer to the purchase. Providing such personalized reviews and opinions, they enable their audience to identify with them and to begin to want the same things eventually. This is how affiliate marketing adapted to the new environment and started changing its focus. It is all about the users now, and the power of this approach lies in the fact that YouTubers are personalities people trust and can relate to, thus being able to influence their buying habits.

The YouTuber has to share the affiliate link in order for this sale to be credited accordingly. They use description box for this purpose. If several products are mentioned, apart from the link there will be the product name. YouTubers who want to disclose their affiliate relationship with the product can mark the affiliate links differently, most commonly using asterisk.

This strategy is based on the YouTuber's influence. The more popular the YouTuber is the more exposure these links will get through online views.

Autumn Homeware Haul | Zoella

1,321,496 views   👍 80K   👎 842   ➦ SHARE   ≡+   •••

Zoella ✓
Published on Sep 25, 2017

⤳ Autumn Homeware Haul
⤳ Previous Video: http://bit.ly/2wfP1HN
⤳ Vlogs: http://bit.ly/2smlRXB

⤳ Links below marked with a "*" are affiliate links - which means I receive a percentage of the revenue made from purchasing products through this link ⬅

Items/Brands Mentioned In The Video:
⤳ *Googly Eye Planter - Urban Outfitters - http://bit.ly/2wgVLoN
⤳ *Gold Stand Planter - Urban Outfitters - http://bit.ly/2wh1uL4
⤳ *Rose Gold Watering Can - Urban Outfitters - http://bit.ly/2flLX5T
⤳ *Googly Eye Mug - Urban Outfitters - http://bit.ly/2wgpvBX
⤳ *Leaf Glass Set - Urban Outfitters - http://bit.ly/2wghbSN
⤳ *Glitter Bauble lights - Urban Outfitters - http://bit.ly/2fkh5Te
⤳ *Pink Letter Board - Urban Outfitters - http://bit.ly/2wgcCrJ
⤳ *Peach Bedding - Urban Outfitters - http://bit.ly/2fkOQUK
⤳ *Fleece Bedding - Next - http://bit.ly/2fmH2Sa
⤳ *Brushed Cotton Stars Bedding - Next - http://bit.ly/2wgXzhz
⤳ *Faux Fur Throw - Next - http://bit.ly/2fm79cc
⤳ *Hello Door Mat - Next - http://bit.ly/2fl6lUL
⤳ Gold Pumpkin - Homesense
⤳ Polkadot Pumpkin - Homesense
⤳ Pumpkin String Lights - Homesense
⤳ Spell Light Box - Homesense

Image: https://www.youtube.com/watch?v=vp_Dbt3FPDs

Analyze performance

The performance of affiliate link promotion depends on the type of interaction you have with your audience, as well as on the influence you have in the online community. Also, it might be a matter of preference choosing one strategy and not the other.

It is crucial to monitor affiliate marketing efforts and to evaluate the performance of this type of online marketing. The most relevant statistics you need to keep an eye on are the following:

- The number of clicks

- The number of conversions

- The data about those who click (age group, gender, location, etc.)

- The products that get most clicks/conversions

Monitor the data above for each type of promotion to conclude if one (or several) of these show outstanding performance and are able to generate the highest number of conversions.

This evaluation can show if certain products perform better than the rest, and it can also show the type of promotion that gets most conversions. It can also be used to find out more about your audience and how each of these approaches is effective among those users. For example, some products might be particularly popular among users from a specific location. Or a product mention strategy might be converting better than a banner. All of this can greatly influence your planning and the road you will take with developing your affiliate marketing strategy even further.

9

Affiliate Networks

9. Affiliate Networks

Affiliate networks represent a premium place where merchants and affiliates can meet and discover ways to boost their profit through affiliate marketing. Therefore, it is very important to understand what affiliate networks are and how you can use them to improve your business, regardless if you are an affiliate or a merchant.

What is an affiliate network?

An affiliate network is an online platform which unites merchants and affiliates and allows them to meet and collaborate on projects. Merchants join the affiliate networks to gain exposure as their program becomes available on the network reaching all the affiliates who are also members of the network. It is a sort of a marketplace where they can expose their program, define commissions, include products, and other promotional materials, etc. They also have tools to monitor program performance and optimize it to increase its efficiency.

Affiliates are those who can join the network if they meet specific requirements defined by the network. Once they are accepted, they can see all the affiliate opportunities as they start browsing through the affiliate programs available on the network. Becoming a member for affiliates means that they get access to a platform offering them different programs to monetize their online presence. This is an incredible opportunity, especially for bloggers and influencers who do not have a product or service of their own that would sell. Instead, they focus on promoting others and earning through a shared commission.

How do they work?

In order to explore their features and how affiliate networks actually work, it is necessary to start with understanding how to join one. The process is different for affiliates and merchants.

Merchants

Merchants, also known as advertisers, should use the option which is usually called "Advertisers", "Merchants", "I'm an advertiser", etc. This option is usually available on the homepage of the affiliate network in the form of a button.

Image: http://www.cj.com/
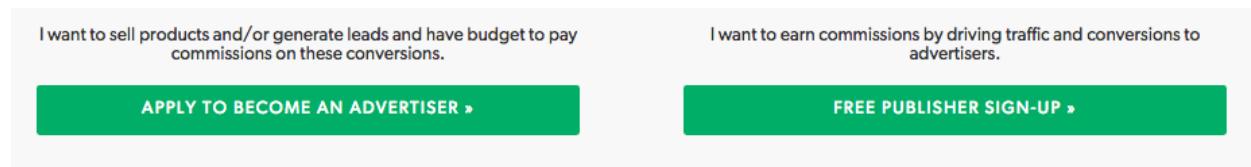
Each network has its own terms of service and requirements which need to be meet if you want to become a merchant. Those requirements usually include:

- Having your own website

- Phone number and an address

- Company name

- Company's revenue (usually for the last 12 months)

- Number of employees

Image: http://www.cj.com/company-information

The purpose of such a form is to learn more about your company and how serious you are about integrating affiliate marketing. Affiliate networks are basically online communities, and the owners are usually selective in terms of accepting new members because this directly reflects on credibility and trust of their network. The goal is to attract renowned brands as well as up-and-coming businesses that want to use this type of promotion to improve and expand their business.

It is also important to mention that affiliate networks require payment for the merchants. These payments are usually not publicly displayed, and they often depend on the potential of your program, i.e. the number of affiliates who would join the program. To learn about the detailed pricing, you usually have to fill in the form first or send an inquiry to the available email address. This can be a problem when planning your budget, so it is advisable to get the information about the pricing before starting out. The affiliate network pricing includes:

- Starting fee - The fee required when joining which can be from a couple of hundred to a couple of thousands of dollars, depending on the network.
- Monthly fee - The fixed expense you pay each month for being a part of the network.
- Transaction fee - Commission paid for each sale or lead generation.
- Additional listing (category, bold type font, etc.) - These are optional features that could help you boost the performance of the program.

When accumulated together, these fees could turn out to be quite an investment for merchants. Still, when you weigh in the benefits, you will understand the reasons for using affiliate networks to boost affiliate marketing efforts. These benefits include:

- Instant exposure of your program to the affiliates who are already part of the network
- Affiliates of high quality as each network has a selection process to filter the best affiliates
- Reliable interface provided by the network operated on their own server
- Support from the network owners and affiliate marketers
- Integration features to integrate other segments of online marketing
- Reporting features that help you analyze the performance of the campaigns

Affiliates

Affiliates, also known as publishers, use a separate section of the affiliate network to join, usually called "Affiliates" or "Publishers". Affiliate networks are free for affiliates. Still, there is a selection process for affiliates who are interested in joining. Again, the networks which want to provide outstanding service only choose to work with people who are really up to the game. They do not want spammers or those interested in earning extra income with no effort. You will start the process using the signup form available for the affiliates.

The requirements may include:

- Website URL

- Phone and an address

- Optimized website

- Engaging and quality content

Other details you will need to provide as an affiliate include:

- Payment information

- Website details

- Category classification

Some networks may hold payments if the monthly payment is below a certain amount specified as the minimum for payout. Some networks also require you to have valid contact details on your website. Some networks even charge a fee for the affiliates who do not generate any commission through a specified period of time. For these and other conditions that apply, it is advisable to go through the terms of service before you join.

Once accepted as an affiliate, you will get access to the network and the programs the network has available for you to join.

Joining an affiliate network can have multiple benefits for the affiliates:

- An opportunity to work with specific merchant who does not allow other affiliates except the members of the network

- Instant access to numerous programs available on the network

- An interface that tracks your progress and commissions

- Confidence that the affiliate programs have been carefully selected, reducing the amount of scams

- No fees and other costs for the affiliates

Top five affiliate networks to join

There are quite a few opportunities when it comes to joining affiliate networks, but several of them have been known as the most popular among affiliate marketers.

CJ Affiliate

CJ Affiliate is an affiliate network offering both merchants and affiliates an opportunity to increase their passive income through a performance-based advertising. The platform enables real-time transaction monitoring, product catalog, bulk uploads, deep linking, link scheduling, etc. Support is available for setting up an account and making the program available, which is very helpful for merchants who are just starting out with this type of online marketing.

Some of the features available on the network include:

- Advertiser toolbox - With affiliate customer insights, transaction monitoring, and API/Web services, merchants will find plenty of features to help them create and brand their programs, as well as to track their performance successfully.

- Lead generation - Another option for merchants is to use the network to generate quality leads through affiliate marketing.

- Pay per call and pay per performance - Both solutions are available as a way to reward publishers based on their actions.

- View-through tracking - The feature enables crediting the affiliates based on their influence and performance using advanced CJ technology.

- 3 service levels for merchants - These include network access (the lowest plan), recruiting and optimization, and full program management.

When it comes to network pricing, what is clearly stated is the access fee for merchants which is $3,000 and it represents a non-refundable fee. Deposit is also set at $3,000 and it is also non-refundable. This deposit is used later on for transaction fees and payments. Additionally, there is an annual fee which is $500. Transaction fees are calculated based on the number of sales and lead generation. These fee are calculated as 30% per transaction or $0.30 (whichever is greater). There is also a minimum $500 monthly payout, meaning that advertisers will pay the difference to the CJ company if they are not able to meet this requirement based on their monthly transactions.

Regarding affiliates, CJ affiliate network offers content and global solutions, lead generation and cross-device solutions, as well as CJ Performer program (CJP) to award high-performing affiliates. There are no setup or transaction fees for the affiliates. The network is dedicated to maintaining this environment for an outstanding growth with online marketing, which is why affiliates are required to plan their promotional activities using engaging content, to optimize their website, and commit to this effort. An account that does not generate any commissions for six months will be deactivated with a $10 non-refundable dormant account fee being charged.

ShareASale

Here is another very popular network on the market, with a great reputation among both merchants and affiliates. Due to its popularity and screening process that guarantees high-quality participants, ShareASale network offers an amazing set of opportunities to increase sales and boost the performance.

The list of features available for merchants includes:

- Real-time tracking - It helps monitor and track sales as they happen so you can follow performance of particular affiliates.

- Segmentation - This feature helps you organize affiliates into groups and tag them to deliver private coupons, custom newsletter, bonuses, etc.

- Welcome kit and program diagnosis - A checklist to help you build your program as well as professional assistance from their team.

- Clickstream attribution - This feature represents a technology based on in-depth tracking so you can get more information about your affiliates and their performance, in order to refine your approach.

One of the main benefits for affiliate is the fact that the network has more than 3,900 affiliate programs. Other things useful for affiliates to know include:

- On-time payments

- Payouts when the balance is $50 or more

- The pages where you promote links obtained from ShareASale need to be in English

- Two level of membership - Once you join you get a limited level membership, with PPL and PPS programs. After you receive the first payment, you become a full member with access to PPC programs as well.
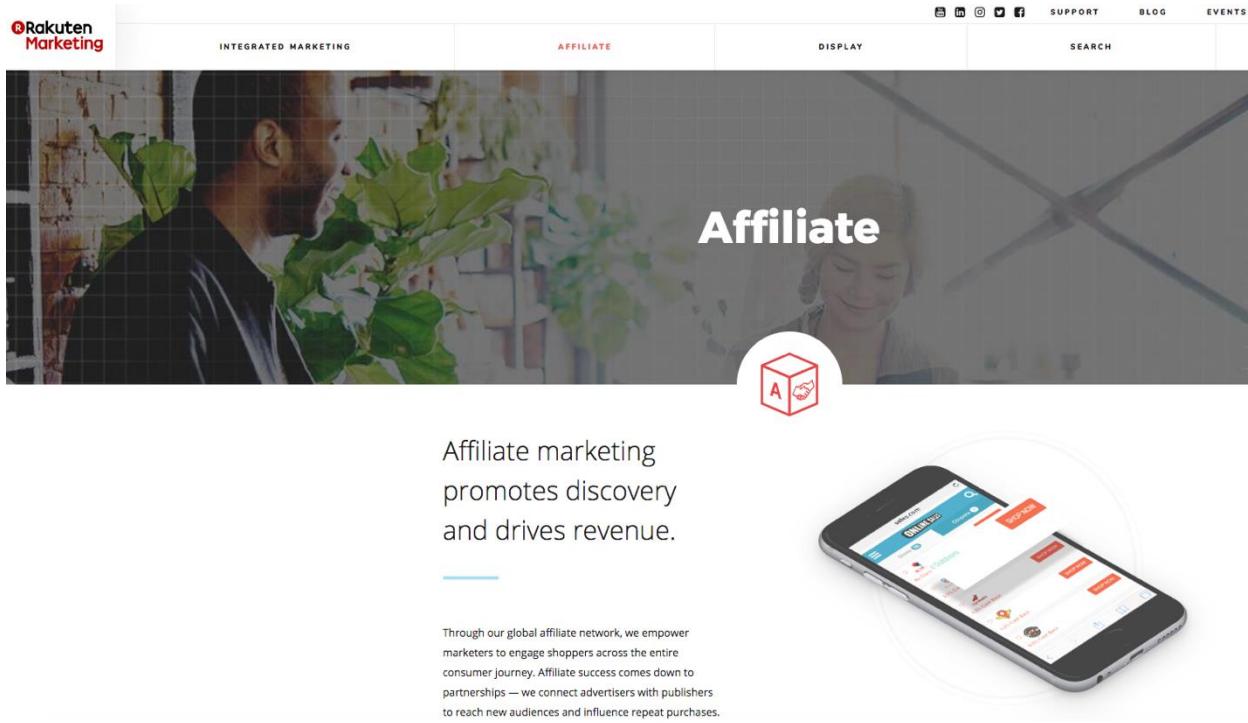
Affiliates are free to join the network, while merchants pay a fee. This fee includes one-time network access fee ($500) as well as minimum deposit amount ($100). Recurring fees include:

- Transaction fee - It is a fee charged for each transaction, and it is 20%.

- Minimum fee - If the account does not generate fees in the amount of $25 per month a monthly minimum fee will be charged. There is a grace period when the merchant first joins.

Thousands of affiliates, as well as a great reputation, make this network an exciting opportunity for the merchants looking to grow their business using affiliate marketing.

Rakuten (former LinkShare)

Rakuten Marketing is a company behind Rakuten affiliate network. The company is a leader in integrated marketing solutions providing a variety of services including online marketing, e-commerce, e-money, banking, etc. It has been voted as a top affiliate marketing network several years in a row.
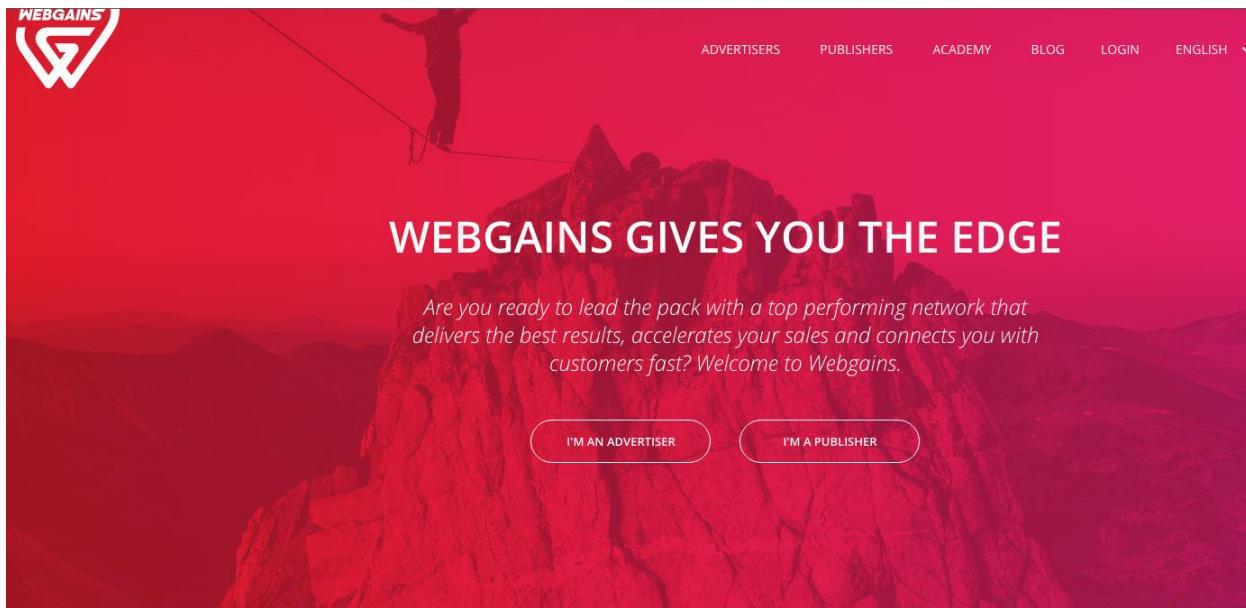
Some of the highlighted features are:

- High-quality membership - Screening process and monitoring ensure that quality affiliates and merchants join the network.

- Reputation - This is an established name in the world of affiliate marketing.

- Statistics and transaction reports - These features help with monitoring the activity of the affiliate program.

- Account managers - You will get professional tips on how to increase the marketing potential of your campaign.

- Reach - The network processes payments in 202 countries/regions in 25 currencies.

Being one of the industry leaders, the features Rakuten affiliate network provides are enough to handle large business campaigns and complex projects that require a powerful and professional tool. As a part of their integrated marketing approach, affiliate marketing shows a great potential to bring value to a business, which is why it is worth exploring what the company has to offer. Like with most affiliate networks, there is no pricing available. This means that you will have to contact them directly through a contact form available on the website.

Webgains

[Webgains](#) is a global affiliate network with more than 1800 brands and more than 250,000 publishers from 230 countries. The network unites big players such as Nike, Samsung, and Burberry, to start-ups and small-sized companies, all under one goal - bring value to your company through a quality affiliate program. Webgains also creates an environment called Academy where both affiliates and merchants can learn how to improve their strategies and optimize their efforts to get even better results with affiliate marketing.

The network provides numerous benefits including:

- Marketing insights - Accurate sales tracking and insights related to publishers' activities are necessary for successful management, which is why marketing insights will be quite a handy feature.

- Constant improvement - The company is continuously working on improving their technology and features to provide an even better performance of this affiliate marketing network.

- Global aspect - The international team behind the network, as well as participants from more than 230 countries, make this a truly global network.

- Instant exposure - When you join the network, your program immediately becomes available to more than 250 thousand publishers which is a very big reach to achieve so quickly.

In terms of publishers, the network offers:

- Extensive training - This helps you create quality content that will increase conversions.

- Selected merchants - Programs are carefully selected offering quite a diversity allowing most publishers to find interesting campaigns to join.

- Supportive team - Having support with your strategy, especially when starting out, can be very helpful with growing your business and developing the strategy towards success.

There is no pricing for the merchants available on the website. To talk about joining and pricing to one of the team members, you will either have to call them or schedule a phone call so that they can call you instead. Affiliates join for free, but the process requires a three-step sign-up which includes providing your details, payment details, and website details.

FlexOffers

FlexOffers is another affiliate network offering quite a selection of affiliate programs to join. In fact, they have over 12,000 affiliate programs which is a great potential for affiliates looking for new opportunities to grow their profit through performance-based marketing. The network also features high-end programs published by renowned brands such as Kmart, HP, Hallmark and Macy's.

Some of the highlights of FlexOffers affiliate network are these:

- Real-time campaign tracking - The features allow you to monitor the transactions in real time and get accurate insights. The reporting tool is also a part of the monitoring phase.

- Sales summary - The network gives you access to the data about the sales, including publisher ID, clicks, click-through rate, impressions, sales, conversion, etc. This enables a detailed analysis of sales and how the campaign can be improved to achieve better performance.

- FlexRev-$hare program - You can refer your own affiliates and track bonuses achieved this way. There is even an option to earn up to 50% of profit by recommending others to join the network.

- Expert affiliate managers that provide help along the way.

- Affordable solution - Entrance fee and transaction fee are lower than industry standards which make this network quite affordable for merchants, unlike other

affiliate networks. This is very important for merchants who are only starting out and exploring the benefits of affiliate marketing.

For affiliates, the network offers:

- Access to more than 12,000 affiliate programs
- Payouts based on NET 30 basis, as well as NET 7 basis for top performers
- Content delivery solution to easily get access to marketing content shared by the programs you have joined
- User-friendly support ticket platform and FAQ section

Merchants are required to pay one-time $500 fee when they join the network. $100 goes to deposit which is used to pay affiliates later on. You will also be paying a fee which is 5% of each sale (or lead, conversion, etc.). There is also $25 monthly minimum, which means that you will have to pay a minimum amount if the accumulated transactions during one month do not exceed the minimum of $25. Still, the company is considered a low-cost solution with rates that are much lower than industry standards. Affiliates can join the network for free.

There are many more networks available, but before joining any of them, always make sure you check the terms of service and requirements, regardless if you are a merchant or an affiliate. Even though the pricing is not always available in advance, and managing an affiliate program can become quite costly due to the transaction fees, it is usually the investment that pays off. The reach you get when you join the network is unlike any other form of advertising because your program is immediately available to the target group, i.e. affiliates who are interested in promoting all kinds of different programs.

10

Affiliate Software

10. Affiliate Software

Another segment of running an affiliate program you should consider when creating your strategy is affiliate software. Like an affiliate network, it can help with boosting the performance of the program, but there are substantial differences between the two and how each can contribute to achieving your marketing goals.

What is affiliate software?

Affiliate software is an interface. It is a technology that enables managing affiliates, tracking sale-related data and even paying commissions. This software has two panels. The first one is for merchants, enabling them to manage their program, set up commissions, add products, etc. Affiliates can also gain access to this software once they join a specific program. In this case, the software enables them to get trackable links, explore all the features of the program, and gain insights into how to maximize their effort to promote this program. A merchant gives access to the affiliate once that affiliate is accepted to join.

Merchants have two options when it comes to affiliate software.

Self-hosted software

With this type of affiliate software, the merchants purchase the affiliate software license and install the software on their own hosting. Merchants choose this option to gain full control over the software and its installation process. However, this solution requires knowledge and skills to fully integrate the software and start using it to track affiliate campaigns. This is why merchants who do not have the necessary technical skills for such integration need to hire assistance for this process, or can choose the second option.

There are no recurring monthly fees involved with this type of affiliate software. Instead, self-hosted affiliate software requires one-time payment after which the merchant gets the license to use this software. It is a fixed expense, allowing the merchants to completely plan their budget for affiliate marketing.

Hosted software

Hosted software is a solution for those who want to avoid setting up the software themselves. No technical skills are needed for this option because purchasing hosted software means that you get access to the tool which is available on the company's server. Once you log in, you immediately get access to the tool allowing you to start monitoring affiliate campaigns and inviting affiliates to join.

With a hosted solution, the payment is usually done once, like with self-hosted, but hosted software is more expensive than self-hosted one because it is hosted on the company's servers. The access to hosted software can also be priced monthly or annually.

Although affiliate software offers a lot of useful features and tracking tools, the one thing it misses in comparison to the affiliate networks is the reach. Unlike joining the affiliate network, where the program is instantly available to all of the affiliates who are also members, when hosting an affiliate program through affiliate software, the merchant will have to promote the program separately. There is no community of affiliates who will easily discover the program and who will be ready to join.

How do they work?

Once you decide that you want to use affiliate software, you will have to choose the company provider and look into the solutions they offer. Firstly, you should examine the features. There will probably be several payment plans available, depending on the number of features or type of a license used. Also, most affiliate software providers have "Demo" section.

Image: https://www.idevdirect.com/demo.php

This is an incredibly helpful option where you can see the actual platform and check out how this could be integrated into your affiliate marketing. Having made your decision, you are ready to buy the software.
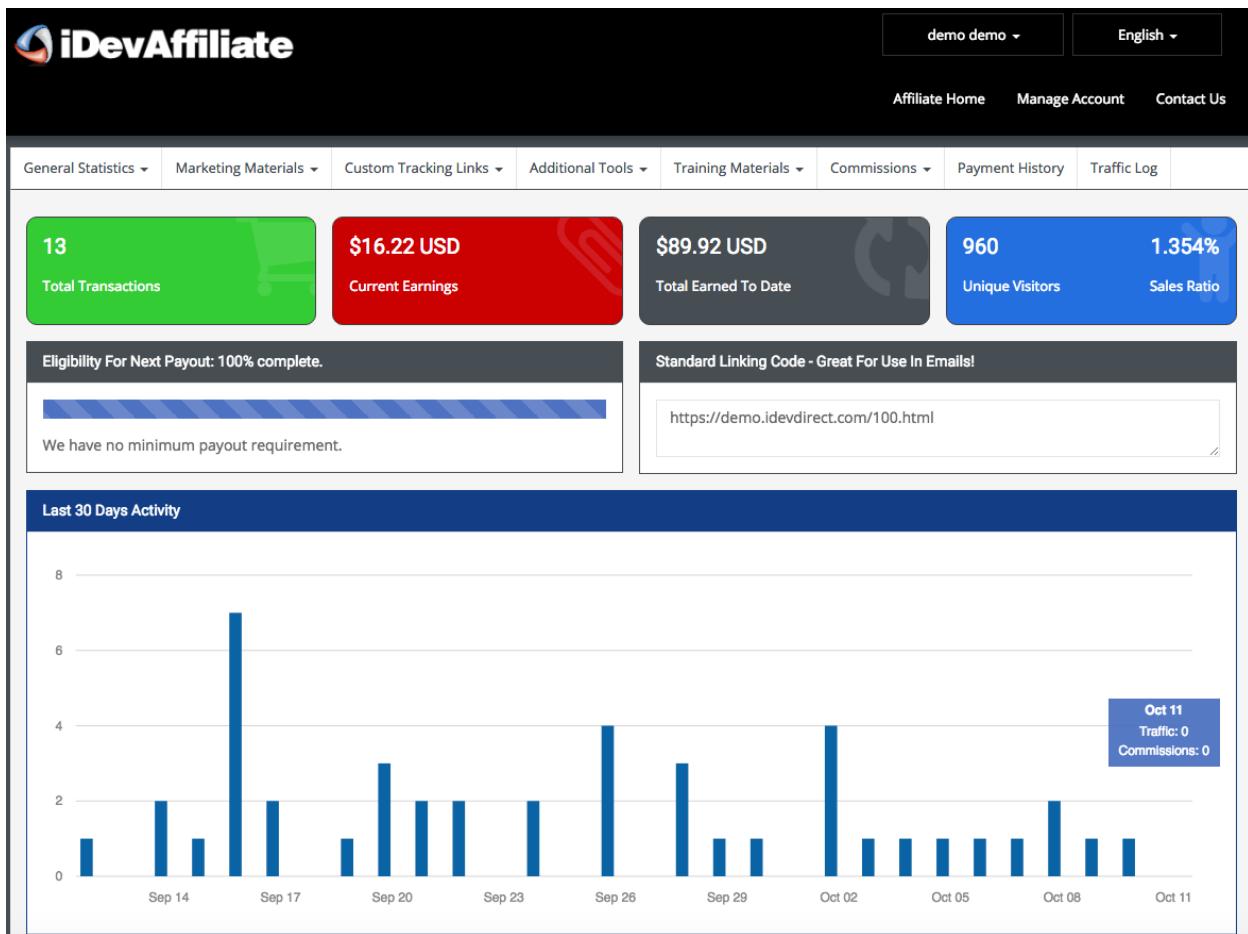
Admin panel

Admin panel, also called admin center, is the software from which you manage your affiliate program. It includes everything from settings menu, cart integration, templates, commission, etc. The panel also includes reports, traffic, affiliate data, marketing materials, etc. Essentially, everything about your program is featured here.

Affiliate panel

Affiliate panel is the public area of the affiliate program, also called affiliate dashboard. Affiliates join the program through this panel, enabling them to get marketing materials they need to start promoting your affiliate program. This panel also shows them the data about their performance, including transactions and earned commissions.

Using affiliate software is a practical way to organize affiliate marketing campaigns. The main benefits include:

- Predictable costs with no transaction fees, or any kinds of fees involved. All you pay is the price of the software, which can be one-time or recurring payment.
- Customization features enable you to organize campaigns based on your needs
- Campaign details and reporting tools that enable monitoring of the program performance
- Choice among several solutions based on your business needs
- Numerous integrations, including shopping carts, checkout, and payment gateways

Top five affiliate software to use

Affiliate software is designed with both merchants and affiliates in mind, and plenty of features are included for hosting and managing an affiliate program. From basic to more advanced

features, the companies provide services that vary in price. Here is the selection of some of the most popular affiliate software at this point.

iDevAffiliate

iDevAffiliate is a product of the company that has been on the market for over 15 years, with lots of high-end clients, integrations and support system that enables merchants to completely take advantage of affiliate marketing. The company offers both affiliate software solutions for merchants, including self-hosted software (with one-time payment) and hosted software (software is hosted on their own servers, and this plan is subscription-based, meaning there is a monthly payment).

Some of the features and benefits why this software enjoys a great reputation among merchants include the following:

- Flexibility with designing commission structure (percentage and flat-rate payouts, coupon codes, PPC, PPL or pay per action, affiliate recruiting, etc.

- Customization features to optimize HTML/CSS templates, language packs, logos, etc.

- Reporting tools with possibility to export reports

- Built-in security with fraud-prevention tools

- Marketing tools which include banners, page peels, lightboxes, templates, text ads, etc.
- Over 150 integrations including the e-commerce services such as Stripe, Shopify, BigCommerce, PayPal, Magento, etc. as well as mailing services such as MailChimp, GetResponse, and many others.

Online demos are available with a possibility to access and explore both admin center and affiliate dashboard. A hosted solution is called cloud and it is available from $39 per month with a $50 setup fee. There are three self-hosted, downloadable solutions, called standard, platinum and black, starting from $199 as a one-time payment. The difference between these self-hosted plans is the number of features available, as those more expensive plans come with more advanced features, which is why they are recommended for merchants who look for more advanced options in their affiliate program. All plans include unlimited affiliates, commissions, and traffic.

AllAffiliatePro

AllAffiliatePro is a company that shapes its solution based on the business size so that it can adapt to all different kinds of merchants starting from micro businesses that are only beginning to discover the potential of affiliate marketing to agencies and resellers that need a cost-effective solution to provide support to their clients.

Features are constantly being updated to keep up with the latest trends in marketing, and so far you can find:

- Multi-level marketing with possibility to track up to 12 tier in depth

- Multi-currency

- Individual items commission rates allowing you to assign different commissions for every item in the store

- Individual affiliate commission rates

- Scaled commissions

- Commission delay

- Bonus system to award super affiliates

- Offline affiliate tracking

- Lead, order, and sales tracking

- Deep page linking

- Extra link popularity options

- Management area to fully customize your affiliate program and all its aspects

When buying this software, you can choose between hosted and self-hosted solution. The self-hosted solution requires your own server for installation, but it does not include any additional monthly fees except for the one-time payment. This payment starts with the Budget plan for Micro and Home Business which is available from $537. More advanced solutions come with more features but can get quite pricey. On the other hand, if you prefer hosted solution where the program will be hosted on AllAffiliatePro servers, you will pay a monthly fee which is based on cost per click method. For example, from 0 to 1,000 clicks, the solution is free. Anywhere from 1,001 to 10,000 clicks, you will pay 0.5 cents per click. When using this system, it might be more difficult to predict the monthly costs at first. All plans come with the unlimited number of affiliates. There is a free online demo. You will need to fill in the online form before you gain access to the demo.

Post Affiliate Pro

Here is one of the highly praised affiliate programs on the market hosting over 30,000 affiliate programs. Post Affiliate Pro software is easy to set up with no technical skills required. It supports numerous integrations allowing you to take advantage of affiliate marketing and fully explore the benefits it can bring to your business as a performance-based form of marketing.

There is no demo, but the company offers a 14-day free trial which is a great opportunity to explore the features in-depth and see if this is a software solution that could help you improve your business. The main features can be divided into several groups:

- Tracking methods which include tracking features, fraud protection, codes, private campaigns, etc.

- Commission section which offers several types of commissions including action, recurring, lifetime, split, performance, multi-tier commissions and commission groups

- Promotion material section where banners and other creatives are uploaded and provided to the affiliates

- User interface with customization features

- Reporting tools with detailed campaign tracking, top URLs reports, top affiliates, trends report, etc.

- Over 170 CMS and payment gateways

- 5-star customer service team

Cloud pricing and plans provide hosted affiliate software with three solutions to choose from, starting at $97 per month. Self-hosted service offers three downloadable software solutions, starting at $470 as a one-time fee. All self-hosted services include full-featured affiliate system, unlimited affiliate, professional features, and free installation.

JROX

Advertised as an affordable affiliate marketing solution, JROX has been installed by over 10,000 websites so far.

The company enables free admin demo, allowing you to check out merchant's interface where you will be managing the program, as well as the affiliate member demo, which represents what the affiliates will see when they log in to the account. This helps you explore the features including the following:

- Easy management with unlimited affiliates, tier, and affiliate groups

- Unlimited affiliate offers with opportunity to customize commission rates and logo per program

- Affiliate tracking tools supporting tracking using cookies, sessions, and IP

- Affiliate marketing tools such as social sharing links, ads, etc.

- Multiple payment options, including PayPal, Mass Payment, Checks, Dwolla, Bitcoin, etc.

- Support for multiple currencies

- Security and fraud prevention

- Reporting features to track clicks, commissions, and sales

- Affiliate site design and layout offering mobile-optimization theme, as well as full access to HTML templates and CSS files allowing customization options

- Data management, customizable languages, mailings lists and newsletters

- Integration and automation API

When it comes to pricing, JROX offers two plans for the self-hosted version. Even though the first one is installed on your website, it is a leased version with $17 monthly costs. It is a budget-friendly solution. The self-hosted software with one-time payment is priced at $179. The cloud-hosted affiliate program without installation to your server is available at $27 per month.

LinkTrust

The company that provides an easy marketing solution has been on the market for 15 years now. They provide numerous program management and tracking features to run an affiliate program successfully. LinkTrust software is totally integrated so that you can keep everything organized. Some of the integrations include WordPress, Google services, MailChimp, GetResponse, Campaign Monitor, social networks, PayPal, Shopify, etc. The company offers a 14-day free trial period, or you could ask to access a demo version.

Run a Successful Affiliate Program & Manage Your Leads

Track & manage your affiliates, referrals, leads, ads, calls and sales.

Some of the features provided by LinkTrust software are:

- Management tools including affiliate management, campaign management, and lead management

- Lead distribution and customizable lead validation

- Customizable look

- Fraud detection and prevention features

- Mobile tracking, geo-targeting and step/event tracking

- Easy integration with shopping cart to monitor sales in real time

- Call tracking and analytics

- Multiple revenue models

- User-friendly platform with drag and drop functionalities requiring no need for technical know-how

LinkTrust offers only cloud-based solutions which are available as three recurring payment plans with the most basic being Starter plan available at $199. This plan is limited to 10 campaigns/offers and 10 affiliates. For more opportunities, you will need to choose more advanced (and more expensive) plans. Advanced plans come with a couple of free add-ons, but the company also offers add-ons to be purchased separately. Add-ons are necessary to gain access to full features of the software, but each of them comes with an additional monthly cost. All of this can make the software a bit expensive and more suitable for larger companies and

experienced merchants, while beginners in affiliate marketing might want to look for a more budget-friendly option.

As you explore the potential of affiliate marketing, you will come across many more affiliate software solutions. What is important to remember is that these programs offer quite a lot of tools for managing and tracking affiliate campaigns, which is extremely handy, especially when you have lots of campaigns and lots of affiliates. Integrations allow you to centralize your work and make things much more organized and more efficient. Unlike affiliate network, affiliate software usually represents a predictable monthly or one-time expense so that you can plan this as a part of your strategy. However, the main drawback is the fact that these programs come with no exposure. This means that you will have the tool, but you will also need to invest into a promotion of this program. You do not gain access to a network of affiliates like when signing up for an affiliate network.

When you start exploring affiliate software options, make sure that the program is adapted to your needs. So if you are a small business, just starting out, try to check out more straightforward solutions which offer an opportunity to upgrade as your business grows. You should also compare the pricing options and finally, you will have to choose between hosted and self-hosted version of the software. This decision should be based on your business needs and potential, as well as on how skillful you are with installing and configuring add-on software on your server.

11

Popular Affiliate Programs

11. Popular Affiliate Programs

There are so many affiliate programs on the internet, some of which specialize in one particular product or brand, while other programs include a great variety of products. It is the second group that enjoys enormous popularity among affiliates because they offer plenty of opportunities to integrate them into the content the affiliates are producing.

Amazon affiliate program

As the largest online retailer, Amazon offers Amazon Associates affiliate program that is suitable for many affiliates. The product range is so extensive that almost any affiliate could find the products worth advertising. The company offers fixed standard program fees rates based on specific product category.

Some of the categories such as Luxury Beauty, Digital Video Games, etc. have the highest rate of 10%, while the rates go as low as 1% for Video Games and Video Games Consoles category.
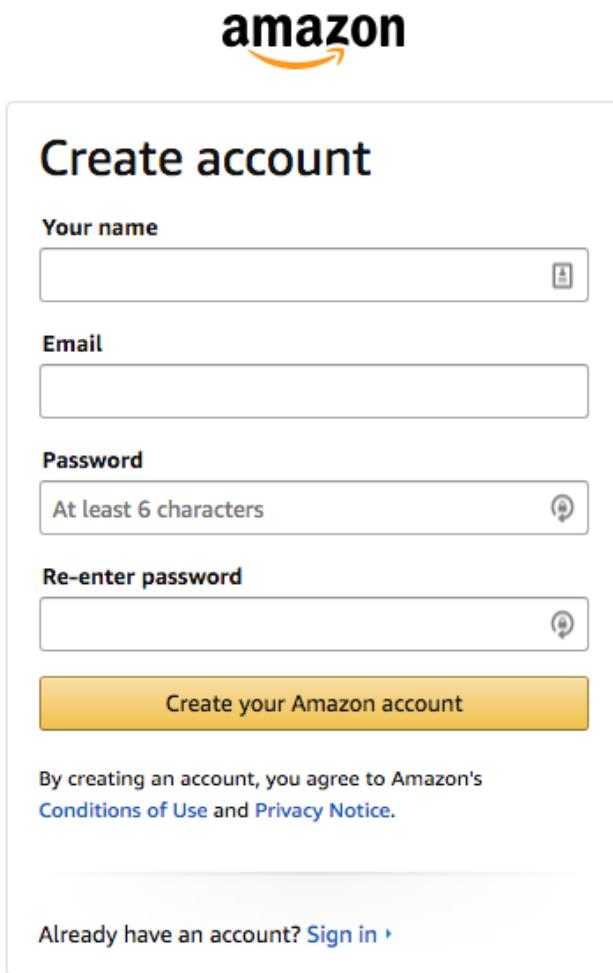
All of the program's rates based on each category are available in their [Associate Program Fee Statement](#).

TABLE 1 – Fixed Standard Program Fee Rates for Specific Product Categories

Product Category	Fixed Standard Program Fee Rates
Amazon Gift Cards, Wine	0.00%
Video Games & Video Game Consoles	1.00%
Televisions	2.00%
PC, PC Components, DVD & Blu-Ray	2.50%
Toys	3.00%
Physical Books, Health & Personal Care, Sports, Kitchen, Automotive, Baby Products	4.50%
Digital Music, Grocery, Physical Music, Handmade, Digital Videos	5.00%
Outdoors, Tools	5.50%
Headphones, Beauty, Musical Instruments, Business & Industrial Supplies	6.00%
Apparel, Amazon Element Smart TV (with Fire TV), Amazon Fire TV Devices, Jewelry, Luggage, Shoes, Handbags & Accessories, Watches	7.00%
Amazon Echo Devices, Amazon Fire Tablet Devices, Dash Buttons, Amazon Kindle Devices, Furniture, Home, Home Improvement, Lawn & Garden, Pets Products, Pantry	8.00%
Amazon Fashion Women, Men & Kids Private Label, Digital Video Games, Luxury Beauty, Amazon Coins	10.00%
All Other Categories	4.00%

Image: https://affiliate-program.amazon.com/help/operating/policies#Associates Program Fee Statement

It is free to join with your existing Amazon account. If you do not have one, you will have to create it before you can join the program.

Once you are approved, you will get access to the dashboard providing you with the tools to create links and banners. You should use the search option inside the account and then click to get affiliate link generated for you. The link can be customized as a text link, an image link, or a text and image link. When linking to Amazon product categories, you can use promotional banners.
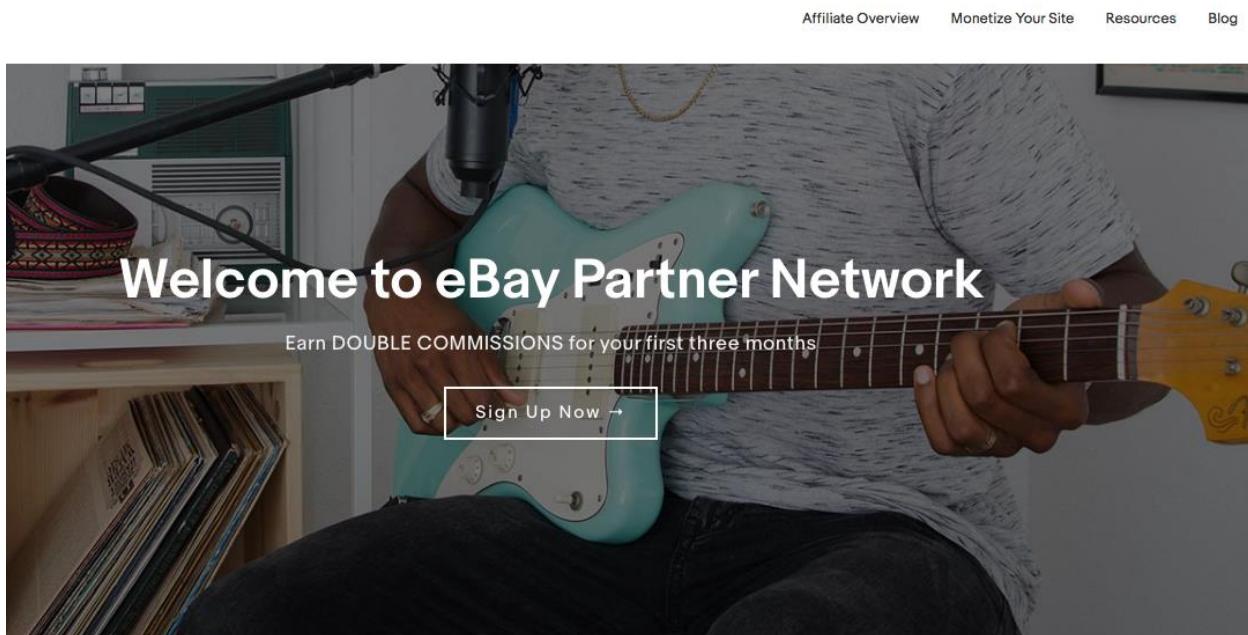
Benefits of using Amazon affiliate program:

- Great selection of products

- The website is very popular among online buyers and people trust it

- It is free and easy to join

- There are no third-party advertiser approvals because the website has its own platform

- Earning reports to help you monitor the conversions

- Tools for building custom links and promotional banners

- Resource center and technical documentation

- 24-hour cookie life (extended to 90 days if the user places the item into cart)

- Commission rates between 1% and 10%

eBay affiliate program

eBay is another one of the influential online retailers offering its [eBay Partner Network](), an in-house affiliate program. Joining this network helps you gain access to a large variety of affiliate programs and products.

Commission rates range between 50% and 70% based on the category, and the payments are processed monthly.

PROGRAM REVENUE SHARE BY CATEGORY (EFFECTIVE MARCH 1, 2017)

PARTS & ACCESSORIES	70%
FASHION	70%
HOME & GARDEN	60%
LIFESTYLE	60%
COLLECTIBLES	50%
ELECTRONICS	50%
BUSINESS & INDUSTRIAL	50%
MEDIA	50%
VEHICLES	50%
ALL OTHER	50%
NEW OR REACTIVATED BUYER BONUS (as % of Baseline Earnings)	+100%

Image: https://partnernetwork.ebay.com/legal#program-details

You will have to apply to join the program. After you are accepted, you will gain access to the eBay Publisher Portal where you will have access to banners, buttons, text links, and other tools necessary for you to start promoting the products you find on eBay. The main features of this affiliate program are:

- Access to basic and advanced tools to help you manage your work

- User-friendly program which is continuously improved

- A broad reach as this is one of the largest online retailers

- Product diversity

- Dedicated support

- No restriction when it comes to participating in this program alongside other affiliate programs

- Commission rates between 50% and 70%

- 100% referral bonus for new or reactivated buyers (who have not purchased from eBay in the last 12 months)

- Minimum payment needed for a monthly payout is $10

- Cookie life is 24 for "Buy It Now" items, and 10 days for "Auction" item

Target affiliate program

Although the company is primarily known as an offline retailer, Target does offer a large selection of products online through their online store. The products are divided into numerous categories including clothing, accessories, home decor and furniture, movies, music and books, food and beverage, beauty, pets, etc. Their affiliate program, called Target Affiliates, offers an opportunity to earn by advertising those products. The commissions are divided based on categories and, for most categories, the rates grow as the number of monthly net orders grows. The overall commission rate is up to 8%.

The program accepts both individuals and companies. It is necessary to fill in the application consisting of five steps to apply for the affiliate program.

Benefits of using this program:

- Brand trust

- Over 1 million products in different categories

- Tools for tracking, reporting, and payments

- Weekly newsletter with updates on promotions, contests, and other sales opportunities

- An affiliate program manager to help with additional questions

- Up to 8% commission

- 7-day cookie life

Jet

Jet is another online retail company that sells a variety of products from groceries and household supplies to office products, fashion, and appliances. What this means is that it offers quite a selection of products to promote through an affiliate campaign. Many affiliates will find some types of products they could feature on their blog, regardless of the niche they work in.

The company offers its Jet Affiliates program through Rakuten Affiliate Network. This means that you will first have to sign up for the new account on this network, if you already do not have one, and then apply for the program.

The major highlights of the program include:

- Commission on all product without any restrictions (the exact commission percentage is not stated)

- High-paying incentives for certain actions such as referring a new customer to shop within groceries section

- Promotions and deals sent in a newsletter

- Banners, links, and other creatives available when you join

- 7-day cookie life

- Support from a dedicated affiliate marketing team

Other affiliate programs to explore

Although these marketplaces offer quite a selection of product, thus being an interesting option for most affiliates, there are many interesting places where you can find new affiliate programs to join. For starters, explore the affiliate networks.

As an affiliate (or publisher), you get to join the affiliate networks for free. This gives you the access to explore the affiliate programs available online. You should look based on different categories and choose those that are related to your niche.

Another way to find an affiliate program is to look up the brand or company you are interested in promoting using a search engine. Add the keyword "affiliate" or "affiliate program" to get precise results.

Here are several ideas when it comes to other affiliate programs to join:

- Etsy - This e-commerce website specialized in handmade and vintage items offers an affiliate program with 30-day cookie life and commission rates determined on a case to case basis.

- Craftsy - This program is perfect for those specializing in crafts and projects that involve knitting, crochet, art, etc. The cookie life varies from 5 to 30 days, as well as commissions (from 4% to 75%) depending on the type of transaction.

- Scrapbook.com - A paper/crafting store and community offers an affiliate program with 30-day cookie life, up to 20% commissions and over 50,000 unique products to advertise through this program.

- diy.com - The company offers 1% commission and a large selection of products to promote in this niche.

- Volusion - E-commerce website platform offers two ways to earn as an affiliate. You can either apply for a reseller discount (up to 35% on monthly hosting plans) or a referral commission (200% one-time commission payment on monthly hosting plans).

- Bitbond - This global lending platform offers a program that allows earning bitcoins through affiliate links with 3-month cookie life and commissions that can be 20% (borrower commission) and 30% (lender commission).

- NET-A-PORTER - The website offers high-end designer labels and fashion items which you can promote through an affiliate program that includes up to 6% commission and 30-day cookie life.

- Shopify - Shopify is an e-commerce platform offering their Shopify Affiliate Program with high commissions offering 200% bounty for every new Shopify merchant with standard plans (up to $598) and 100% bounty for an enterprise plan ($2000).

- Udemy - The platform offers an opportunity to promote online courses on various topics with very competitive commission rates and a program that provides banner, links, promotional tools, and assets to help you with online promotion.

- Booking.com - As a leading accommodation provider, Booking.com offers an affiliate program with an extensive amount of accommodations to promote.

- Jane - Jane is an online store specialized in clothing, jewelry, maternity, beauty, etc. This means that there is a large selection of products to advertise through their program that offers 11% payout rate (10% for existing customers).

- Creative Market - The website offers design assets including graphics, fonts, themes, graphics, etc. Their affiliate program offers 10% on every purchase of a new customer for a year.

- Ashford - The website specializes in the sale of luxury watches and they offer 6% commission (their average order size is $650). The cookie life is 45 days.

12

Affiliate Marketing Tools to Use

12. Affiliate Marketing Tools to Use

Affiliates, or publishers, will be using a variety of online marketing techniques when promoting the affiliate links, which means some tools will come pretty handy during the process. Affiliate software is essential for merchants, allowing them to organize and monitor the affiliate program. On the other hand, affiliates will need a lot of organizational and promotion tools. Affiliates should start with the essentials, which include tools to optimize and monitor the website, tools for content distribution through social media and email marketing.

https://pixabay.com/en/apple-imac-ipad-workplace-606761/

Essentials

Essentials include a website, social media and content tools that are crucial for setting up the site and managing the online presence.

Apart from hosting and domain name to host your website, you will need a couple of tools to monitor the performance of the website and to optimize it. Since potential conversions are conditioned by the performance of your website, one of the top priorities when starting out with affiliate marketing is improving your website.

Google Search Console - Previously known as Google Webmaster Tools, this tool is free for webmasters. Once it is connected to the website, it tracks indexing status, visibility, errors, keywords, etc. In general, it helps you monitor your presence in the Google search engine. The Mobile-Friendly test (checking if your website is mobile-friendly) and the Structured Data Testing Tool (showing how your pages look like in SERP) are two features you should also explore within the Search Console.

Google Analytics - For a more insightful analysis of the website traffic, you will also need to integrate Google Analytics to your website. It is helpful for tracking specific links and how they perform on different media.

QuickSprout Website Analyzer- This tool helps you analyze how well your website is optimized. Additionally, it enables you to follow the tips to edit each segment and recheck if those changes improve website optimization.

Fruition - The free version of this tool provides the Google Penalty Checker, which can be quite useful. Affiliates often notice a drop in ranking when a search engine update is introduced, so it is helpful to know what causes the penalty. The paid version includes site analyzer and other analytics data.

Research

When you start looking for new ideas to improve your current strategy, a considerable part of the process will consist of research. Hence, the research tools you could explore.

Google Keyword Tool - A major part of developing an online marketing strategy is based on keywords. They are used for website optimization, content creation, paid campaigns, etc. To gain access to this tool, you will need to login to your Google AdWords account.

Moz Keyword Explorer - Here is another tool that helps you explore keywords, showing you search volume, difficulty, etc. The free version of the tool is limited to 20 queries per month.

Majestic SEO - Offering site explorer, search explorer, backlink history feature and many more, this tool is a great option when you want to find out more about your website, or even about your competitors. A free webmaster account shows a glimpse of the data you can obtain through paid plans.

Moz Open Site Explorer - This is one of the most recommended tools to research a backlink profile of a website, as well as to discover opportunities in terms of link building. It is possible to gain some insights for free but to access a full scope of data, you will need MozPro account.

KeywordSpy - Interested in learning what keywords your competitors are using? Affiliate marketing can be quite a competitive industry, so it would not hurt if you could check out your competitors. From a free lifetime account to the most advanced agency and enterprise plan, this platform includes a variety of tools and data to help you improve your online performance. Some of the features include pay per click intelligence data, organic intelligence data, affiliate intelligence, export options, alerts, etc.

Content

Content is the core of affiliate marketing as it enables a foundation for affiliate link promotion. Optimization of content and maximizing its performance are some of the top tasks you will need to focus on. The following tools can help:

Portent's Content Idea Generator - If you are all out of ideas, here is a tool for you. Type the subject and reload until you get some ideas you like. Just be careful, you might end up with some crazy suggestions such as "The Hunger Games Guide to Sunglasses", "Will Sunglasses Ever Rule the World?", but keep reloading until you find sensible ideas.

CoSchedule Headline Analyzer - Once you have the title, use this analyzer to improve the viral potential of that title. You will have to signup using an email address to see the title score and how you can optimize it to drive more clicks.

Content Idea Generator - You will need to register for a free account and to answer some question about your website (and products you want to promote), and the tool will generate hundreds of content ideas that can be used for blog posts, social media updates, e-books, podcasts, etc.

Buzzsumo - The tool shows you which content is being shared, and this is useful for discovering new content ideas. It also shows who shares the content so that you can find influencers for an outreach campaign.

SharedCount - Use this tool to find out the number of shares a URL gets. It is handy for analyzing your content, but it is also great for spying competitors.

Free images - Visual content increases the performance of content, which is why it is helpful to include images as a part of your content marketing. There are numerous websites online to find free images, including Pixabay, Pexel, and Unsplash.

Links and tracking

This section is all about tools that help you with creating links and tracking their performance. Having in mind that you will be promoting affiliate links it is essential to track the performance of content that features affiliate links. You will learn more about content that performs well, about channels that are promoting the link the most, etc.

Bit.ly - It is one of the most popular URL shortening services online. Basic analytics reporting is included for each link you track through this tool.

TinyURL - This tool is an alternative for link shortening.

Google Campaign URL Builder - By adding campaign parameters with the URL to track, you can get pretty detailed reporting on how the URL is performing, as well as which parameters affect its performance (for example, social media shares, an email link, etc.).

ClickMeter - This tool creates custom tracking links for you providing a very detailed data about the link you are tracking. It comes with several reporting options enabling you to focus on a particular aspect, such as clickstream, conversion, comparison, etc. It is a paid tool.

Capsulink - Basic statistics and URL shortening are available for free with Capsulink. More advanced paid plans include extra features such as editable URL shortening, broken link notification, advanced statistics, etc.

Linktrack - Enabling simple and easy link monitoring, Linktrack is an alternative you could consider when monitoring link performance. The free account comes with unlimited links monitoring, real-time tracking and charts, while paid accounts include additional data such as conversion tracking, email click alerts, IP geo-location, etc. as well as downloadable reports.

Email marketing

One of the distribution channels you will most likely end up using as an affiliate marketer is an email. With the help of the right tools, you can fully optimize and monitor your campaigns to ensure the highest conversion rate.

HubSpot Marketing Free - Capture leads with customizable popups and analyze users' on-site behavior to increase conversions. This tools provides a lot of information about your leads allowing you to optimize email campaigns based on these analytics.

MailChimp - As one of the most famous tools for email marketing, MailChimp assists with creating, customizing, and monitoring email marketing campaigns, accompanied by marketing

automation features. The tool is free for 2,000 subscribers or less, and it is limited to 12,000 emails per month.

GetResponse - This is a platform that joins together email marketing, landing page creation, and marketing automation. Everything you need to run a successful email marketing campaign is found within this tool. It is a paid platform.

Hello Bar - If you want to increase the number of emails you collect through your website, try using Hello Bar tool. Besides lead generation, the tool can also show announcements, so you can promote an individual product here as well. It is quite straightforward and easy to use.

Social media

Social networks are another channel you will probably use for promotion. Even if you do not promote affiliate links directly through social media, you will still share content that contains affiliate links. You will need to get acquainted with social media strategies you can use. Some of these tools could be helpful along the way:

Buffer - Use this tool to schedule posts, track performance, and manage all your social media accounts from a single platform. The individual plan allows one social profile and up to 10 scheduled posts, and it is free, while paid plans enable you to unlock more features and add more social accounts to manage.

SproutSocial - If you are looking for an alternative when it comes to social media management and automation, here is another tool you could consider. It is a paid tool offering some amazing advanced features such as various types of reports, advanced keyword listening, and custom URL tracking.

Social Mentions - Searching specific keywords with this tool provides insights into top keywords associated with the subject, as well as other helpful data such as top users, reach, etc. It basically allows you to find out what is trending, which is helpful if you are looking for content ideas.

Woobox - This tool enables creation of marketing campaigns such as contests, giveaways, etc. The campaigns can be hosted on a website, blogs, social media, in popups or as landing pages, which means that you can maximize the reach of such campaigns using all of the distribution channels.

Snappa - Snappa is a graphic design tool which is pretty user-friendly, with lots of drag & drop options. You can choose from hundreds of pre-made templates or create your own custom images using the elements provided. When you connect Facebook and Twitter accounts, the

tool allows you to share the images instantly on social media. Buffer integration is also available.

Paid campaigns

Another option for promoting affiliate links is through paid advertising. When using this type of online promotion, it is essential to have in mind the terms of service of the affiliate program, especially those terms that regulate promotion through search engine ads. The following tools can help with paid campaigns:

Google AdWords - It is most likely that you will run a search engine paid campaign, which is done through Google AdWords account. The platform enables the creation of ads, scheduling, targeting and analyzing ad performance.

Bing Ads - If you are looking for an alternative that is designed for Bing, use this platform for search engine ads creation and management.

Facebook Ads - A lot of social networks offer advertising through the platform which can be done in a form of sponsored posts, or purpose-driven campaigns, such as driving traffic, increasing signups, etc. Using Facebook Ads Manager allows creating, managing, and monitoring of ads on Facebook and Instagram.

Unbounce - The tool enables the creation of landing pages using drag and drop elements, templates, A/B testing feature, form builder and many more features. Since the landing page is usually the page linked to the paid ad, the first one the users will see once they click on the ad, this tool can help with increasing conversions.

WordPress Tools

Over 25% websites out of the top 10 million sites which were analyzed use WordPress platform. As an affiliate, it is very likely that you will use this platform for your website and blog, so here are a couple of tools and add-ons that can be useful:

ThirstyAffiliates - It includes several affiliate marketing tools to help you manage your WordPress website, including statistics, redirects, Autolinker feature, the option to import affiliate links form Amazon and other programs, etc. The tool is free on WordPress.

Amazon Product in a Post Plugin - This free WordPress plugin enables you to add Amazon products to your blog post without using banner and widgets.

[Easy Affiliate Links](#) - Manage the affiliate links using this plugin with features such as short links, categories, visual and HMTL editor, import, export, etc.

[Auto Affiliate Links](#) - This plugin can save a lot of time because it automatically adds affiliate links to your content.

Once you start with affiliate marketing, you will soon realize which tools can really help you increase performance and be more productive, and which ones are those you could manage without. The list here features suggestions on tools that could be helpful, but you could always look for alternatives that provide similar or the same features.

It is also important to note that some of these tools are paid, while some are free. The decision as to whether to go for a premium plan is based on how much of use you will get from a certain tool. Think about how the tool will help you improve your strategy and then make a decision based on that. The good thing is that most of these tools offer a free trial or at least a free plan, which is usually quite limited. This way you can see firsthand how you can benefit from the features offered by a particular tool.

13

Potential Issues with Affiliate Marketing

13. Potential Issues with Affiliate Marketing

With best practices in place and organized strategies being implemented, affiliate marketing can be quite a lucrative endeavor for both merchants and affiliates. Merchants particularly see this business model as a win-win for them. They only pay for the actual conversions, i.e. for their goals being achieved. They do not risk losing any investment because they only pay based on performance.

However, the situation is not that plain and simple.

There are a number of issues you have to be aware when running an affiliate program. Not only could these cause harm to your website but they can lead to having to pay for fake performance, thus completely wasting your budget without seeing any benefits from affiliate links. To make sure you avoid this and to see real results from affiliate marketing, pay attention to these issues and how to prevent them.

Fraudulent affiliates

A fraudulent affiliate is an affiliate who uses a type of fraud to earn commissions in an affiliate program. These frauds can include spamming, squatting, faking the number of clicks, using stolen credit cards for purchases, etc. Actions such as these will not lead to a successful performance or even worse, they might show fake conversions where the merchants would have to pay commissions for no real performance.

Here are a couple of ways to avoid this issue:

- Use the terms of service to define what a valid affiliate action is - Affiliates who sign up for the program will have to accept these terms to join. This way, you protect yourself from any detected frauds because you will not have to pay for them.

- Check affiliates sites - Even though it might be time-consuming to do this if you have lots of affiliates, this could help a lot with discovering fraudulent affiliates.

- Communicate with the affiliates regularly - This is a good way to establish the relationship with the affiliates, but you could also gain insights into their tactics, feedback about the program, etc.

- Have a blacklist - Besides your own data, fraudulent affiliates are often blacklisted on forums or blogs, so this could be used as a reference.

- Check your own data - If you notice a sudden increase in traffic or an affiliate who out of the blue gets lots of transactions credited, make sure you look into this. It could be a sign of a fraudulent activity.

Automatic approval of affiliates

As the term suggests, the automatic approval of affiliates includes automatic acceptance of a potential affiliate to the program. One of the main reason for doing so is to motivate the affiliates. Merchants are interested in new affiliates joining the program because this will help them boost their profit. In order to encourage the affiliate to start the program promotion immediately, some merchants use this option. They believe that while waiting for the application to be approved, some affiliates might lose interest and go on to another strategy, or join another program. Also, automatic approval makes things more comfortable for the merchants because they do not have to do the approval manually.

Although this thinking does have valid reasoning, it is a very dangerous move, one that could turn out to be a big issue. With this kind of automatic approval, anyone can gain access to the affiliate program and potentially apply suspicious and illegal practices to earn commissions.

On the other hand, some merchants decide to use automation features to decline affiliates. In this case, you will automatically decline affiliates if they do not fulfill the specified criteria. Since it is an automatic decline, it does not involve a review of the affiliate manager, which means that reviewing a website is usually not the reason for the declined application. The reason could be affiliate location, ranking (some affiliate networks offer rankings for affiliates, so once you join you start with no ranking at all), etc. Since these criteria are set automatically, legitimate affiliates might be turned down. Just because someone is a beginner affiliate on a network, it does not mean that the strategy is spammy or that merchants should not give a chance to such affiliates.

How to approve affiliates?

Despite the fact that both options reduce the time you will need to invest into affiliate marketing because they automate a part of the tasks, neither of the two approaches is perfect, which is why you should compromise:

- Automatic approval

If you decide to choose this option, the solution is to monitor the applications regularly. Even a brief oversight could allow an affiliate to damage your brand through illegitimate techniques. That is why you will have to be on the lookout all the time.

- Automatic decline

If you use this option, you will have to make sure that the criteria used for declining an application are really relevant to you. In case you get a lot of applications for your program, this option can help you filter some of them out. However, actual review is always recommended to fully access a website's eligibility to join your program. When using this option, leave a contact email so that the users who get automatic decline message can contact you and request a manual review. By doing this, you ensure that you do not turn down potential affiliates.

- Swift approval

Alternatively, you could avoid using automated options. Instead, use the strategy of a swift approval. What this means is that you manually approve each affiliate, but you do it very fast. As soon as you receive an application for an affiliate to join, you should start researching the affiliate and looking into the application. Even though this approach is time-consuming, it helps you with solving two major flaws of the automation process. You actually review the affiliate and if it is a perfect fit for your program. You also do it fast, so that they are motivated to start affiliate marketing immediately. The main drawback of this approach is the fact that you will have to hire an affiliate manager who will always be monitoring the notifications about new applications.

Cookie stuffing

Cookie stuffing is a black hat marketing technique. It relies on taking advantage of the system in order to create misleading performance and get commission based on it. It can disrupt the metrics of a marketing campaign, and it can also have a negative effect on other affiliates.

To understand how this happens, you will need to understand what cookies do.

Cookies are used for tracking affiliate link performance. Once the user clicks on the affiliate link, cookies are stored in the browser and they stay there during their cookie life, which can vary from a couple of hours to a couple of months. Even if the user decides to complete the purchase later on, as long as the cookie is active, the affiliate gets credited for that conversion.

There is also a rule that states that the last cookie gets the credit. This means that one user can click on one affiliate link, but decides not to buy at that moment, so the cookies are stored on

his computer. However, as the same user is browsing the internet, he might come across on another affiliate link for the same product, and clicks on it. In this case, the cookies from the first affiliate are deleted, and the commission (if it happens) will be credited to the second affiliate.

Cookie stuffing is a practice that violates both of these rules. Firstly, when using cookie stuffing methods, affiliates are placing cookies into the user's browser even if they have never clicked on the affiliate link. This means that the commission would be credited to the affiliate if the user buys the product during the cookie life specified by the merchant's program. However, this is an illegitimate practice because this affiliate was not able to convert the visitor as the actual click never happened. This practice enables those with low content quality and conversion rates to earn commissions in a manner that is not legitimate.

As for the last cookie rule, this black hat affiliate marketing technique can overwrite cookies and attribute them to the affiliate who is using it, even though the user has not clicked on such link. The user might get other cookies active, but when cookie stuffing is in place, the commission is hijacked and credited to the affiliate who is using this technique.

The solution for this issue is to monitor your affiliate program and the traffic you receive closely. Cookie stuffing is a practice that can be detected when aggressively used, so always keep an eye on abnormalities in your affiliate program and check why those might have occurred.

Trademark violations

Trademark represents a company and it helps with identification on the market. When online users look up a specific trademark, they are directed to the company's website. The methods used for reaching the users can involve non-paid methods (organic search results) and paid methods (search engine ads).

The issue that might occur in affiliate marketing includes so-called trademark poachers. What they do is they violate your trademark to gain profit through their own links. Here is how they do it.

Affiliates use paid search results to promote merchant's products in the search engines. However, they might use merchant's trademark and URL in their list of keywords to bid for their campaign. They also use trademark and URL variations or misspelled forms. When they do so, they attract traffic to their own pages even though those searches are directly targeted at the merchant's website. Once the user clicks on the affiliate link which is promoted in the search

engines, the cookies are immediately activated, and the affiliate will be credited for that conversion.

In this situation, affiliate's action is considered unfair because the affiliate really had nothing to do with this conversion. An online user looking up a specific brand name is already interested in the brand and perhaps has even made a decision about buying. Since the paid search results rank first in the search engine result pages, above the organic results, the user might end up clicking the affiliate link without any intention to do so. Additionally, the merchant will be paying the undeserved commission.

The best way to fight this issue is to define this aspect of online promotion in the affiliate program's terms of service. In fact, most affiliate programs have this section in their terms where the affiliates are forbidden to bid on trademark and URL (or name variations) as keywords in search engine paid campaigns. Any affiliate who is detected to go against these terms should immediately be removed from the affiliate program.

Motivating affiliates

Motivating affiliates might become an issue for merchants due to the nature of affiliate marketing. Affiliate marketing is a performance-based marketing, which means that there is no fixed commission or specific goals affiliates have to achieve. On the contrary, affiliate marketing gives them a lot of flexibility when working because they can do it at their own pace. They also have a variety of merchants to choose from, some of which are competitors.

One of the tasks of affiliate managers is to learn how to motivate affiliates to keep promoting their program and to enhance their strategy to increase performance.

Tactics to help you motivate affiliates

Here are a couple of approaches merchants can use to motivate their affiliates:

- Offer special deals - From time to time, it is good to create special deals and offers for affiliates, where they can earn extra commission or a bonus for particular actions. Some of these actions could be increasing the number of referrals, promoting a specific product, etc.

- Award outstanding performance - This is a great approach when you want to keep your most loyal and best-performing affiliates. Again, any offer such as a commission increase, bonus, extended cookie life, will serve as motivation.

- Build trust - Affiliates love to work with merchants who are easy to work with, professional and pay regularly. Therefore, maintaining a good reputation and building trust is a great way to motivate the affiliates to be a part of your affiliate program.

- High-quality and efficient communication - Make sure you pay attention to the way you communicate with the affiliates. Consider them your partners who work hard to promote your affiliate program. Treat them with kindness and respect. Always try to reply promptly when you receive a question or feedback from one of the affiliates.

Affiliate marketing scams

Affiliate marketing has earned somewhat negative reputation mainly because of the affiliate scams people were pulling off. This is why some affiliates are reluctant to expand their work and join new programs.

If you are an affiliate, here are the things you should pay attention to, as these will help you avoid potential affiliate scams.

- Paying a fee to join the program

Most legitimate affiliate programs are free. There is no sense in requiring an affiliate to pay the fee because the goal is for affiliates to earn money through an affiliate program. If you notice such a deal, it is very likely a scam, so make sure you explore a little bit more before joining.

- A middleman

When an affiliate wants to join the program, he or she can do so by contacting a brand or applying to the program directly. There is no reason to involve a middleman in the process. However, some people decide to "assist" you with the process for a specific compensation. If you are not able to apply for the program yourself (due to a language barrier, lack of skills or knowledge), then affiliate marketing might not be for you at all.

- No product or service

Some of the most notorious affiliate scams were discovered as those promoting no product or service. The money was simply transferred from one recruiter to the other, without anything being sold in the end. Make sure you investigate what kind of product or service you will be promoting in the affiliate program you want to join.

Affiliate marketing is a strategy with great potential and opportunities, but one has to be aware of the issues that might come along. A general guideline for avoiding issues is the following:

For merchants: Create the terms of service that help you protect your affiliate program and safeguard it from the affiliates who are using illegitimate techniques. This can help you regulate the program and the relationship with the affiliates. It is also necessary to monitor the program and to immediately notice unusual actions that could be a signal that there is a fraudulent activity.

For affiliates: Before you join any program, make sure you find out more about the company that is providing the program. This will help you figure out if the program is legitimate or not. The document that deserves your absolute attention is the terms of service because any affiliate marketing strategy you consider implementing needs to be in accordance with this document.

14

Affiliate Marketing and Online Marketing

14. Affiliate Marketing and Online Marketing

Affiliate marketing is a part of online marketing as it represents performance-based marketing model that focuses on the online promotion of products to the online users. Therefore, it is closely related to online marketing and other sectors that are also part of online marketing, such as social media marketing, SEO, etc.

To be truly successful in affiliate marketing and to leverage all of the potentials, regardless if your role is being a merchant or an affiliate, it is wise to explore how affiliate marketing is connected with other sectors. These connections and mutual activities can significantly boost the success of affiliate marketing.

Affiliate marketing and search engine optimization (SEO)

The first and the most obvious connection to highlight is the relationship between affiliate marketing and SEO. During the online promotion, affiliate links are shared on websites or blogs. A publisher features an affiliate link in an article or as a banner. The link can be available on all website pages, a single blog page or several pages. The decision about where to post the links depends on the publisher. As a general rule, the more exposure the link gets, the more likely it is to encourage clicks.

Merchants

The common goal that merchants have is to encourage affiliates to join the affiliate program and promote their product (or services) on their behalf. Consequently, the merchants expect affiliates to link to their website. In terms of SEO, this activity is known as link building. It is a part of off-site optimization, and the purpose of the link building is to obtain links from other websites. However, things are not always as straightforward as that.

Essentially, links are seen as a vote of trust by the search engines, and it is a recommended practice for webmasters to generate new links to their website as a part of their search engine optimization. These links show the search engines that the website to which it is linked has some value. It must be worth it if people are linking to it.

Be that as it may, not all links are equal, and merchants would not be happy to get just about any link. Here is why.

In link building, there is something often referred to as link neighborhood. The concept is the following. If there is an awesome website (let us call it a website A), with a great reputation and lots of visitors, and that website links to another website (this could be a website B), this is an

ideal scenario for the website B. Search engines see this as a sort of recommendation, so the awesomeness of the website A transfers to the website B (the process also known as the transfer of link juice). So if the website B has a lot of other awesome websites linking to it, it means it is in a good neighborhood. Search engines then conclude that this website is awesome as well because otherwise, it would not be in this neighborhood, i.e. these awesome websites would not link to it.

The same principle is applied to bad neighborhoods. If a lot of spammy and low-quality website link to a certain page, this page is also likely to be considered spammy and of low quality.

Now we have merchants, who need and want affiliates to link to them. That is the goal of the affiliate marketing. Having in mind the whole principle about the good and bad neighborhood, if merchants want to make sure to follow the guidelines for the good SEO, they will need to be selective when accepting affiliates to join their program. They only want credible websites to be linking to them. It is necessary to avoid any spammy, low-quality website because these links will do more harm than good. They will negatively affect SEO and the website ranking, while they are unlikely to drive any real sales because these websites have low influence and trust among online users.

Affiliates

The principle of good and bad neighborhoods is also a valid reason for affiliates who choose which affiliate programs to join. If their website enjoys a certain credibility both among the users (reflected in the number of visits, subscribers, etc.) and among the search engines (reflected as a website rank in the search engine result pages), the affiliate does not want to compromise this by linking to websites that are a part of the bad neighborhood. This could harm their SEO and their reputation.

Another criteria affiliates should think about when joining an affiliate program is the topic of their website or blog. They want to provide the website visitors with a great user experience, so even if the affiliates earn commission through the affiliate links, the links should still be relevant to the audience and their content preferences. Not only does this ensure seamless user experience, but it also guarantees the larger number of clicks (and conversions) because the links are truly meaningful to the target group. As a result, the affiliates have a better chance at generating income through relevant affiliate links.

When placing affiliate links, affiliates may or may not disclose that the links on the page(s) are affiliate links. This is based on their own ethics and relationship with followers, but most

influencers choose to state that links are affiliate. In fact, they sometimes might use different formatting options to mark affiliate links, such as different colors or asterisk.

Gold frames: John Lewis, stripy frame: Oliver Bonas*, candles: Anthropologie, pineapple: Oliver Bonas*, pot: Anthropologie*, HOME books: Anthropologie

Images: https://www.tanyaburr.co.uk/2017/05/a-glimpse-of-my-living-room/

Affiliate marketing and search engine marketing (SEM)

As a sector of online marketing, search engine marketing focuses on the promotion of the links through search engine ads. These are ads placed in the search engines before, next to, or after the organic search results.

Affiliates are allowed to advertise their affiliate links through most channels available in online marketing, including search engine ads. In this case, an affiliate could create a search engine ad as a part of affiliate promotion. For example, Google AdWords can be used to create search engine ads for Google or YouTube. The affiliate would be in charge of campaign settings, as well as campaign goals, keywords, targeting, scheduling, etc. Through the affiliate link in the ad it is possible to track the conversions back to the affiliate who promoted the link using search engine ads.

Despite the fact that it is a paid campaign, affiliates might still find it profitable, which is the reason for them to choose this kind of promotion.

Merchants are not directly involved in this promotion, even though it is a paid campaign. However, most merchants are conducting SEM campaign themselves. This is why merchants usually prohibit the use of specific keywords for the affiliates in paid campaigns. These keywords usually include company name, website URL, etc. as well as commonly misspelled variations of those keywords. If the affiliates were to use them, they would create direct competition for the merchant, thus increasing the price of the paid ads which work in a form of an auction. The prohibited keywords should be a part of the terms of service provided by the merchants and accepted by the affiliates who join the affiliate program.

Affiliate marketing and social media marketing (SMM)

Social networks have a great potential for online promotion, which is why affiliates have been using them to promote the links from which they earn the commission. Apart from sharing links on websites and blogs, affiliates who have a significant influence on social media can bring a lot of traffic through the affiliate links if they share them with social network users. There are two options when it comes to sharing links by the affiliates. Firstly, they can share the link to the post containing the affiliate links. Using this practice, they direct social media followers to their own website or blog, from which the visitors can choose to click on the affiliate links.

The second option is sharing affiliate links directly to the social media account in a post. This post is usually accompanied by relevant text and image(s). The affiliate can disclose the fact that the link is affiliate. When sharing the links directly through social media, the publishers usually use shortening services to create shorter links.

When promoting affiliate links on social media, the affiliates can benefit a lot from knowing a thing or two about social media marketing. Here are the most important things to have in mind:

- Posts can be scheduled to appear at different times during the day

- Posts can be promoted to increase their reach

- It is advisable to make these posts personalized and adapted to your target group

- Images improve the post engagement and visibility

- Analytics enable you to see the performance of each post

Affiliate marketing and email marketing

Email marketing has the highest conversion rate of all types of online marketing. When you combine it with affiliate marketing, you can get a very profitable strategy to boost the performance of affiliate marketing.

Merchants

Merchants often use email marketing to get in touch with affiliates. It is a practical way to communicate with them, to send motivational offers, such as increased commissions, extended cookie life, etc. The purpose of these is to increase engagement and to perhaps activate some of the less productive affiliates.

An email is also a great tool for recruiting affiliates to join your program. You can do this recruitment by using your own mailing list, or you could collaborate with another website or blog with a relevant subscriber base that could help with extending your reach and recruiting potential affiliates from their mailing list.

When creating an email campaign, it is essential to:
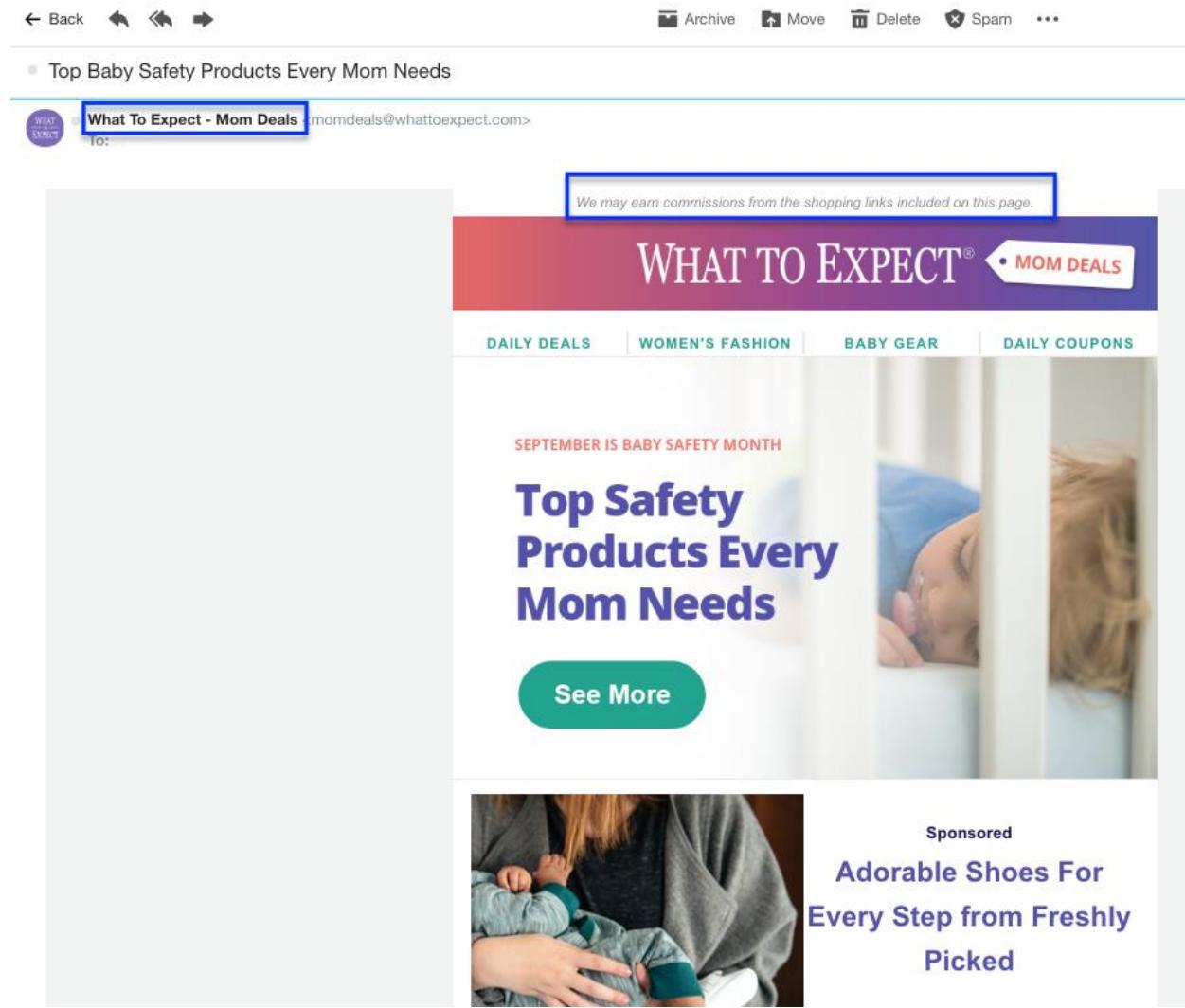
- Make it personalized

- Keep it short and concise

- Use engaging subject line and CTA

- Optimize the email template

- Use visual elements

- Make sure the email is mobile-friendly

Affiliates

As said at the beginning of this e-book, affiliates are usually bloggers, influencers, and experts who enjoy a certain following online. They have the audience they can promote affiliate links to, which is why they decide to use this form of marketing to boost their income. One of their primary assets is usually their mailing list. Bloggers work really hard to increase their subscriber base, using various methods for lead generation. They also usually keep these subscribers active through engaging newsletters where they share exclusive content designed for the subscribers.

Part of their email campaigns could be sharing affiliate links. Affiliates choose two ways to distribute affiliate links through email campaigns. Firstly, there are those who simply incorporate those links into a regular newsletter, with or without mentioning that the links are affiliate.

The second option is to have a separate email message for these kinds of links. For example, apart from a regular newsletter with blog updates, the second email message would be focused on promotion and titled differently from a regular newsletter. Some suggestions could be "Products we've been loving" or "Promo Tuesday by [BRAND NAME]".

Affiliate marketing and influencer marketing
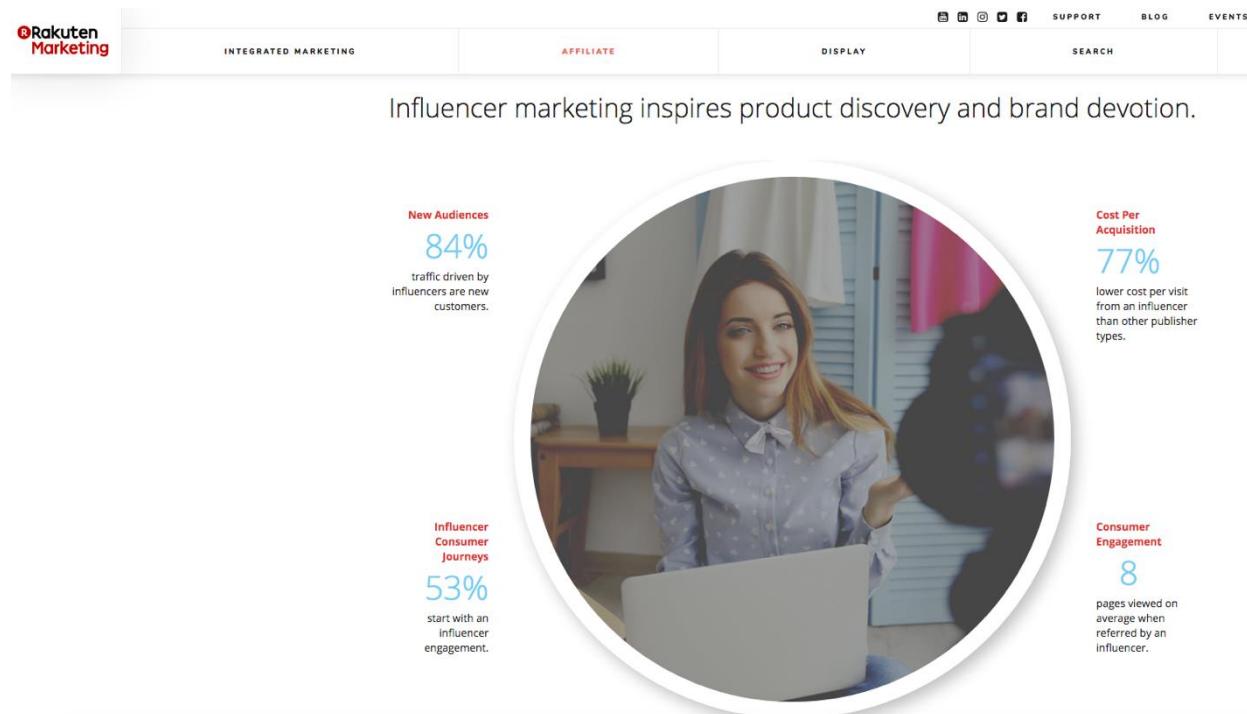
Influencer marketing, or influence marketing, is a part of online marketing focused on using the influence of particular individuals for the purpose of online promotion. Influencers are

individuals who enjoy great respect and trust by their followers, and they are in the position to affect their opinion and their buying habits. This influence of theirs becomes their main asset enabling them to achieve their goals.

In terms of affiliate marketing, influencers have better conversion rate than a link shared on a regular website or blog, mainly because:

- Influencers usually have a large number of followers and thus extensive reach

- Their opinion is considered more relevant and more credible

- They set up trends and standards

A large percentage of traffic driven by influencers are new customers (84%). It is estimated that acquisition costs from an influencer are 77% lower than from other publishers (Source).

https://rakutenmarketing.com/affiliate.html

Merchants

When it comes to merchants, their goal would be to explore opportunities for working with influencers. They might recruit influencers directly, or they might identify the influencers among affiliate program participants.

As individuals with great following and respect in the online community, influencers are a huge benefit for an affiliate program because they are most likely to show outstanding performance. For merchants, this means huge exposure of the brand and a lot of conversions. Identifying this opportunity of collaborating with an influencer enables merchants to improve this relationship and potentially use different methods to encourage them to continue advertising your affiliate program. Additionally, a successful collaboration with one influencer might be more profitable for the merchant than having a lot of affiliates that generate modest revenue through affiliate links.

Affiliates

Influencers use various methods to cash in their influence, and one of those methods is using affiliate marketing. This type of online marketing provides a lot of freedom and flexibility for them. They can choose the affiliate programs they like, and they can choose when and how they are promoting those affiliate links. Unlike with working with brands and companies on campaigns, where they can be paid in advance, but the brand might be in charge of designing a campaign, influencer marketing enables influencers to organize a promotion of affiliate links in any way they see fit.

They can choose the promotion channels they feel comfortable with. For example, influencer blogger can advertise affiliate links in the blog posts, without using other strategies for online promotion. If this is something they see as the most effective, then it is the approach they should go for.

Conclusion

Evidently, affiliate marketing has many connections with online marketing. On its own, affiliate marketing is a performance-based marketing model, aimed at generating income through passive income.

However, different online marketing methods and strategies can really boost the performance of affiliate marketing and help you expand your reach. There is nothing passive about that because you will actively be promoting your affiliate links using all of the methods that are available to you. You will be using many different tools and strategies that help you get better results with affiliate marketing.

It is crucial to keep monitoring everything and explore how each type of online marketing can help with boosting the performance of the affiliate links. Some merchants (or affiliates) might prefer using one or two methods for online marketing collaboration, such as a combination of

affiliate marketing and email marketing, or using affiliate marketing with influencer marketing and social media marketing.

Customization is the crucial aspect when creating a strategy because each business is different. Therefore, it is essential to adapt the approach to the business you are promoting and using only the strategies and promotion channels that are productive and effective in achieving your business goals.

15

Affiliate Marketing

Glossary

15. Affiliate Marketing Glossary

1. Alexa rank – Alexa rank is the website's rank based on the Alexa traffic ranking calculator. The traffic is based on reach and page views, which signify website's popularity.

2. Anchor text – It is the clickable text in the hyperlink. The anchor text is usually the underlined text in blue color.

3. API – Short for Application Programming Interface, API represents a set of definitions, protocols, functions, and tools for building applications or software.

4. Automation – In marketing, automation refers to the use of software to automate specific tasks, such as email, social media updates, etc.

5. Black hat – This term is used to describe a strategy or technique that is unethical and used to manipulate the system in order to show false performance.

6. Bounce rate – This is the metric showing the percent of visitors who left the website after viewing one page only.

7. Broken link – A broken or dead link is a link on a website that no longer works. Instead of taking the user to the certain page, it shows an error page. These links negatively affect SEO.

8. Checkout – In e-commerce, checkout is the process through which a customer goes when checking out the items in the cart.

9. Click-through rate – It represents the percentage of visitors who clicked on a link in relation to the total number of visitors.

10. CMS – Content Management System (CMS) is an online platform for creating and managing digital content. It allows creating websites and blogs.

11. Content marketing – It is a type of online marketing that is focused on creating and sharing content in various formats (text, video, image, audio, etc.) which is used to increase interest in a brand or a product, and eventually increase conversions.

12. Conversion – A conversion is a desirable action. It is an action the website owner highlights as desired, and it can be a sale, lead generation, click, view, sign up, download, etc.

13. Cookies – Cookies include a piece of data from a website or blog which is stored to the user's browser.

14. Creatives – This term is used to refer to the creative materials used in affiliate marketing which can include banners of different sizes, images, logos, etc.

15. CSS – CSS (Cascading Style Sheet) is the computer language that affects how elements of a web page, such as color, fonts, layout, etc. are displayed.

16. CTA – Call-to-action (CTA) is a button that is clickable. Click on the CTA is usually considered as a conversion.

17. Display ad – Display ad relies on the usage of images as advertising elements. These images are shared on a website in the form of a banner.

18. Domain authority – Domain authority (abbreviated as DA) is a score that shows how well a website will rank in the search engine result pages. It ranges from 0 to 100, and it was introduced by Moz.

19. E-commerce – E-commerce (electronic commerce) is the process of buying and selling online.

20. Follower – A follower is a person who follows someone's online activity, usually through social media, but it can also include blog following, forum followers, etc.

21. Hosting – Hosting is a service allowing individuals and companies to make the website accessible online. It is a virtual space where the website is stored. When you create a website, you will need to buy a hosting from a web hosting company.

22. HTML – Hypertext Markup Language (HTML) is a standardized system for tagging text files on the web pages.

23. Impression – This term is used in online marketing to represent a single view of a web page. It is often used in online advertising signifying the number of times the ad was displayed.

24. Inbound link – An inbound link links to your website and is published on a third-party website.

25. Influencer – An individual with authority, knowledge, and position to influence and persuade people is called an influencer. Influencers usually have a significant number of followers on social media and their website or blog.

26. Keyword – Keyword is a term that defines website's content. It is of great significance because it is used to describe the content and instruct the search engines what the content is about. It can be a single word or a phrase.

27. KPI – Key Performance Indicators (KPIs) are measurable values the illustrate how effective a campaign is in achieving the planned goals.

28. Landing page – A landing page is the page where the users arrive after the click on the link, so it is considered an entry page. A landing page is usually designed to promote a certain campaign or goal, which is why it needs to be engaging and with the power to convert the visitors to complete the desired action.

29. Lead generation – This is a process of attracting the online users who are potentially interested in becoming your customers through various tactics such as having a sign-up button, organizing an online contest, etc.

30. Link building – Link building is a part of off-site optimization which includes activities that help earn links to your website.

31. Loading error – Loading error is a web page error which prevents the online user from viewing the online content.

32. Mailing list – A mailing list represents a list of email addresses of your subscribers or previous customers.

33. Mobile-friendly – The term usually refers to online content, such as blog articles, email messages, etc. and it is used to describe online content that is accessible and properly displayed on mobile devices.

34. Multi-level marketing – Multi-level marketing (MML) is a strategy that is also called pyramid selling or referral marketing. It includes the sale of products or services to

salespeople or participants. They then recruit other salespeople to be the new recruits who are often referred to as distributor's "downline".

35. Niche – In marketing, a niche is a part of the online market which is focused a particular topic, product, or service.

36. Online marketing – Online marketing, also called internet or digital marketing, is a process of advertising on the internet using online channels such as search engines, social media, paid ads, email, etc.

37. Optimize – To optimize something means to improve it to achieve better results. The term is usually used to describe the process of improving a web page, a landing page, an email message, etc.

38. Organic search results – These are the results that appear as a response to a search query, sorted based on relevancy in the search engine result pages. As opposed to organic, there can also be paid search results.

39. Outreach – This is a type of campaign in online marketing which involves looking for individuals or companies that are interested in working with you on projects, mutual campaigns, etc.

40. Page authority – Page authority (PA) is a Moz's metric which represents a score between 0 and 100 that predicts how well a page will rank in the search engine result pages.

41. Page rank – Page rank (PR) is used for measuring the importance of website pages through an algorithm that uses different metrics to rank websites.

42. Payment gateways – A payment gateway is a service that processes payments for an online business and thus enables online purchase.

43. Penalty – Penalty represents a sort of punishment, usually introduced as decreased search engine ranking. It is applied when the website is believed to be using suspicious methods and practices to mislead the search engines and online users.

44. Query – This term is usually used in relation to search engines to signify a search query, i.e. a term that the online user types in the search engine.

45. Reach – In the online world, reach refers to the total number of online users who are exposed to particular content at least once, through both paid and organic reach.

46. Search engine ranking – Search engine ranking, or shortly ranking, is the position a certain website has in the search engine result pages shown in response to a specific query.

47. Segment – In online marketing, to segment means to create categories or groups based on particular features. You usually segment online users or subscribers to create campaigns that are more customized and personalized.

48. SEO – Search engine optimization (SEO) is the process of optimizing and adapting the website in order to improve its rank in the search engine result pages.

49. SERP – Search engine result page (SERP) represents a list of the results that are shown as a response to the query by a search engine. SERP can show organic and paid search engine results.

50. Shopping cart – Shopping cart is software that allows browsing the products, putting them in a virtual basket and purchase.

51. Showrooming – Showrooming is the act of visiting a shop to see the product before buying it online, usually at a lower price.

52. Social media marketing – Social media marketing (SMM) is a part of online marketing which includes promotion of a business through social media platforms. It includes having social media profiles, connecting with the followers, being active, organizing campaigns, etc.

53. Social media presence – Being present on social media includes interacting with the followers and organizing promotional campaigns. Through these activities, you establish your social media presence and use it to grow your business.

54. Squatting – The act of creating websites with common misspellings of legitimate domains is known as squatting.

55. Subscriber – A subscriber is a person who signs up to your newsletter and opts in to receive your updates through email.

56. Target group – A target group represents a group of people you try to reach with your online marketing.

57. Tier – Tier affiliate marketing model represents a structure when the affiliates earn commissions when they refer other affiliates to join the program. This commission is added to their commission earned through conversions.

58. Trademark – Trademark is a symbol or a word that represents a company or a product. It has recognizable design and identifies the brand on the market.

59. User experience – User experience (UX) is a term that includes all the aspects of the interaction between the online users and a company. It is a metric that affects website positioning.

60. Visibility – When it comes to online marketing, visibility is often used to describe the likelihood of the website being shown in the search engine result pages and being visible to the online users who are performing the search.

61. Webmaster – A webmaster is a person who creates and manages a website and its content, the computer server used to store the website as well as all other installed applications and software.

62. Webrooming – Webrooming is the term used for researching products online before buying them in a physical store.

63. Website analytics – Website analytics includes the data about website visitors. It analyzes the behavior of those visitors in order to improve website performance.

64. Website optimization – Website optimization includes the process of optimizing a website to improve its ranking in the search engine result pages. It is also called search engine optimization (SEO).

16

Questionnaire

16. Questionnaire

Questions

1. What are the benefits of affiliate marketing for merchants?

a) Paying for performance

b) No need to stock products

c) Browser cookies

d) No handling and shipping

2. What can affect determining commissions for an affiliate program?

a) Cookie life

b) Industry standards

c) Terms and conditions

d) Monthly traffic

3. Affiliate marketing is a type of:

a) Platform-based marketing

b) Performance-based marketing

c) Click-based marketing

d) Optimization-based marketing

4. Which goals can merchants achieve with affiliate marketing?

a) Increase in sales

b) Activation promo

c) Landing page creation

d) Increase in cookie life

5. What assists the creation, management, and control of the affiliate program?

a) Affiliate marketing

b) Affiliate creatives

c) Affiliate link

d) Affiliate software and/or network

6. What regulates an affiliate program?

a) Cookie life

b) Industry standards

c) Terms and conditions

d) Performance

7. Which of these is KPI in affiliate marketing?

a) Sale

b) Comment

c) Email

d) Like

8. Who sets up an affiliate program?

a) A digital buyer

b) An affiliate

c) A merchant

d) A publisher

9. What do affiliate creatives include?

a) Creative materials for merchant's promotion such as banners, images, etc.

b) Creative materials created by affiliates

c) Affiliate software

d) Affiliate network

10. How do affiliates earn their commission?

a) Based on the achieved conversions

b) Based on their niche

c) With page rank

d) Through search engines

11. Which of these is a type of email in automated communication?

a) Feedback email

b) Response to a question

c) Welcome email

d) Response to a comment

12. Pay per action compensation model includes:

a) Pay per sale and pay per mile

b) Pay per click and pay per call

c) Pay per click and pay per mile

d) Pay per call and pay per install

13. What are some of the reasons for choosing a particular affiliate program?

a) Relevancy of the product

b) Commission rates

c) Cookie life

d) All of the above

14. What are the platforms commonly used for the promotion of affiliate links?

a) Website and social media

b) Niche

c) Payment methods

d) Commission rates

15. The main role of key performance indicators (KPIs) is to:

a) Manage an affiliate program

b) Demonstrate success in achieving business goals

c) Increase brand exposure

d) Encourage more affiliates to join the program

16. What affects merchant's ability to convert the visitors referred by the affiliates?

a) Sale

b) Landing page

c) Affiliate program

d) Irrelevant traffic

17. What are the benefits of affiliate marketing for affiliates?

a) Inbound links

b) Lead generation

c) Possibility to earn money all the time

d) Traffic increase

18. What are the characteristics of good communication with affiliates?

a) Personalization and timeliness

b) Scheduling and using mass email option

c) New announcement email

d) A responsive website

19. Which of these are the type of affiliates that merchant's want to award and keep?

a) Beginners

b) Regular affiliates

c) Super affiliates

d) Fraudulent affiliates

20. What is the benefit of joining an affiliate network for merchants?

a) Instant access to numerous programs available on the network

b) No fees and other costs

c) Engaging and quality content

d) Reporting features that help you analyze the performance of the campaigns

21. For PPS compensation model in affiliate marketing, the goal is:

a) Social media

b) Sale

c) Share

d) Call

22. Which of these is an affiliate marketing strategy for merchants?

a) Product mention

b) Product review

c) Affiliate program manager

d) Banner

23. When creating an application form, merchants should mark one of these fields as required. Which one?

a) Affiliate program description

b) Affiliate's websites URL

c) Cookie life

d) Email templates

24. What are the reasons for a transaction being considered void?

a) 14-day free trial period

b) Canceled order or returned product

c) Using several compensation models

d) Too long cookie life

25. What can merchants use to promote their affiliate program?

a) Affiliate network and social media

b) Conversions

c) Affiliate networks and commissions

d) Void transactions

26. Which of these can be used by affiliates to promote affiliate links?

a) Affiliate software

b) Affiliate software and conversions

c) Social media and blog

d) The number of clicks and conversions

27. Affiliate marketing has an important role in:

a) Email

b) E-commerce

c) E-book

d) Efficiency

28. Affiliate's performance is tracked through:

a) Affiliate links

b) Link building

c) Link neighborhood

d) Social shares

29. What does cookie stuffing do?

a) It overwrites the cookies of the other affiliates.

b) It hides an affiliate link in the footer.

c) It uses a trademark.

d) It pays a fee to join a program.

30. What best defines digital buyers nowadays?

a) They do not like buying online.

b) They avoid clicking on affiliate links.

c) They do not read product reviews.

d) They like to explore the products before buying.

31. Which of these is an affiliate marketing strategy for affiliates?

a) Affiliate program page

b) Affiliate program manager

c) Landing page

d) Product review

32. How can the clicks on the affiliate links be tracked?

a) Using link building

b) Using cookies which are placed in the user's browser

c) Using KPIs

d) Using the application on merchant's website

33. What determines the time interval during which the cookies stay in the browser?

a) Cookie stuffing

b) Cookie links

c) Cookie life

d) Cookie software

34. Affiliate marketing is a part of:

a) Email marketing

b) Social media marketing

c) Influencer marketing

d) Online marketing

35. How to detect fraudulent affiliates?

a) Use paid ads for search engine campaigns

b) Enable short cookie life

c) Automatically approve affiliates

d) Check affiliates' sites and communicate with them regularly

36. What is the central point of an affiliate program?

a) The affiliate links

b) The product the merchant is interested in selling

c) Full control over commission rates and promo materials

d) Social media marketing

37. How can merchants use email marketing to grow their affiliate marketing performance?

a) Include affiliate links as a part of promo email

b) Recruit affiliates from their subscribers' list

c) Use an app to schedule social media posts and emails

d) Use different formatting options to mark affiliate links

38. Which of these should be defined in the affiliate program's terms of service?

a) Valid and void transactions

b) Affiliate commissions

c) Campaign budget

d) KPIs

39. Besides increasing sales, which of these can be a goal of an affiliate program?

a) Affiliate program description

b) Lead generation

c) Promo materials

d) Affiliate links

40. What is a conversion?

a) Commission

b) Banner

c) A desired action

d) The number of affiliates

41. Which of these is a reason for approving or rejecting a potential affiliate?

a) The number of affiliates

b) Average number of visits on the affiliate's website and affiliate's strategy

c) Affiliate program description

d) Welcome email and news announcement email

42. When using product review strategy, the affiliate should:

a) Clear his or her cookies from the browser

b) Describe the product and its features, highlight the benefits, and provide images

c) Mention the product at the end of the unrelated post

d) Use banner as a way to promote the product

43. What is the benefit of joining an affiliate network for affiliates?

a) Instant access to numerous programs available on the network

b) Instant exposure of your program to the affiliates who are already part of the network

c) Engaging and quality content

d) Low fees for joining as an affiliate

44. The person who joins the network to create and publish an affiliate program is also known as:

a) Publisher

b) Affiliate

c) Merchant

d) Webmaster

45. What does each affiliate software have?

a) Affiliate network

b) Affiliate marketing

c) Admin panel and affiliate panel

d) Transaction fees

46. Which of this provides affiliate program exposure in the online community of affiliates?

a) Affiliate software

b) Affiliate network

c) Affiliate marketing

d) Affiliate manager

47. What does it mean when the affiliate software is hosted?

a) Merchants have to install the software on their website

b) Merchants need technical skills to integrate the software

c) Affiliate software is not able to track global campaigns

d) Affiliate software is available on the server of the company providing the server

48. The person who joins the network to apply for the available affiliate programs is also known as:

a) Publisher

b) Merchant

c) Advertiser

d) Webmaster

49. If you enable automatic approval of affiliates, you should:

a) Leave a contact email

b) Regularly monitor the application

c) Avoid using automated options

d) Have terms of service document

50. Which of these tactics can be used to motivate the affiliates?

a) Promoting the program in search engine ads

b) Cookie stuffing and trademark poaching

c) Awarding outstanding performance and having good communication

d) Checking affiliates' websites regularly

Answers

1. a	18. a	35. d
2. b	19. c	36. b
3. b	20. d	37. b
4. a	21. b	38. a
5. d	22. c	39. b
6. c	23. b	40. c
7. a	24. b	41. b
8. c	25. a	42. b
9. a	26. c	43. a
10. a	27. b	44. c
11. c	28. a	45. c
12. d	29. a	46. b
13. d	30. d	47. d
14. a	31. d	48. a
15. b	32. b	49. b
16. b	33. c	50. c
17. c	34. d	

17

Conclusion

17. Conclusion

Constantly exploring the possibilities of improving the business is something that comes naturally to everyone running an online business. The online environment is the world that continually changes and anyone who wants to stay in the game needs to follow the changes and adapt. This leads to discovering new opportunities, one of those being affiliate marketing.

The starting point is examining your online business and how affiliate marketing can become a part of that business. Depending on the business type, some will choose to be merchants, while others will be affiliates.

Integrating affiliate marketing with your business

The next step is the integration of this business model into your own business. Merchants and affiliates will take different paths when it comes to the integration process.

Merchants

From the moment your products are available to the customers, affiliate marketing can become one of your promotional strategies. There is no perfect time to wait to get started with this since it is a strategy that runs independently from your other business projects. Follow the guidelines mentioned earlier in the ebook, to implement the affiliate marketing seamlessly and focus on:

- Creating and setting up the program
- Developing a strategy to promote the program
- Managing and monitoring the program using affiliate software and/or network

These are the crucial tasks in affiliate marketing that merchants will need to take care of in order to get started.

Affiliates

Affiliates have their own workflow when it comes to affiliate marketing becoming part of their online business. It all begins with choosing the perfect programs. Those are the programs you can benefit from as you drive right people to the high-quality products they will be interested in. The integration continues with the following processes:

- Implementing affiliate links in your content

- Optimizing the content with affiliate links

- Content promotion

As you are discovering the potential of affiliate marketing and how this monetization tactic pays off, you will soon stumble upon new products and programs worth exploring and promoting to your target group. Through content performance analysis, you will also be able to see which promotion strategy works best for your content.

Growing your business with affiliate marketing

In essence, affiliate marketing is a strategy that has a huge potential to grow and help you expand your business. You should not forget that it is still a part of online marketing which makes it directly related to all other segments of online promotion, so it is only logical to expect it to evolve along with other online promotions and strategies implemented.

Both merchants and affiliates should focus on several key points to help them grow their business with affiliate marketing.

Expansion

The moment you notice that the affiliate program is a part of your daily business routine and that it shows results, it is time to think about expanding. Merchants will try to provide more products inside the program, to reach more affiliates, to boost the visibility of their program through online advertising, etc. On the other hand, affiliates need to explore more program options, find new products or services to promote and create more content that can help them boost the exposure of affiliate links. They both have one goal in common with this expansion – to increase profit generated through affiliate links.

Involvement

Once the program is up and running, one might think it is time to have a break. Still, the changes happen all the time when doing business online so you can never be away for too long. This also includes management of affiliate marketing. Merchants need to keep an eye on program performance and regularly communicate with the affiliates, as well as to look for new ways to improve the program. Affiliates have to pay attention to their links and regularly check for broken links. Affiliates also need to keep up with the changes merchants may be introducing

to their products and services, as well as to create new content that will be a part of the promotions they are running. All of these tasks require both affiliates and merchants to keep monitoring their affiliate marketing strategy and analyze its performance constantly.

Mobile-friendliness

Being mobile-friendly has become a must-have attribute in the online world, which means that affiliate marketing has another segment that will affect its performance. Starting from optimization of web pages for mobile devices to optimization of email messages and leveraging the promotion on social media and apps, targeting mobile users is extremely important for growing your business. Merchants and affiliates should explore mobile optimization and how well their content is adapted for the mobile users.

In the end, it all depends on your business and how you manage to integrate affiliate marketing. It is obvious that this kind of promotion shows a great potential, especially with the growing popularity of influencers and bloggers. Creating a customized approach and a plan that is based on your business resources and potential is of the highest importance. This way you make sure that affiliate marketing integrates well into your business and helps you with achieving your goals.

Using the power of the internet, you can now expand the borders of your reach with online exposure enabling you to affect thousands and millions of people worldwide. Regardless if you are an internationally known company or a blogger starting out, affiliate marketing is an asset many will find worth exploring. It provides a chance for everyone to succeed in doing business online, as long as you explore and utilize best practices on how to integrate and get the most out of affiliate marketing.

Affiliate marketing has its root in the more traditional type of marketing – door-to-door sales. This type of marketing has proven to be effective and still lives on today in the offline world. Affiliate marketing took this approach online and guess what? It worked. This type of marketing is based on the positive word of mouth. It is proven that people are more inclined to make a purchase if they hear good thing about the products from their friends, family or someone they trust. Affiliate marketing is also a highly lucrative investment for merchants as the risks are low yet potential returns high. This type on the other hand also made it possible for bloggers and video bloggers to monetize their online presence, allowing for a new modern breed of professional bloggers and YouTube stars to emerge, who can now both do what they love and

still make a living. If you feel that your business can benefit from affiliate marketing, then you should definitely do a trial run and see how it goes. It might just be the perfect type of online promotion to help your business reach new heights.