What Is Affiliate Marketing?

Affiliate marketing is the process by which an affiliate earns a commission for marketing another person’s or company’s products. The affiliate simply searches for a product they enjoy, then promotes that product and earns a piece of the profit from each sale they make. The sales are tracked via affiliate links from one website to another.

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How Does Affiliate Marketing Work?

Because affiliate marketing works by spreading the responsibilities of product marketing and creation across parties, it manages to leverage the abilities of a variety of individuals for a more effective marketing strategy while providing contributors with a share of the profit. To make this work, three different parties must be involved:

1. Seller and product creators.
2. The affiliate or advertiser.
3. The consumer.

Let’s delve into the complex relationship these three parties share to ensure affiliate marketing is a success.

### **1. Seller and product creators.**

The seller, whether a solo entrepreneur or large enterprise, is a vendor, merchant, product creator, or retailer with a product to market. The product can be a physical object, like household goods, or a service, like makeup tutorials.

Also known as the brand, the seller does not need to be actively involved in the marketing, but they may also be the advertiser and profit from the revenue sharing associated with affiliate marketing.

For example, the seller could be an ecommerce merchant that [started a dropshipping business](https://www.dropshiplifestyle.com/how-to-start-a-dropshipping-business/) and wants to reach a new audience by paying affiliate websites to promote their products. Or the seller could be a SaaS company that leverages affiliates to help sell their marketing software.

### **2. The affiliate or publisher.**

Also known as a publisher, the affiliate can be either an individual or a company that markets the seller’s product in an appealing way to potential consumers. In other words, the affiliate promotes the product to persuade consumers that it is valuable or beneficial to them and convince them to purchase the product. If the consumer does end up buying the product, the affiliate receives a portion of the revenue made.

Affiliates often have a very specific audience to whom they market, generally adhering to that audience’s interests. This creates a defined niche or personal brand that helps the affiliate attract consumers who will be most likely to act on the promotion.

### **3. The consumer.**

Whether the consumer knows it or not, they (and their purchases) are the drivers of affiliate marketing. Affiliates share these products with them on social media, blogs, and websites.

When consumers buy the product, the seller and the affiliate share the profits. Sometimes the affiliate will choose to be upfront with the consumer by disclosing that they are receiving commission for the sales they make. Other times the consumer may be completely oblivious to the affiliate marketing infrastructure behind their purchase.

Either way, they will rarely pay more for the product purchased through affiliate marketing; the affiliate’s share of the profit is included in the retail price. The consumer will complete the purchase process and receive the product as normal, unaffected by the affiliate marketing system in which they are a significant part.

## How Do Affiliate Marketers Get Paid?

A quick and inexpensive method of making money without the hassle of actually selling a product, affiliate marketing has an undeniable draw for those looking to increase their income online. But how does an affiliate get paid after linking the seller to the consumer?

The answer can get complicated.

The consumer doesn’t always need to buy the product for the affiliate to get a kickback. Depending on the program, the affiliate’s contribution to the seller’s sales will be measured differently.

The affiliate may get paid in various ways:

### **1. Pay per sale.**

This is the standard affiliate marketing structure. In this program, the merchant pays the affiliate a percentage of the sale price of the product after the consumer purchases the product as a result of the affiliate’s marketing strategies. In other words, the affiliate must actually get the investor to invest in the product before they are compensated.

### **2. Pay per lead.**

A more complex system, [pay per lead affiliate programs](https://www.dherealmark.com/best-pay-per-lead-affiliate-programs/) compensates the affiliate based on the conversion of leads. The affiliate must persuade the consumer to visit the merchant’s website and complete the desired action — whether it’s filling out a contact form, signing up for a trial of a product, subscribing to a newsletter, or downloading software or files.

### **3. Pay per click.**

This program focuses on incentivizing the affiliate to redirect consumers from their marketing platform to the merchant’s website. This means the affiliate must engage the consumer to the extent that they will move from the affiliate’s site to the merchant’s site. The affiliate is paid based on the increase in web traffic.

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## Why Be an Affiliate Marketer?

What are the reasons to become an affiliate marketer?

### **1. Passive income.**

While any “regular” job requires you to be at work to make money, affiliate marketing offers you the ability to make money while you sleep. By investing an initial amount of time into a campaign, you will see continuous returns on that time as consumers purchase the product over the following days and weeks. You receive money for your work long after you’ve finished it. Even when you’re not in front of your computer, your [marketing skills](https://www.wordstream.com/growth-academy) will be earning you a steady flow of income.

### **2. No customer support.**

Individual sellers and companies offering products or services have to deal with their consumers and ensure they are satisfied with what they have purchased.

Thanks to the affiliate marketing structure, you’ll never have to be concerned with [customer support](https://helpjuice.com/blog/customer-support) or customer satisfaction. The entire job of the affiliate marketer is to link the seller with the consumer. The seller deals with any consumer complaints after you receive your commission from the sale.

### **3. Work from home.**

If you’re someone who hates going to the office, affiliate marketing is the perfect solution. You’ll be able to launch campaigns and receive revenue from the products that sellers create while working from the comfort of your own home. This is a job you can do without ever getting out of your pajamas.

### **4. Cost-effective.**

Most businesses require startup fees as well as a cash flow to finance the products being sold. However, affiliate marketing can be done at a low cost, meaning you can get started quickly and without much hassle. There are no [affiliate program](https://www.bigcommerce.com/blog/affiliate-programs/) fees to worry about and no need to create a product. Beginning this line of work is relatively straightforward.

### **5. Convenient and flexible.**

Since you’re essentially becoming a freelancer, you get ultimate independence in setting your own goals, redirecting your path when you feel so inclined, choosing the products that interest you, and even determining your own hours. This convenience means you can diversify your portfolio if you like or focus solely on simple and straightforward campaigns. You’ll also be free from company restrictions and regulations as well as ill-performing teams.

### **6. Performance-Based rewards.**

With other jobs, you could work an 80-hour week and still earn the same salary. Affiliate marketing is purely based on your performance. You’ll get from it what you put into it. Honing your reviewing skills and writing engaging campaigns will translate to direct improvements in your revenue. You’ll finally get paid for the outstanding work you do!

### **7. Do Not Underestimate the Power of SEO.**

There’s a ton of organic traffic you can get from search engines if you do [SEO](https://mangools.com/blog/learn-seo/) properly. The days when Search Engine Optimization was about cheating Google are gone. Today, it is about making your website better for visitors. People naturally look for information online. That’s why you should learn the basics of on-page SEO, keyword research and link building to be the information source they find first. Who wouldn’t want to rank #1 for terms such as “best product” or “product review” in Google?

## Common Types of Affiliate Marketing Channels

Most affiliates share common practices to ensure that their audience is engaged and receptive to purchasing promoted products. But not all affiliates advertise the products in the same way. In fact, there are several different marketing channels they may leverage.

### **1. Influencers.**

An influencer is an individual who holds the power to impact the purchasing decisions of a large segment of the population. This person is in a great position to benefit from affiliate marketing. They already boast an [impressive following](https://affise.com/en/influencers-and-affiliate-marketing/), so it’s easy for them to direct consumers to the seller’s products through social media posts, blogs, and other interactions with their followers. The influencers then receive a share of the profits they helped to create.

Influencer marketing campaigns are particularly popular on Instagram where brands partner with influencers who are seen as experts or authorities in their specific niches. Depending on the deal, a campaign could consist of a series of product reviews with photos, account takeovers, or live videos. While an influencer might have their own branding and aesthetic, it’s important to add elements that tie up with your brand to ensure brand recall and recognition. This can be achieved by using apps like [Instasize](https://instasize.com/" \t "_blank) where you can quickly edit and customize your campaign’s creatives in a tap.

### **2. Bloggers.**

With the ability to rank organically in search engine queries, bloggers excel at increasing a seller’s conversions. The blogger samples the product or service and then writes a comprehensive review that promotes the brand in a compelling way, driving traffic back to the seller’s site.

The blogger is awarded for his or her influence spreading the word about the value of the product, helping to improve the seller’s sales. For example, [my article on the best email marketing software](https://www.adamenfroy.com/best-email-marketing-services) includes product reviews and affiliate links throughout.

### **3. Paid search focused microsites.**

Developing and monetizing microsites can also garner a serious amount of sales. These sites are advertised within a partner site or on the sponsored listings of a search engine. They are distinct and separate from the organization’s main site. By offering more focused, relevant content to a specific audience, microsites lead to increased conversions due to their simple and straightforward call to action.

### **4. Email lists.**

Despite its older origins, email marketing is still a viable source of affiliate marketing income. Some affiliates have [email lists](https://www.sendlane.com/blog/5-email-acquisition-strategies) they can use to promote the seller’s products. Others may leverage email newsletters that include hyperlinks to products, earning a commission after the consumer purchases the product.

Another method is for the affiliate to [build an email list over time](https://sendpulse.com/blog/tips-on-how-to-build-an-effective-email-address-list). They use their various campaigns to collect emails en masse, then send out emails regarding the products they are promoting.

### **5. Large media websites.**

Designed to create a huge amount of traffic at all times, these sites focus on building an audience of millions. These websites promote products to their massive audience through the use of banners and contextual affiliate links. This method offers superior exposure and improves conversion rates, resulting in a top-notch revenue for both the seller and the affiliate.

## Tips to Help You Become A Successful Affiliate Marketer

### **1. Develop a rapport.**

When beginning your affiliate marketing career, you’ll want to cultivate an audience that has very specific interests. This allows you to tailor your affiliate campaigns to that niche, increasing the likelihood that you’ll convert. By establishing yourself as an expert in one area instead of promoting a large array of products, you’ll be able to market to the people most likely to buy the product.

### **2. Make it personal.**

There is no shortage of products you’ll be able to promote. You’ll have the ability to pick and choose products that you personally believe in, so make sure that your campaigns center around truly valuable products that consumers will enjoy. You’ll achieve an impressive [conversion rate](https://www.omniconvert.com/what-is/conversion-rate-optimization-cro/) while simultaneously establishing the reliability of your personal brand.

You’ll also want to get really good at email outreach to work with other bloggers and influencers. Use a tool like [ContactOut](https://www.contactout.com/" \t "_blank) [or Voila Norbert](https://www.voilanorbert.com/) to gather people’s contact information and send personalized emails to garner guest blogging and affiliate opportunities.

### **3. Start reviewing products and services.**

Focus on reviewing products and services that fall within your niche. Then, leveraging the rapport you have created with your audience and your stance as an expert, tell your readers why they would benefit from purchasing the product or service you are promoting. Almost anything sold online can be reviewed if there is an affiliate program – you can review physical products, digital software, or even services booked online, like ride-sharing or [travel resort booking](https://texasfamilyresorts.com/). It is especially effective to compare this product to others in the same category. Most importantly, make sure you are generating detailed, articulate content to improve conversions.

### **4. Use several sources.**

Instead of focusing on just an email campaign, also spend time making money with a blog, reaching out to your audience on social media, and even looking into cross-channel promotions.

Test a variety of marketing strategies to see which one your audience responds to the most. Make frequent use of this technique.

For more information, you can check out this article on how to start a successful blog this year.

### **5. Choose campaigns with care.**

No matter how good your marketing skills are, you’ll make less money on a bad product than you will on a valuable one. Take the time to study the demand for a product before promoting it. Make sure to research the seller with care before teaming up. Your time is worth a lot, and you want to be sure you’re spending it on a product that is profitable and a seller you can believe in.

### **6. Stay current with trends.**

There is serious competition in the affiliate marketing sphere. You’ll want to make sure you stay on top of any new trends to ensure you remain competitive. Additionally, you’ll likely be able to benefit from at least a few of the new marketing techniques that are constantly being created. Be sure you’re keeping up to date on all these new strategies to guarantee that your conversion rates, and therefore revenue, will be as high as possible.

## What are the Top Affiliate Marketing Trends of 2020?

### **1. Improved affiliate reporting and attribution.**

Many affiliate programs run with last-click attribution, where the affiliate receiving the last click before the sale gets 100% credit for the conversion. This is changing. With affiliate platforms providing new attribution models and reporting features, you are able to see a full-funnel, cross-channel view of how individual marketing tactics are working together.

For example, you might see that a paid social campaign generated the first click, Affiliate X got click 2, and Affiliate Y got the last click. With this full picture, you can structure your affiliate commissions so that Affiliate X gets a percentage of the credit for the sale, even though they didn’t get the last click.

### **2. Influencer niches are becoming hyper-targeted.**

In the past, large affiliates were the mainstay, as catch-all coupons and media sites gave traffic to hundreds or thousands of advertisers. This is not so much the case anymore. With consumers using long-tail keywords and searching for very specific products and services, influencers can leverage their hyper-focused niche for affiliate marketing success. Influencers may not send advertisers huge amounts of traffic, but the audience they do send is credible, targeted, and has higher conversion rates.

### **3. GDPR is changing how personal data is collected.**

The General Data Protection Regulation (GDPR), which took effect on May 25, 2018, is a set of regulations governing the use of personal data across the EU. This is forcing some affiliates to obtain user data through opt-in consent ([updated privacy policies and cookie notices](https://thepma.org/the-gdpr-and-affiliate-marketing-what-you-need-to-know-2/)), even if they are not located in the European Union. This new regulation should also remind you to follow [FTC guidelines](https://www.ftc.gov/tips-advice/business-center/guidance/ftcs-endorsement-guides-what-people-are-asking) and clearly disclose that you receive affiliate commissions from your recommendations.

### **4. Affiliate marketers are getting smarter.**

Merchants receiving a large percentage of their revenue from the affiliate channel can become reliant on their affiliate partners. This can lead to affiliate marketers leveraging their important status to receive higher commissions and better deals with their advertisers. Whether it’s CPA, CPL, or CPC commission structures, there are a lot of high paying affiliate programs and affiliate marketers are in the driver’s seat.

## What Affiliate Marketing Strategies Should You Employ in 2020?

### **1. Only recommend products you are extremely familiar with.**

Building trust with your audience is paramount in affiliate marketing, and the quickest way to lose trust is to recommend products either you haven’t used before or that aren’t a good fit for your audience. Also make sure you never tell anyone to directly buy a product, you are simply recommending the product. The more helpful you are and the more you make quality recommendations, the more likely your web visitors will come back for your expertise.

### **2. Promote products from many different merchants.**

Don’t put all your eggs in one basket. If you only promote one merchant’s products, you are stuck with their commissions, their landing pages, and ultimately, their conversion rates. It is important to work with many different merchants in your niche and promote a wide range of products.

This affiliate marketing strategy will diversify the number of commissions you make and create a steady stream of revenue when building an affiliate website. Some examples of affiliate merchants include brands like BigCommerce, Bluehost, and [SimplyBook.me](https://simplybook.me/).

### **3. Constantly test and optimize your conversion rates.**

Let’s say you have a promotions page where you’re promoting a product via affiliate links. If you currently get 5,000 visits/month at a 2% conversion rate, you have 100 referrals. To get to 200 referrals, you can either focus on getting 5,000 more visitors or simply increasing the conversion rate to 4%.

Which sounds easier? Instead of spending months building Domain Authority with blogging and guest posts to get more organic traffic, you just have to increase the conversion rate by 2%. This can include landing page optimization, testing your calls-to-action, and having a conversion rate optimization strategy in place. By testing and optimizing your site, you’ll get far better results with much less effort.

### **4. Focus on your affiliate traffic sources.**

It’s important to know where your traffic is coming from and the demographics of your audience. This will allow you to customize your messaging so that you can provide the best affiliate product recommendations. You shouldn’t just focus on the vertical you’re in, but on the traffic sources and audience that’s visiting your site. Traffic sources may include organic, paid, social media, referral, display, email, or direct traffic.

You can view traffic source data in Google Analytics to view things such as time on page, bounce rate, geo location, age, gender, time of day, devices (mobile vs. desktop), and more so that you can focus your effort on the highest converting traffic. This analytics data is crucial to making informed decisions, increasing your conversion rates, and making more affiliate sales.

## Benefits To Joining the BigCommerce Affiliate Program

### **1. Industry-leading commissions.**

In the [BigCommerce affiliate program](https://www.bigcommerce.com/partners/become-a-partner/affiliate/), you receive a 200% bounty per referral and $1,500 per Enterprise referral, with no cap on commissions. Plus, the more referrals you drive through the program, the higher your commission tier will go. BigCommerce uses an industry-leading 90-day cookie, so you will receive credit for up to three months for the referrals you generate. Also, there are no obligations or minimum commitments to join the program.

### **2. Strategic growth.**

BigCommerce provides unique strategies to [help you grow, increase your website’s visibility, and drive more sales](https://www.bigcommerce.com/blog/how-to-drive-traffic-convert-customers/). You’ll be able to save time and money on content creation by linking to WordPress blogs, webinars, and more with content developed by BigCommerce for your audience.

### **3. Powerful tracking.**

Our affiliate dashboard offers a comprehensive look at your clicks, trials, sales, and commissions. You can view your earnings, track performance, and get paid at the same time every month.

### **4. A dedicated account manager.**

You will have direct access to an affiliate expert who understands your business and your goals. BigCommerce will work with your team and our conversion rate experts to maximize your commissions and earnings per click. We provide 1-on-1 support through phone and email, quarterly affiliate contests, and our latest product updates.

### **5. Promotion made easy.**

In your dashboard, you will have easy access to our pre-made text links, banners and content. Promote BigCommerce anywhere on your site by simply inserting our affiliate links on your pages.

## Join The BigCommerce Affiliate Program

If your audience is looking to [launch an online business](https://www.bigcommerce.com/blog/how-to-start-online-business/), migrate their [ecommerce platform](https://www.bigcommerce.com/articles/ecommerce/ecommerce-platforms/), or simply interested in ecommerce content, we encourage you to [apply for the BigCommerce affiliate program](https://www.bigcommerce.com/partners/affiliates/). Our team will carefully review your application. Once approved, you will receive access to support, tracking, reporting, payments, and have your own unique affiliate link to track every referral you generate. BigCommerce is committed to the success of our affiliate partners.