
Affiliate Marketing Plan Builder

Edition 2.1



A step-by-step guide to launching a successful affiliate program

by, Rachel Honoway

Kowabunga!
TECHNOLOGIES

<http://www.myaffiliateprogram.com>

Contents:

Section One: Industry Background

- What is Affiliate Marketing?
- Affiliate Marketing Definitions
- Key Benefits of Affiliate Marketing

Section Two: Introduction

Section Three: Pre-Planning

Chapter One: Why are you starting an Affiliate Program?

- Increasing Visitors
- Increasing Leads
- Increasing Subscriptions

Chapter Two: Objectives and Goals

- Determining Your Objectives
- Setting Your Goals

Section Four: Structuring Your Program

Chapter One: Tracking and Management Solutions

- Network vs. Software
- Recommended Solution

Chapter Two: Commission Structure

- Pay Per...
- Percentage Scale
- Flat Rate Scale
- Two-Tier Programs
- When to Pay

Chapter Three: Affiliate Materials

- Promotional Page
- Affiliate Agreement

Chapter Four: Linking Methods and Entry Pages

- Linking Methods – Banners, Text, HTML, Rich Media and more
- Entry Pages

Chapter Five: Affiliate Communication and Motivation

- Thank You Page
- Thank You Email
- Action-Generated Emails
- Activation Rates
- Follow-Up Letters
- Newsletters
- Promotions

Section Five: Launching Your Program

- Adding Links to Your Site
- Press Releases to Your Contacts

Section Six: Promotion

Chapter One: Affiliate Directories

Chapter Two: Email Advertisements

Chapter Three: Second Tier Promotion

Chapter Four: Active Recruiting

- Types of Sites to Look for
- How to Find Them
- How to Contact Them

Section Seven: Management

Chapter One: Your Affiliate Manager

- Choosing an Affiliate Manager
- Affiliate Manager Tasks
- Personalizing Your Affiliate Manager

Chapter Two: Training New Affiliates

Section Eight: Evaluating Your Program

- Setting Benchmarks
- What to do at each benchmark

Section Nine: Conclusion

Appendix A: What Makes Your Program Successful

Great advice from successful Affiliate Program Managers

Appendix B: Advanced Affiliate Marketing Strategies

Learn the techniques and strategies that the pros use

Appendix C: Neil Durrant's Case Study

Neil tells you his experience setting up his Affiliate Program

Appendix D: Sample Affiliate Marketing Strategy

Worksheet: Affiliate Marketing Strategy Outline

Worksheet: Action Plan Checklist

Section One: Industry Background

What is Affiliate Marketing?

Affiliate Marketing Definitions

Key Benefits of Affiliate Marketing

Summary

Before we get into this book and the strategies for starting your own Affiliate Program, I'd like to first introduce you to the Affiliate Marketing Industry. This Industry Background will get you up to speed on what Affiliate Marketing is, why it is so powerful and why you should put it to use for your company.

Industry Background

WHAT IS AFFILIATE MARKETING?

Affiliate Marketing is a term that describes the strategy in which a relationship between a merchant and an Affiliate is formed. Through this relationship, a merchant pays commissions to Affiliates for referring sales, leads, subscribers or other desired results.

DEFINITIONS

Here are a few definitions that may help you better understand Affiliate Marketing and the information you'll be learning throughout this book:

- **Merchant** – A merchant is a person or a company that markets their products and services on the web.
- **Affiliate** – An Affiliate is a person or a company that assists the merchant in marketing products and services in return for a commission.
- **Merchant-Affiliate Relationship** – (a.k.a. Affiliation) In the merchant-Affiliate relationship, the Affiliate acts as an independent “salesperson” who promotes the merchants products and services. The merchant tracks the incoming visitors to determine which Affiliate sent them the sale – if any. In this book, we'll be concentrating on the Merchant's side of this relationship.
- **Tracking and Management Solution** – In order to track the incoming Affiliate-referred traffic to their sites, merchants need to purchase or create software to Track and Manage their Affiliates and their activities. (a.k.a. Third party tracking solution or provider)
- **Click-through** – A click-through is the action that takes place when a visitor clicks on a banner or a link on an Affiliate's site to the merchant's site.
- **Impression** – An impression occurs when a page containing the merchant's banner code is loaded on an Affiliate's site. Impressions are also called page views.
- **Two-Tier** – A two-tier commission structure pays an Affiliate commission on each sale (or lead or click-through) they refer and a commission on each sale referred by any Affiliates they have referred.
- **Link** – A link is a hyperlink (<http://www.yourdomain.com>) or an image or text that contains a hyperlink. A link is placed on one site and when clicked on leads the visitor to another. In the Affiliate Marketing industry, the Affiliates place links on their sites that point to the merchants' sites.
- **Entry Page** – An entry page is the web page that your Affiliates direct traffic to. Visitors coming from your Affiliates' sites will “enter” your site at this page.

KEY BENEFITS OF AFFILIATE MARKETING

There are several benefits in starting your Affiliate Program. Among them are increased traffic, sales and revenues. But, the key benefits are complex and carry a lot of weight. Here they are:

1. **Allows you to “Branch Out” efficiently**

Affiliate Marketing allows you to “Branch Out” across the Internet without requiring you to increase your inventory, payroll, Internet real estate, physical real estate, equipment, and more. Affiliate Marketing allows you to bring MORE customers into your existing business structure. You continue handling your sales, customer service, development, order fulfillment, and support while your Affiliates concentrate on marketing your products and services to more people.

Now, with all of the new business your Affiliate Program generates, you may need to expand to accommodate all of your new customers. But you’ll be expanding AFTER the new business is rolling in. So, your expansion will be in response to growing demand not a technique to create the demand.

2. **It is Versatile**

Affiliate Marketing can be used by just about any company or organization on the planet. We’ve yet to find one that couldn’t benefit from adding an Affiliate Program to their business plan.

Whether you are selling Data Warehousing to Fortune 500 companies or the latest innovation in pet rocks – Affiliate Marketing can work for you. Because, no matter what business you are in – there are hundreds, if not thousands of other companies that are already reaching your target market. In other words – there are hundreds, if not thousands of potential Affiliates out there.

3. **It will increase your brand recognition**

When web surfers see your name, your products and your logos pop up everywhere they look – your brand will become more and more prominent, solid and trusted in their minds.

4. **It will allow you to Try and Fail – without paying a dime**

Affiliate Marketing lets you do what no other marketing vehicle allows – try out your promotional material on your target audience and pay for it only if it works. Simply create a new banner ad, sales letter or other type of ad and let your Affiliates test it. If it doesn’t produce results – you don’t pay. If it does, you’ll be rewarded with more customers and your Affiliates will be rewarded with higher commissions.

5. **It is more cost effective than other forms of online marketing**
Banner advertising can cost you anywhere from a few cents to a few dollars for every click-through to your site or every impression your banner receives on the advertiser's site. Opt-In Ezine advertising can cost you between \$10 and \$500 per thousand subscribers just to place your ad. But, with Affiliate Marketing – you don't have to pay anything until your placements result in a sale or any other action you desire.
6. **It offers direct targeting**
With Affiliate Marketing, you can effectively reach YOUR target market time after time. Why? Because your Affiliates will be individuals, companies and organizations that are already reaching your target market. How can you be so sure? That's easy – if you're marketing a full line of beauty products you can be sure that sites that promote construction equipment, office supplies, or car parts won't be signing up for your program because they are not reaching your target market. Only those sites that are reaching or have the potential to reach your target market will be signing up for your Affiliate Program. So, you can be sure that you are reaching your direct target market through your Affiliates.
7. **Its "Performance Based" Aspect Generates Motivation**
Since Affiliate Marketing is Performance Based Marketing – your Affiliates will be motivated to perform well so that they'll be compensated well. Remember – we're talking about Affiliates not Advertisers. Unlike Advertisers, Affiliates will try to find the best possible placements for your ads and promotional materials because they know that the better the placement – the better their rewards.
8. **Its "Performance Based" Aspect Means You Pay Only for Results**
The "performance based" aspect of Affiliate Marketing is pretty big – big enough to be a part of two key benefits! Since Affiliate Marketing is Performance Based – you only have to pay when your Affiliates perform. You don't have to pay when they place an ad, you don't have to pay when they refer you a visitor, you don't even have to pay when that visitor contacts – you can pay when, and only when, that visitor turns into a customer, a qualified lead or a subscriber. You only pay for RESULTS. What other marketing tool gives you that type of opportunity?
9. **It allows you to pay for any action you desire**

Affiliate Marketing also gives you the opportunity to pay for any desired action. This means that you can pay an Affiliate when they refer a sale, when they refer a subscriber, when they refer a qualified lead or any other action you choose.

10. It offers unsurpassed longevity

Affiliate Marketing offers a level of “longevity” that you’ll find nowhere else. When you are paying a website owner to display your banner for one month – they will display your banner for one month. But, if you send your Affiliate a check for \$200 for the sales he sent you last month from the banner on his site – do you think he’ll take the banner down this month? Probably not – it’s worth \$200 to him again next month. He’ll probably leave it there for a series of months and may even increase its exposure, add a testimonial next to it or otherwise spotlight it in hopes of increasing his next Affiliate check.

11. It can generate a true World-wide market

Affiliate Marketing can open the door to International marketing and recognition. You’ll find that Affiliates will come in all “shapes and sizes” and nationalities. International Affiliates can introduce and market your products and services to a market that you may have otherwise missed or opted not to tap. Since they are familiar with the practices, customs, currencies and languages of their fellow countrymen, they’ll be able to relate your message in an effective, non-intrusive format. This can broaden your reach to the entire global market.

12. It can help you track your CPM buys

Affiliate Marketing is based on several different tracking features. It is meant to track leads, sales, click-throughs, impressions, page views and so on. It is mainly used to track Affiliate activity, but it can also be used to track your CPM buys. This means that you can track the effectiveness of the banner ads, ezine ads, directory ads and other paid-for placements you have purchased. Your Affiliate Tracking mechanisms will help you determine how effective your placements are – or aren’t. So, not only is it a great marketing technique on its own – it can also help you streamline your other efforts.

START YOUR OWN AFFILIATE PROGRAM

There is not other way to say this: If you are doing business on the Internet, you need an Affiliate Program. It doesn’t matter if you are a large corporation marketing thousands of products, a non-profit organization seeking funding or anyone in between. An Affiliate Program can help you

increase exposure, traffic and revenue while decreasing time, money and advertising needs.

Starting an Affiliate Program is easier than you may think. All you need to do is create a strategy that's right for you and your business. Which is exactly what this book is going to help you do. By the time you reach the end of the book, you'll have a clear idea of how Affiliate Marketing will work for you.

Introduction

Now that you have a good idea of what Affiliate Marketing is and the benefits it allows, we can begin discussing how Affiliate Marketing will work for you and how you will get started with your own Affiliate Program.

This book is going to help you design an Affiliate Program that will allow you to reap all of the great benefits of Affiliate Marketing. You'll learn where to start, how to get going and how to carry through a successful program.

The rest of the book will walk you through:


1. **The Pre-Planning Stages** – Where you'll develop your goals and objectives and get them ready to have an entire Affiliate Marketing plan built around them.
2. **Structuring Your Program** – Where you'll learn what materials, and plans you'll need to start and run your Affiliate Program.
3. **Launching Your Program** – Where you'll see what needs to be done to put your plans into action.
4. **Promoting Your Program** – Where you'll discover where and how to promote your Affiliate Program and find new Affiliates
5. **Managing Your Program** – Where you'll learn what it takes to manage an Affiliate Program including day-to-day tasks.
6. **Setting and Following Benchmarks** – Where you'll determine when you should assess your progress and what you'll actually be measuring in terms of progress.

The book will discuss those topics and show you how to take all of your ideas and plans and turn them into a completely customized, sophisticated Affiliate Marketing Strategy that is tailored to fit your unique needs. In fact, it's a good idea to write down your thoughts as you read through the book. Writing down your ideas will help you think through each aspect of Affiliate Marketing and it will help you develop your actual Affiliate Marketing Strategy.

At the end of this book, you'll find an Affiliate Marketing Strategy outline. Print out the outline and use it to take notes and outline your ideas. When you've finished with this book, you should be able to sit down at your computer with the outline and type up your Affiliate Marketing Strategy – or just use your notes as your guide.

You'll also find an "Action Plan" checklist at the end of the book. This checklist defines all of the actual actions you need to complete to structure, launch, promote and evaluate your program. You may want to

print this out as well to give you an idea of how each section of this book relates to the actual tasks you need to complete.



*Keep this in
mind*

Affiliate Marketing does not have to be hard. It can be as simple as you want it to be. The only requirements are a website, a banner and a tracking and management solution – your program can run itself.

If you simply want a program that will allow your Affiliates to sign up for a banner and place it on their site – and require you to only print monthly sales reports and cut checks. **STOP NOW**. Go to our website and order the LITE version of My Affiliate Program. You can be signing on Affiliates by tomorrow.

Click Here: <http://www.myaffiliateprogram.com>

However... If you want to maximize the true power of Affiliate Marketing – keep reading.

This book will require you to put your mind to work answering some questions and developing a strategy. By using the examples, ideas and direction provided in this book, you'll have a clear plan outlining the steps you need to take, the decisions you have to make and the materials you have to create to run a successful, effective Affiliate Program.

Section Three: Pre-Planning

Chapter One: Why are you starting an Affiliate Program?

Increasing Visitors
Increasing Leads
Increasing Subscriptions

Chapter Two: Objectives and Goals

Determining Your Objectives
Setting Your Goals

Summary

At this point, you are most likely in the pre-planning stage. This simply means that you've already thought about some of the needs and expectations you have for your Affiliate Program. In this section, we're going to identify your specific needs and get them ready to be molded into a strategy for success.

Section Three: PRE-PLANNING

Chapter One: Why are YOU starting an Affiliate Program?

The first question you need to answer is “Why do you want to start an Affiliate Program?” Don’t rush and answer “To increase revenues!” That is a given – that’s why you are in business in the first place – to make a profit. So, let’s take that question a step further and say “HOW will your Affiliate Program help you increase your revenues?” Will it be by:

- Increasing visitors,
- Increasing leads or
- Increasing the number of email addresses on your Opt In lists?

Take a look at the three examples below. You’ll see how each of the companies answered the question “How will we increase revenues?” You’ll also see how parts of their Affiliate Marketing Strategy were easily identified and structured once they answered the question.

INCREASE VISITORS

If you have a high clicks-to-sales ratio – meaning a large percentage of your visitors buy your product – increasing the number of visitors to your site should be your goal.

Getting people to your site is important in any Internet Marketing Strategy – but if you have no problem turning most of your visitors into customers, visitors are your lifeblood. Your Affiliate Marketing Strategy should be designed with the goal of getting more visitors.

Here’s an example of a company that concentrates on getting visitors and immediately turning them into customers:

| | |
|---|---|
|  | Company Name: Domain Direct |
| | Affiliate Link: http://affiliate.domaindirect.net/t.asp?id=4151 |

If you click on their Affiliate link, you'll see that you are taken directly to their order/signup page. Domain Direct sells domain name registrations through its Affiliate Program. Most new visitors to Domain Direct's site come for one reason – to register their domain names. These visitors know what a domain name is, what it means to register it and they are already “sold” on the idea of purchasing a domain name. When they click through, they want to know “How much is it?” and “What do I have to do?”. Domain Direct answers both of these questions on the first page – ensuring that visitors don't have to do more than fill out a form to get what they came for.

Domain Direct relies on its Affiliates to pre-sell visitors by simply displaying a banner on their sites. The concept of domain name registration coupled with Domain Direct's widely known name and parent company Tucows sells itself.

INCREASE LEADS

If your visitors aren't easily sold on the first visit, but rather after a series of visits and contacts - increasing leads should be the goal of your Affiliate Program. You'll want to concentrate on attracting visitors and getting them to leave you their contact information while they are there.

Here's an example of a site that concentrates on getting leads:



Company Name :
Planet Holiday

Affiliate Link:

<http://www.myaffiliateprogram.com/u/pholiday/t.asp?id=1132>

Planet Holiday provides discount rate hotel reservation services in Asia, USA and various European cities. As a participant in the travel industry – leads are important to Planet Holiday. Travel packages usually aren't an “impulse buy”. It usually takes several interactions with a prospect to sell them on the trip and accommodations. So, Planet Holiday needs to collect information about their visitors and follow up with them.

By clicking on their Affiliate link, you'll see that Planet Holiday has constructed their home page with three lead generation tools. The first is the top left corner titled “Reservation Hotline”. If you click on the link, you'll be taken to a page that displays a number of telephone and fax numbers to call for information – instantly forming a qualified lead.

The second lead generation tool is in the top right corner of the home page. It is a button that says “Planet Holiday Hotel Contest”. This link leads to a page with information about the contest and a one-line entry form. Visitors simply type in their email addresses and they’re entered in the contest. They also become a great lead for Planet Holiday to follow up with.

You’ll find the third lead-generation tool in the middle of their home page. It is a common – yet very powerful lead generation tool – the newsletter sign up form. Visitors simply fill in their email addresses and press submit.

If your products aren’t “impulse buys”, keep the example of Planet Holiday in mind. Their strategy is built around increasing and following up with qualified leads. When the visitor is ready to buy, Planet Holiday can then compensate the Affiliate for the sale.

INCREASE SUBSCRIPTIONS

If all or a substantial part of your income comes from your opt-in list of subscribers in the form of advertising dollars, affiliate commissions or repeat purchases – your goal should be to increase your subscriber base.

Increasing subscriptions is much like increasing leads – your goal is to get your visitors to leave contact information at your site. However, if you’re looking to increase subscriptions, you simply need an email address.

Here is an example of a site that focuses on increasing their subscriptions:



Company Name:

Discover Learning

Link:

<http://www.discoverlearning/bescourses/>

Discover Learning is an education-oriented site. They have a site focused on children’s education and learning with information, products and contests. They also market a series of online computer training courses called Browser Enabled Software Training (B.E.S.T.). These courses are primarily targeted at adults.

Since Discover Learning is focused on education and the computer world, their product is constantly changing. This means that a customer that purchases today may be interested in a new product or a new course in the future. Also, a visitor that does not purchase today, may be interested in purchasing a product or course that is available down the line. That is – ***if they remember to come back to Discover Learning.***

Discover Learning knows that it is their job to remind customers to come back. So, they've geared their site towards a goal of increasing subscribers.

When you click on Discover Learning's link above, you'll see an extra window pop up with a sign up form. The form reads "DAILY DRAW - Free Computer Training! Free Online Computer Training for 1 Full Year! Enter to WIN Below". At the bottom of the contest form, you'll see the Discover Learning has placed a friendly note letting the visitor know that they may receive more offers and information from Discover Learning in the future. They also reassure the visitor that their private information will never be sold or shared.

Visitors simply fill in their email address and first and last name to be entered into the contest. Discover Learning is able to email them information on this contest, future contests, new products, updates and news. They can easily "remind" customers to come back to the site to view new information and products.

Along with sending reminders, Discover Learning could also use their subscriber list to start a newsletter, advertise products from other companies or promote products through Affiliate Programs they've joined. The revenue generating possibilities are endless.

Does this example sound like your company? Keep Discover Learning and their techniques in mind.

Have some ideas in mind?

Try to narrow down which of these best applies to your company: Increasing traffic, Increasing leads or Increasing email addresses.

Chapter Two: Objectives and Goals

Now that you have identified the needs you expect to fulfill with an Affiliate Program, you can move on to setting your Goals and Objectives. What is it that you plan on accomplishing, how many sales do expect to receive, how many Affiliates do you plan on having and what will you measure your success with?

OBJECTIVES

Your Objectives are the reasons **why** you are starting an Affiliate Program. And believe it or not, you identified your objectives in the chapter one when you determined how an Affiliate Program would help you increase your revenues. All you have to do now is develop your ideas into a clear reason or argument detailing your decision.

For Example: If your objective is to increase the number of visitors to your site, you may write something like this in your Affiliate Marketing Strategy:

I. PRE-PLANNING

A. Objective

The objective of this Affiliate Program is to increase our sales by increasing traffic to mydomain.com. Over the last six months our traffic has grown by 2% per month. Our track record shows that at each traffic level 35%-45% of mydomain.com's visitors purchased at least one widget during their first visit. This tells us that we are able to maintain a high percentage of first-time visitor sales. Logically, more visitors will mean more sales. So, with the help of our new Affiliate Program we plan to increase the number of visitors to our site.

Take a minute to think about your objectives and write down some notes on your Affiliate Marketing Strategy Outline.

GOALS

Your goals should follow along the same line as your objectives, but should contain real numbers, dates and other representations of the results you hope to attain with your Affiliate Program. Simply saying "We want to increase traffic" may not be solid enough. If you get only one new visitor – you've reached your goal. But getting one new visitor really wasn't your goal was it?

Give yourself real numbers to concentrate on. Make them attainable, but worth achieving. Remember to include things like traffic, sales and number and type of Affiliates. Take into consideration your current trends in traffic and sales. If they are already going up, you'll have to decide how much more you'd like them to increase.

Set goals for a 6-month period. This will give you enough time to launch your Affiliate Program and carry you through a few months of regular activity.

For example: In the example above, mydomain.com has already experienced a 2% per month increase in traffic over the last six months – so they can most likely assume that without putting an Affiliate Program in place, they could expect the same 2% per month rise. Their Goals may read something like this:

I. PRE-PLANNING

B. Goals

Affiliates: Our goal is to sign on 100 Affiliates in the first month, 50 in the second month and 20 per month in the following four months. Our ideal Affiliates will be companies and individuals in our industry that write books, newsletters and articles. We'll also focus on finding companies that offer products that work well with ours.

Traffic: We are currently experiencing a steady 2% per month increase in traffic, so our traffic goals will be to add a certain number of visitors over and above this increase. Our goal is to have our Affiliates average 20 unique visitors per month. In the first month, we should see 2,000 new visitors, in the second month we should see 3,000 new visitors, and we should see 3,400 new visitors in each of the following four months.

Sales: Using a 40% average based on our current ability to turn visitors into customers and a \$10 price for one Widget, our goal is to have the following increase in sales: \$8,000 in the first month, \$12,000 in the second month and \$13,600 in the following four months.

Take a second and write down a few goals that you are hoping to reach with your Affiliate Program. If you're not sure about your sales forecasts or the number of Affiliates you hope to have – don't worry, you'll have a better idea of the numbers you can attain after finishing this book.

The rest of the book will walk you through “how” you will meet your goals and objectives through a structured Affiliate Program. You'll determine the actions you need to take and the decisions you need to make to structure your Affiliate Program.

Section Four: Structuring Your Program

Chapter One: Tracking and Management Solutions

Network vs. Software
Recommended Solution

Chapter Two: Commission Structure

Pay Per...
Percentage Scale
Flat Rate Scale
Two-Tier Programs
When to Pay
How to Pay

Chapter Three: Affiliate Materials

Promotional Page
Affiliate Agreement

Chapter Four: Linking Methods and Entry Pages

Linking Methods – Banners, Text, HTML, Rich Media and more
Entry Pages

Chapter Five: Affiliate Communication and Motivation

Thank You Page
Thank You Email
Action-Generated Emails
Activation Rates
Follow-Up Letters
Newsletters
Promotions

Summary

This section of the book will walk you through the steps you need to take to structure or setup your Affiliate Program. First we'll discuss the things you'll need in place behind the scenes like your Tracking and Management Solution and your Commission Structure.

Then we'll explore the materials you need create for Affiliate sign ups, the linking methods you need to offer them once they are a part of your program, and an idea of where those linking methods will lead the visitors who click on them. We'll also explore the rather effective practice of communicating with Affiliates on a regular, ongoing basis.

STRUCTURING YOUR PROGRAM

Chapter One: Choose a Tracking and Management Solution

One of the first things you'll want to consider when starting your Affiliate Program is the tracking and management solution you'll use to run your program. Your tracking and management solution will be the core "structure" of your Affiliate Program handling aspects like Affiliate communications, commission structures, linking materials, reporting and activity tracking.

All of the actions you'll need to come back to are marked with "**Action Tags**". At the end of the outline you printed out, you'll find an **Action Checklist** – use this as your guide to go back and complete the actions.

If you've searched for Affiliate Tracking and Management Solutions, you'll find that there is a wide range of titles to choose from. Before you look at the features that are included, the prices of each package, the customization available or anything else – you need to make one important decision: **Do you want a Software Solution or a Network Solution?**

Without beating around the bush, I'm going to come right out and say that if you want a true Affiliate Program - you want a Software Solution. I'll tell you why:

With a Software Solution – **you** are in control. You control **your** Affiliates, **your** linking methods, **your** commissions, **your** Affiliate communications and anything else related to **your** Affiliate Program. With a Network Solution – the NETWORK controls your Affiliate Program and "owns" the Affiliate relationship.

So, why do people still choose Affiliate Networks?

Affiliate Networks promote their solutions with proud claims of thousands of Affiliates "waiting to join your program" and marketing specialists constantly combing the web for new Affiliates.

What they fail to boast about is the fact that the Affiliates are shared by the other hundreds of thousands of merchants in the Network. In fact, Todd Crawford of the Commission Junction Affiliate Network says, "*...the average Affiliate in the CJ Network belongs to at least 14 programs.*" In a Network, not only do you have to find the Affiliates in the bunch that are interested in promoting your products and services – you have to find those that are willing to leave the programs they have already joined or consider adding yours to their offerings.

Plus – if you take on the initiative to go out there and find your own Affiliates, you'll have to keep in mind that the Affiliates are joining the Network – not your program. Sure, they can promote your program through the Network, but the relationship belongs to the Network, not you.

What could this loss of “ownership” and control mean to my program?

I can't say it enough times – with a Network solution the Network owns the Affiliate relationship. This means that, in many cases, you don't have:

- **Direct contact with your Affiliates.** The only way you can reach your Affiliates is using the Network's online email program. So, Affiliates have to login to their account and check their inbox in order to get your message. The Network is the only one that can contact them by actually sending them an email. The only other way is to pay the Network for access to your Affiliate's contact information.

If you owned the relationship, you could contact them whenever you wanted, however you wanted. You could send them an email, call them or send them a postal mailing.

- **Control over what your Affiliates see.** The network controls the banners, links, logos and other advertising media your Affiliates see on their Affiliate Administration page. The Network can advertise anything they'd like to your Affiliates. This can be paid advertisements, information about other programs in the Network or anything else they choose.

So, you're also giving up the opportunity to create additional streams of revenue through your Affiliate channel. The Network will be receiving payments from advertisers and Affiliate Programs they belong to.

If you owned the relationship, you could be collecting advertising fees and Affiliate commissions.

- **Control over the other programs that offered to them.** The network can *and will* offer other programs to your Affiliates. The network is in business to make money -- right? So what programs do you think they are going to push -- those that earn them \$100 per month, or those that pay them \$10,000 each month? Plus - if it is the network promoting additional programs to the Affiliates instead of you - you're loosing out on second tier commissions!

If you owned the relationship, you'd be able to tell them about any

Affiliate Program you'd like – or none at all. If you decided to promote a program or two – you would earn the second tier commissions.

The ownership part makes sense – but what about the features and the price?

Let's start with features. The tracking and management solutions that Network put in place are designed to fit general Affiliate Marketing needs. But, as we all know, every merchant needs and expects something different from their tracking and management solution.

Most software solutions offer merchants the ability to customize the program to fit their needs. In fact, many software solutions allow users to setup a tailored solution for themselves by simply entering their unique information and requirements into the software. Many software solutions also offer custom programming options that allow the user to add features and functionality to the software that goes above and beyond the Affiliate Marketing scope.

When it comes to price – there are a few things to look at: Setup Costs, Monthly Fees and Commissions. Setup costs range from hundreds of dollars to thousands of dollars for both Networks and Software solutions. The monthly or annual fees charged by the providers vary from the hundreds to the thousands as well.

The real difference in price is in monthly commissions. Networks will charge you a percentage of your commission payout each month. This can be anywhere from 20% to 50% of your total payout. So, if you pay your Affiliates \$1,000 in commissions – you'll owe the Network \$200 - \$500. Plus – many Networks charge a minimum commission amount starting at \$250. This means that if you pay your Affiliates only \$100 in commissions one month – you'll owe the Network \$250 for that month.

THE Software Solution

When it comes to Affiliate Tracking and Management Software Solutions, My Affiliate Program is the best. This software offers a wide variety of features that can be applied to many different Affiliate Marketing Strategies.

My Affiliate Program helps you run a successful Affiliate Program with advanced features like multiple linking methods, Affiliate categorization, email list building, lead tracking, automated commission processing, and much more.

My Affiliate Program SideBar
Order My Affiliate Program today and you can be up and running by tomorrow! We'll setup your account and tell you how to integrate it with your website and ordering system. Since My Affiliate Program is so powerful – yet so user-friendly, you can spend your time fulfilling your Affiliate Marketing Strategy instead of trying to figure out how to use the software.

In your Affiliate Marketing Strategy, name the Solution you will be using and give some reasons why you chose that Solution. Also, include the location of any help files, administration pages and information for contacting the company. This is very important if the program will be run by anyone other than you.

For Example:

II. PROGRAM STRUCTURE

A. Affiliate Tracking and Management Solution

We determined that we would be using Affiliate Program Software and not an Affiliate Program Network. This was an easy choice when we saw that Affiliate networks hold ownership of Affiliates and control the relationship. Since Affiliate Marketing is going to be a large part of our Internet Marketing focus - handing over control and ownership of our Affiliates is not an option.

When it came to choosing a software solution, there was no question in our minds that My Affiliate Program was the best choice. It includes all of the features for Affiliate Tracking and Management found in other programs, along with a number of advanced features. It is the only software solution that will allow us to categorize our Affiliates, offer them an unlimited number of linking methods and let us start our own email newsletter with the help of our Affiliates. Plus - it is extremely affordable.

The Administration page for our account is at: <http://www.myaffiliateprogram.com/admin.asp> and all help files and documentation can be found at <http://www.myaffiliateprogram.com/techspecs.asp>

We purchased My Affiliate Program from KowaBunga! Technologies at: <http://www.myaffiliateprogram.com>

All technical support issues should be sent to their programmers at support@myaffiliateprogram.com (They are really good about answering email questions fast.)



When you've finished your **Affiliate Marketing Strategy**, come back to this point and order and setup your **Affiliate Tracking and Management System**.

Chapter Two: Commission Structure

Since Affiliate Marketing is “Performanced-Based” program, you’ll need to decide how you’d like to reward your Affiliates’ performance. This brings us to the next part of your plan – Determining your commission structure.

Setting your commission level is something that may give you a little bit of trouble because there is no set formula or standard for commissions. It really depends on what you can pay and what your Affiliates are willing to work for.

In a perfect world, you’d like a commission level of 0%. In your Affiliate’s perfect world, they’d like to receive 99.9% of the sale. (*Just a little Affiliate Humor for you!*) Since we all know we don’t live in a perfect world – it’s up to you to choose a commission level somewhere in between. Here are few options you have:

My Affiliate Program SideBar

If you’re having trouble deciding on a commission structure, contact the My Affiliate Program Consultants. They’ve helped over 2,000 merchants just like you start successful Affiliate Programs. Contact them toll free at 877-228-9827.

PAY PER...

The first thing you have to decide is what you will pay for. Though there are an endless number of actions you can choose, do your best to stick to the “trackable” actions. Which of these works best for you? Pay per:

- Per Sale
- Per Lead
- Per email address

Keep your objective in mind when deciding which is the best route for you. But, also keep in mind that you can reach your objective by paying for a different action. For example: If your objective is to increase subscribers – you can concentrate on that, but still pay your Affiliates only when those email addresses result in a buying customer.

Try your best to stay away from paying for click-throughs or impressions – these open the door for unethical Affiliates to join your program and perform fake clicks to increase their commissions. Plus, there are very few business models that would truly benefit from a pay-per-click strategy. So, unless you are Goto.com or have a similar business structure, **stick to paying for results**. No other marketing technique offers you the opportunity to pay only for results – so take advantage of it!

Paying for sales and qualified leads is an easy way to ensure that you are only paying for results. Paying for email addresses can get a bit tricky as well, but with the proper system in place, it can be done.

Once you decide what you'll be paying for – you need to decide what you'll offer in terms of a reward. Here, you've two choices: Percentage and Flat Rate.

PERCENTAGE

A percentage pay scale is easy for your Affiliates to digest -- the bigger the price tag, the more they make. This type of commission structure can work well for you if the same holds true for your company -- after the Cost of Goods Sold, the bigger the price tag, the more you make.

Your actual percentage rate should work across the board for all of your products. You can offer different rates for different products, but that can get extremely complicated for you to administer and very confusing for your Affiliates. They'll be striving to figure out what commission is paid on what product instead of striving to make sales.

FLAT RATE

In a flat rate structure, your Affiliates will make the same amount no matter what they sell.

This structure will work well for you if your profit after Cost of Goods Sold is roughly the same across the board. In other words, if you aren't making considerably more by selling higher priced items - neither should your Affiliates. The flat rate structure also works well if you are paying for things like email addresses, leads and so on.

TWO-TIER STRUCTURE

Offering a two-tier program is a strategic decision – but we'll discuss it in this section because it is also a budgetary decision. You'll want to decide now whether or not a two-tier program is right for you and add it to your plan.

What is a two-tier structure?

In a two-tier program, your Affiliates can earn commissions in two different ways. Affiliates will earn a first tier commission when they refer a sale. They will also be rewarded for referring new Affiliates to your program. For each sale that the new Affiliates refer, the original Affiliate will earn a second tier commission.

Here's an example of how a two-tier system works:

First Tier: Bob joins your Affiliate Program and places your link on his site. Sue comes to Bob's site, clicks on the link to come to your site and purchases a widget from you.

Bob earns a first tier commission.

Second Tier: Sally comes to Bob's site, clicks on the link to go to your site and signs up for your Affiliate Program. Since Sally came from Bob's site, she'll be placed in Bob's second tier. Any time she refers a sale, Bob will earn a second tier commission.

So, when Jerry comes to Sally's site, clicks on the link to your site and purchases your product – Sally will earn a first tier commission and Bob will earn a second tier commission.

Two-Tier Affiliate Programs Recruit Affiliates Automatically

A two-tier program will not only help you offer greater incentives to your Affiliates, but it will also help you build your Affiliate Memberships. You've already acknowledged the power an Affiliate has to reach potential customers – why not consider letting them reach your potential Affiliates as well.

The majority of website owners with Affiliate Programs choose to offer their Affiliates a two-tier structure. They realize the benefit in having their existing Affiliates recruit new Affiliates. They also realize that many prospective Affiliates pass up programs with only one tier. Remember: Your Affiliates will be working hard to send you traffic – reward them for their efforts and they'll be a happy, motivated, prosperous bunch!

There are several different takes on the idea of extending past the second tier. We suggest that you do not attempt to create a program with more than two-tiers. By adding even one more tier – you'll change your Affiliate Program into a Multi Level Marketing Scheme (MLM). MLM can be a dangerous legal game to play with your business and carries with it a negative stigma.

The idea of a two-tier structure is to give your Affiliates incentive to attract new Affiliates not necessarily to build a "downline". Your Affiliates should be rewarded for attracting new, performing Affiliates – but their focus should be on selling your products and services.

WHEN TO PAY

Along with deciding what to pay, who to pay and how much you should pay – you'll need to decide **when** to pay commissions. There are two main factors that play into "when" to pay: Schedule and Minimum Amounts.

Schedule

Schedule deals with the time frame in which you plan on paying commissions. This can be any periodical you wish – but most companies decide to pay either monthly or quarterly (4 times a year).

In my opinion – a monthly schedule is the best schedule for paying Affiliates in most situations. There are not many Affiliates who are willing to work hard day and night promoting your company and then wait for three months for you to turn over their checks. Plus - with all of the companies coming and going – you can hardly blame Affiliates for wanting their checks as soon as possible.

A monthly payout schedule is accepted as the norm across the industry. Any more time and Affiliates start wondering if they'll ever get paid. Any less time and you'll be spending a lot of time paying commissions each month.

If your company does decide that paying quarterly works best, you'll need to reassure your Affiliates that they'll be getting their next check. Think about it from an Affiliate's standpoint – web companies have been going belly up like crazy over the past year. Tell your Affiliates while you'll be there to send them a check in three months and what you'll offer them if you aren't.

Minimum Amounts

A lot of merchants think, "Sure, a monthly payout schedule sounds good, but there will only be a small percentage of my Affiliates that will earn more than a few dollars each month. Should I really be paying them each and every month?"

That's where minimum commission amounts come in. Setting a minimum amount that Affiliates must reach before you'll issue them a check means less check issuing for you while maintaining timely payments to your performing Affiliates.

For example, let's say you choose a minimum payout amount of \$10. Each month, you'll issue checks to every Affiliate that earned more than \$10 in commissions that month. Then, you'll simply carry over the commissions for Affiliates that earned less than \$10 to the next month. If those Affiliates earn enough the next month to reach the \$10 (combined with the carried-over amount) – you'll issue them a check. If not, you'll carry over their amount again. Each quarter, you'll clear out your balances by paying everyone that's earned a commission that quarter – no matter what amount they earned.

Choosing when to pay your commissions is an important decision to make. Despite what other companies are doing and what I think – your payout time has to fit your company.

How to PAY

The last decision you need to make is how you'll pay commissions. If you are running your own Affiliate Program, outside of a network, check-writing will be a responsibility you have. There are several different options you'll have in issuing commissions:

- **Hand Write:** We'll start with the most obvious: hand writing your checks. With this option, you simply sit down with your checkbook and start writing out checks to each Affiliate. Then, you stick them in an envelope, slap on a stamp and drop it in the mail.
- **Automatic Check Writing:** If you are using an accounting software package like Quickbooks, PeachTree or others, you can type the checks into the software and they'll be written for you automatically.

You may also be able to have your Tracking and Management Solution export a commission report into a file that can be imported into your accounting software – which means, you only have to press “print checks”. Of course, you'll still need someone to stick the checks in envelopes, slap a stamp on them and throw them in the mail.

- **Online Payment Services:** There are online payment services, like PayPal (<https://www.paypal.com/affil/pal=7UR8S7G8U85PC>), that will allow you to upload a file that contains your Affiliates' email addresses and the amounts you wish to pay them – and the service will distribute the money to them. If they aren't already signed up, your Affiliates simply have to join the service – for free – to get their commissions.

This option eliminates the envelope and stamp and – in most cases – costs less than an envelope and stamps. If your Tracking and Management solution can export your commission report into a file that can be uploaded directly to the Payment Service – paying commissions will only take you minutes.

- **Your Bank:** Check with your bank to see if they offer a payment service. For a fee, you may be able to send your commission reports to your bank. The bank will issue checks from your account to your Affiliates.

Once you determine what commission levels you can pay, what you are paying them on and when and how you'll be paying them you are ready to put your commission structure into your Affiliate Marketing Strategy.

Here's an example of what you could write about your commission structure:

II. PROGRAM STRUCTURE

B. Commission Structure

We will have a two-tier commission structure. It will pay Affiliates 10% of each sale they make and 5% of any sale that is made by an Affiliate that they refer to the system. Commissions will be paid by the 6th of each month to all Affiliates that earned commissions the month before last. (ie - on June 6th we will pay all commission earned in April). Since we have a 30 day money-back guarantee policy with our Widgets, this two-month system will help us ensure that we only pay commissions on sales that remained after the 30 days.

Chapter Three: Promotional Page

Now that we've covered the basic structure of your Affiliate Program – your Tracking and Management Solution and your Commission Structure, we're ready to move on to the materials that you'll need to prepare for Affiliate signups.

PROMOTIONAL PAGE

You'll need a promotional webpage that gives details about your Affiliate Program. This will be the page that your site visitors will click on to learn more about your Affiliate Program.

Here are some things you should include on your promotional page:

- **Commission amounts:** Let your prospective Affiliates know what they'll earn in the first and the second tiers. If you are paying a percentage of a sale – give them an idea of what that percentage comes out to in dollars (i.e. You'll earn 25%, or \$50, on each sale!)
- **Types of linking methods you offer:** Tell the prospective Affiliate about your linking methods. Many will want to know if you offer more than banners, if they can link to you using a text link and if you will help them create custom linking methods for their sites.
- **When commissions are paid:** Let your Affiliates know when you pay commissions – once a month, four times a year, etc. Also be sure to let them know if they have to meet a certain dollar amount before you'll issue them a check.
- **Exactly what they have to do to earn a commission:** Before new Affiliates will sign up for your program, they need to know what they and their visitors have to do in order to earn a commission. Do they have to send a sale, do their visitors have to fill out a lead generation form, do their visitors have to buy on the first day – or will you be tracking them after the first visit?
- **What tracking and management solution you are using:** Let prospective Affiliates know what solution you've chosen to track their click-throughs, impressions, sales and other activities and how that solution will help them.
- **Application Process:** Let your prospective Affiliates know what they have to do to sign up for your program. Do they fill out a form, do they email you? Will it be easy to sign up? Will they be automatically accepted, or will you be evaluating their information first? Tell them

what to expect after they click your “Sign up Now” link.

- **Information about your company and your products:** Be sure to tell prospective Affiliates about your company and your products. Show them why they should trust you and your brand to deliver your promises and impress the referrals they send your way.
- **Frequently Asked Questions:** Create a section of questions you think, or know, that new Affiliates may ask. Many prospective Affiliates look for frequently asked questions when they’re looking to join a new program. They want to see that you’ve taken the time to address issues that other Affiliates have brought up and that you’re honest enough to tell them everything they want to know before they join your program.

If you think this is too much information for one page, you may want to create a Promotional Area instead of a Promotional Page. The more information you give and the more professionally you present it – the better your chances are to turn prospective Affiliates into new Affiliates.

Take a few seconds to think about the kind of information you’ll be presenting on your Promotional Page(s) and add some text to your Affiliate Marketing Strategy.

For Example:

II. PROGRAM STRUCTURE

C. Promotional Page Text

Earn 10% of each sale you send our way!

By simply displaying our banner, you'll become our Affiliate, and get paid 10% of all resulting sales from your site!

With second tier commissions, you'll have the chance to earn even more money when your visitors sign up to be our Affiliates. Each visitor that clicks through to our site and signs up our program will be placed in your second tier -- you'll earn 5% on each sale they make! That's \$0.50 with NO additional work!

For more examples of Affiliate Program Promotional Pages, please visit:
<http://www.myaffiliateprogram.com/book/promopages.asp>

Here, you'll find links to Promotional Pages and Promotional Sections in use by merchants across the net. You'll see small pages, large sections and everything in-between.



When you've finished your Affiliate Marketing Strategy, come back to this section to create the promotional webpage and add it to your site.

Affiliate Agreement

The promotional page will link to your Affiliate Agreement and sign up page. Your agreement should include information pertaining to paying commissions and the relationship you are creating like: commission amounts, when they are paid, termination procedures and reasons, policies for returns and any maximum or minimum payout amounts. Since every business and every industry is different, consult with your legal team for the laws and regulations that apply to you.

My Affiliate Program SideBar

My Affiliate Program comes complete with sample agreements. These contain many of the general rules and regulations in Affiliate Marketing. Just add the terms you need to comply with your business and your industry!

Below you'll find some sample agreements and clauses that will give you an idea of what you can include in your Affiliate Agreement. Since we're not lawyers and we're not familiar with each and every industry, locality and business – we have to mention that the below are only examples and not legal advice. We suggest that you consult with your legal team to create the Agreement that is right for you.

SAMPLE AGREEMENT

This sample agreement includes clauses that should be included in just about every Affiliate Agreement: Term, Modification, Limitation of Liability, Independent Investigation, Anti-SPAM and Miscellaneous terms that relate all governing laws to a state or local legislature.

1) Term of the Agreements: The term of this Agreement will begin upon our acceptance of your Affiliate application and will end when terminated by either party. Either you or we may terminate this Agreement at any time, with or without cause, by giving the other party written notice of termination. You are only eligible to earn referral fees on sales occurring during the term.

2) Modification: We may modify any of the terms and conditions contained in this Agreement, at any time and in our sole discretion, by posting a change notice or a new agreement on this site. Modifications may include, for example, changes in the scope of available referral fees, fee schedules, payment procedures and Program rules. IF ANY MODIFICATION IS UNACCEPTABLE TO YOU, YOUR ONLY RECOURSE IS TO TERMINATE THIS AGREEMENT. YOUR CONTINUED PARTICIPATION IN THE PROGRAM FOLLOWING OUR POSTING OF A CHANGE NOTICE OR NEW AGREEMENT ON OUR SITE WILL CONSTITUTE BINDING ACCEPTANCE OF THE CHANGE.

3) Limitation of Liability: We will not be liable for indirect, special or consequential damages, or any loss of revenue, profits or data, arising in connection with this Agreement or the Program, even if we have been advised of the possibility of such damages. Further, our aggregate liability arising with respect to this Agreement and the Program will not exceed the total referral fees paid or payable to you under to this Agreement.

4) Independent Investigation: You acknowledge that you have read this agreement and agree to all its terms and conditions. You understand that we may at any time (directly or indirectly) solicit customer referrals on terms that may differ from those contained in this agreement or operate web sites that are similar to or compete with your website. You have independently evaluated the desirability of participating in the program and are not relying on any representation, guarantee or statement other than as set forth in this agreement.

5) SPAM: This company has a zero tolerance policy for SPAM. Any Affiliate accused of SPAMMING will be immediately suspended while the company, in their sole discretion, determines if the validity of the SPAM complaint. Valid SPAM complaints will result in the immediate termination of your account and forfeiture of any commissions owed you.

6) Miscellaneous: This Agreement will be governed by the laws of the United States and the State of Michigan, without reference to rules governing choice of laws. Any action relating to this Agreement must be brought in the federal or state courts located in Detroit, Michigan, and you irrevocably consent to the jurisdiction of such courts. You may not assign this Agreement, by operation of law or otherwise, without our prior written consent. Subject to that restriction, this Agreement will be binding on, inure to the benefit of and be enforceable against the parties and their respective successors and assigns. Our failure to enforce your strict performance of any provision of this Agreement will not constitute a waiver of our right to subsequently enforce such provision or any other provision of this Agreement.

SAMPLE CLAUSES

Here are some sample clauses that you may or may not want to consider adding to your agreement. Before adding any clauses, be sure that they truly fit your business and you're not adding them just to add them. Your Affiliates will want to know "Why" you're imposing the rules you are – so don't scare them off with unnecessary legalities.

Paying Commissions

One of the most sensitive areas in the merchant-Affiliate relationship is in the payment of commissions. Affiliates want to know what they'll be paid for, when they'll be paid and how their commissions will be calculated. Here are three sample clauses that discuss the payment of commissions.

From Priceline.com

<http://tickets.priceline.com/referrals/linkshare/agreement.asp>

We shall pay you 1% of Net Revenues for airline tickets, hotel rooms or rental cars and \$20.00 for each confirmed sale on new cars in a reporting period. Reporting periods shall be measured monthly.

In addition to the payments set out above, We will pay to You a one-time bonus of \$10.00 following the first month in which your participation in the priceline.com Affiliate Network generates Net Revenues or a confirmed sale on new cars.

Tells the Affiliates how much they'll paid for which specific actions.

Only affiliates who are approved by Us at the time of receipt of a customer offer(s) will be eligible for payment under this Agreement.

Payments will be made on a monthly (calendar year) basis to each affiliate having an accrued balance of \$50.00 or greater. Balances of less than \$50.00 will be credited towards the next calendar month.

Tells the Affiliates when they will be paid.

From: ClubMom

http://www.clubmom.com/areas/about/become_affiliate.html

Referral Commissions and Payments Procedures The amount of referral commissions due to affiliates will be as follows:

For a sale, which we make as a result of a direct referral by an affiliate, that affiliate will receive a commission fee of 12% of the selling price of the service or product sold. This is known as a first-tier referral commission.

Describes first and second tier sales.

For such a sale as described in the previous paragraph, if the affiliate who made the direct referral is a sub-affiliate

of another affiliate, the second affiliate will be eligible for a commission fee of 5% of the selling price of the service or product sold. This is known as a second-tier referral commission.

A commission will only be credited to an affiliate after the customer has made full payment to company. If a customer later requests a refund or a chargeback is issued by the credit card holder whose credit card was used to pay for that customer's account, any commissions that were credited to both first tier and second tier affiliates will be deducted from the next monthly payment. If there is no next monthly payment, the affiliate will be billed and hereby agrees to be bound by law to reimburse Company in full for any such commissions.

Explains how
refunds and
chargebacks
will affect
commissions.

Payments will be issued via check only, made payable to the affiliate in the name the affiliate submits in his or her online registration, and mailed to the mailing address provided by the affiliate.

Affiliates must have accumulated commissions of at least \$50 for a given payment period before a check will be issued. If commissions are less than \$50 for a given month, the commissions will be held over till the next month. This will continue until the commissions accumulate to more than \$50.

Covers
minimum
commission
amounts.

From: Discreet Research

<http://discreetresearch.com/agreement.htm>

Terms: Terms: Discreet Research, Inc will pay Affiliate thirty days (30) after the end of each calendar month for all commissions earned during the prior month, less any taxes we may be required to withhold, and less any amount Discreet Research, Inc determines, in its sole discretion, was not validly earned from proper use of the link on affiliate's web site. If commissions earned during any calendar month are less than \$25, then Discreet Research, Inc may hold those commissions until the month in which the total amount due is at least \$25 or (if earlier) until this Agreement is terminated. Due to the nature of our services when a client completes a order form for service and does not provide us with all the information needed to conduct a public record search, the

Explains it all
in one
paragraph.

order will be cancelled and the sale will be deducted from your affiliate account.

Linking

There are a growing number of companies that are regulating the linking methods that Affiliates can use. In some ways, this can help protect you with the assurance that the information that is displayed by your Affiliates is presented accurately and professionally. However, it may be a turn-off for a prospective Affiliate that wants to create their own unique marketing material directed at their unique contacts and visitors.

Here is a clause used by Priceline.com in their Affiliate Agreement. It lets prospective Affiliates know what they should and shouldn't do with the Priceline.com logos and linking methods.

From: Priceline.com

<http://tickets.priceline.com/referrals/linkshare/agreement.asp>

We will provide You with links, including URL addresses and appropriate graphics (the Link Materials), with which you may link your Web site to our Web site (www.priceline.com or such other Web site(s) as we may establish from time to time). Details on accessing these Link Materials are set out in the Affiliate Network Description below. If you are an approved Affiliate, we grant you a non-exclusive limited license solely to reproduce and use these Link Materials, including our trademarks to the extent they are incorporated into these Link Materials, only while you are an Affiliate and only in accordance with the terms and conditions of this Agreement.

Tells the Affiliates what they will be offered.

You agree to display the Link Materials appropriately on your Web site and to respect our trademarks, service marks, and other rights in the Link Materials. You will use only these Link Materials to link your Web site to ours, and You will not alter the look or feel of these Link Materials or of our Web site in any way. You will use reasonable efforts to update to new versions of Link Materials as we make them available.

Tells the Affiliates how their use of the marketing material is limited.

Tracking

Letting your Affiliates know how you'll be tracking their incoming click-throughs and referrals is a great idea. This will show them exactly what happens when a visitor leaves their site and clicks-through to yours. It will also help explain how important it is that they follow your instructions for setting up and updating their links.

Here are a few examples of clauses that discuss how the company tracks Affiliate Activity:

From: EasyBuy2000

<http://www.easybuy2000.com/store/sales%20information>

Tracking of Sales: Company will be solely responsible for tracking sales using special software that communicates with the specially encoded URLs assigned to affiliates. Company will endeavor to do its best to ensure accurate tracking of referrals made by affiliates. Affiliates will themselves be solely responsible for ensuring that these special URLs are formatted properly, a necessary prerequisite to accurate tracking of referral sales. Notwithstanding the above statement of responsibility by Company to track sales, affiliates hereby acknowledge and accept that the tracking system employed by Company is not 100% fail-safe and that there may on occasion be instances of referral sales made that are not credited to an affiliate for any of the following possible reasons:

Lets the Affiliates know how the company handles tracking and what the company expects the Affiliates to be responsible for.

Failure by the affiliate to use the proper format of the specially assigned URL in promotions, webpage links, banner ads, and so on

Deliberate or accidental actions by customers to circumvent an affiliate's special URL so that our software is unable to accurately track that sale

Bugs, glitches or crashes of the tracking software that render it unable to accurately track sales for a period of time

Acts of nature that cause irretrievable data loss on the computers and back-up disk media

Explains situations in which the company will not be responsible for tracking activities.

that store the commission information.

As such, affiliates will not hold Company liable to compensate for any claimed commissions that were not tracked and recorded by the tracking software.

From: NetPhoneCard

<http://www.netphonecard.com/AgentAgreement.asp>

Referral Fees

... We will pay referral fees on any Products after the customer has re-entered our site through the use of a cookie placed on the end user computer. If, through no fault of ours, the cookie is removed or not allowed by the end user, that customer's purchase may be tracked only if customer enters our site directly through a link from your site. The cookie may expire at the end of 90 days or a time period determined solely by iDial Networks.

Lets Affiliates know when their referrals will be tracked and when the tracking time ends.

Relationships and Responsibilities

Since the Affiliate-Merchant relationship has some legal and financial ties, it's a good idea to define the relationship you are creating and present it to your Affiliates so that they understand how your companies will be working together. When defining your relationship, you'll be able to determine your responsibilities as the merchant and your Affiliates responsibilities as a representative of your company.

From: FurnitureFind:

<http://furniturefind.com/findanswers/info.asp?strInfo=ffrrp>

Responsibility for Your Site

You will be solely responsible for the development, operation, and maintenance of your site and for all materials that appear on your site. For example, you will be solely responsible for:

The technical operation of your site and all related equipment

The accuracy and appropriateness of materials posted on your site (including, among other things, all product-related materials)

Ensuring that materials posted on your site do not violate or infringe upon the rights of any third party

Shows the Affiliate that the merchant expects that their Affiliates are responsible website owners.

(including, for example, copyrights, trademarks, privacy, or other personal or proprietary rights)

Ensuring that materials posted on your site are not libelous or otherwise illegal.

We disclaim all liability for these matters. Further, you will indemnify and hold us harmless from all claims, damages, and expenses (including, without limitation, attorneys' fees) relating to the development, operation, maintenance, and contents of your site.

Relationship of Parties

You and we are independent contractors, and nothing in this Agreement will create any partnership, joint venture, agency, franchise, sales representative, or employment relationship between the parties. You will have no authority to make or accept any offers or representations on our behalf. You will not make any statement, whether on your site or otherwise, that reasonably would contradict anything in this Section...

Defines the
Affiliate
relationship in
legal terms.

From: Network Solutions

<http://www.networksolutions.com/legal/affiliates/agreement.html>

Our Responsibilities

We will be responsible for providing all information necessary to allow you to make appropriate Links from Your Site to Our Site. We will be solely responsible for processing every application for Network Solutions Services placed by a customer following a Link from Your Site, for tracking the number and amount of sales generated by the Link from Your Site, and for providing information to you regarding sales statistics. Also, we will be responsible for credit card authorizations, payment processing, cancellations, returns, and related customer service for the Network Solutions Services, it being understood that such activities shall be for our account.

Shows
Affiliates what
the company
is holding
itself
responsible
for.

From: NetPhoneCard

<http://www.netphonecard.com/AgentAgreement.asp>

Enrollment in the Program

To begin the enrollment process, you will submit an application via our site. We will evaluate your application in good faith and will notify you of your acceptance or rejection. We may reject your application if we determine (at our sole discretion) that your site is unsuitable for the Program. Your site should:

- Generate sufficient traffic to our websites
- Attract a customer base who may be interested in telecommunication products
- Not promote sexually inappropriate materials
- Not promote violence
- Not promote discrimination based on race, sex, religion, nationality, disability, sexual orientation, or age
- Not promote illegal activities
- Not violate the intellectual property rights of iDial Networks

If we reject your application, you are welcome to reapply to the Program at any time. You should also note that if we accept your application and your site is thereafter determined (at our sole discretion) to be unsuitable for the Program, we may terminate this Agreement.

Describes the types of Affiliates and websites the company does and doesn't wish to be associated with.

Tells Affiliates that the company can decide to reject or terminate an Affiliate at any time.

Exclusivity

Several Affiliate Merchants in very competitive industries use exclusivity. This clause tells Affiliates that they can't sign up for programs and promote other companies that directly (and sometimes indirectly) compete with their company.

It is a tricky subject and can be a turn-off to some Affiliates. Before placing an exclusivity clause in your Affiliate Agreement, be sure that it won't stop many prospective Affiliates from signing up for your program. There are several Affiliates that won't sign up for an exclusive program for fear that the merchant will use the exclusivity clause as a loop-hole to not pay commissions in the future. Also be sure that you have a way to monitor and enforce the policy.

Here are a few exclusivity clauses that have been used by other companies:

From: Barnes and Noble

<http://bn.com/affiliate/agreement.asp>

Exclusive Bookseller

Subject to the terms and conditions set forth below, we shall be the exclusive bookseller on your site. You agree that you will not (directly or indirectly) allow any other person or entity to sell books on your site or link their site to yours in connection with the sale of books. This agreement does not prevent an Affiliate from selling/fulfilling its own proprietary published titles on its site or from accepting paid advertising from other booksellers. However, both such actions are not to occur on any barnesandnoble.com co-branded pages, including but not limited to any pages of the Co-Branded Bookstore (as described below).

Describes the company's requirement that no competing products be promoted except the Affiliates' own products.

From: Network Solutions

<http://www.networksolutions.com/legal/affiliates/agreement.html>

Exclusive Provider

Subject to the terms and conditions set forth below, we shall be the sole and exclusive Internet domain name registration service provider appearing on Your Site or in any materials to promote Your Site. You agree that you will not, directly or indirectly, promote or sell services or allow any other person or entity to promote or sell services the same as or similar to the Network Solutions Services on Your Site or link their web site to yours in connection with the promotion or sale of services the same or similar to the Network Solutions Services. This Agreement does not prevent an Affiliate from selling/fulfilling its own web hosting, Internet access or other related services on Your Site.

Similar to the clause above – except that this clause explains exclusivity for the promotion of services.

For more examples of clauses that you can use in your Affiliate Agreement, visit:

<http://www.myaffiliateprogram.com/book/agreements.asp>

Also, visit the **Affiliate Union** for advice and guidance in creating your Affiliate Agreement. The Affiliate Union is a loose collaboration of affiliates (web publishers), affiliate marketers, merchants and affiliate solution providers. Together, they are working to establish a "certification standard"

to reduce fraud and deception against affiliates by some online merchants. This group, based upon the "open standards committee" tradition of the Internet, has charged itself with:

- Developing this certification standard
- Establishing an infrastructure for the review, certification and decertification of merchants under that standard
- The promotion of that standard as a "must have" before joining an affiliate program.

The Affiliate Union has developed a set of standards that are acceptable to both Affiliates and merchants and speak to the needs of both parties. At their site, you can view drafts of agreements and clauses to use in your Affiliate Agreement. Plus - you'll find links to individuals and companies you may be able to hire or call on to help you complete your agreement.

You can find The Affiliate Union at: <http://www.affiliateunion.com>

Take a few minutes now to think of some of your company practices or policies that might apply to your Affiliate Program and write them down on your Strategy Outline. For example: 30 day Money back guarantee time, types of sites that you would not like as Affiliates, minimum commission amounts, tax reporting for commissions and so on.

When you are finished compiling it, your entire Affiliate Agreement should be attached to your Affiliate Marketing Strategy.



Come back to this point to create your Affiliate Agreement and place it on your website.

Chapter Four: Linking Methods and Entry Pages

Once your Affiliates read through your promotional page, accept the terms of your Affiliate Agreement and sign up for your Affiliate Program – they are going to need links to use in promoting your site. This means that you are going to need to get together some ideas for linking methods, and an idea of where those linking methods will lead visitors.

LINKING METHODS

If you are planning on running a simple Affiliate Program, you can offer your Affiliates a couple of banners. On the other hand, if you are planning on running a sophisticated program, you can offer your Affiliates various types of marketing material to help increase their chances to make a sale.

Giving your Affiliates a number of linking methods is a great way to entice them to actively promote your site in several venues. If you only give them banners, they'll only think to advertise by placing that banner on their site. But, if you give them banners and text ads and articles, they may think to place the banner on their site, a text ad in outgoing mailings to their customers and an article in their e-zine.

Here are a few linking methods to think about:

Banners: Though studies have shown that they aren't as effective as other linking methods, banners are still widely used and expected. Make several banners in

a variety of sizes to fit tops of pages, bottoms, toolbars,



sidebars and other miscellaneous areas. Once you've finished creating each banner, go back and create new banners by changing the color schemes on each to be sure that you match a wide variety of palettes.

Rotating Banners: Upgrade your normal banners by using rotating images. Instead of showing one static banner, allow your Affiliates to rotate fresh, new banners on their sites each time their pages load. New banners will catch the eye of repeat visitors and help increase their awareness of your name!

Using rotating banners can also help you determine how effective a banner or a campaign is. If the banners are shown on the same site to the same visitors – you'll get a good idea of what works by checking to see what banners they clicked on.

If you don't have your own in-house design team, you can hire a graphic design company or use a Free online banner creator like one of these:

Banner Forge: <http://www.bannerforge.com>

SpinFrenzy: <http://www.spinfrenzy.com/html/index.html>

Creation Connectivity: <http://www.crecon.com/banners/>

Testimonials and Endorsements: These have to be, by far, one of the best linking methods available. They give Affiliates a story or a statement to use that reassures their visitors, gets them excited about your products and services and shows them that “it really worked” for this person.

Talk with your customers to see if any of them would like to offer you a testimonial or read through past email messages from customers who raved about your service. You can even write your own success story telling readers how your product or service helped you get where you are today. Just show them that what you have to offer has worked for someone else and it can work for them.

Articles: These are great for Affiliates that need content for their website. Articles are especially useful for Affiliates that write their own newsletter or e-zine. Well-written articles that pertain to their industry and help them promote your product are perfect for filling up their e-zines.

Pick a few topics about the industry and write a series of one to two page articles. Be sure that your Articles are **Articles** and not Ads! In order for your Affiliates to place the articles, they'll need to see that their readers will benefit by reading the information – whether or not they buy your product.

If you're not a writer, don't excuse articles as a linking method. You can hire a writer to complete a few articles for you. Here are some writers to check out:

Internet Writers: <http://www.internetwriters.com>

Dr. Nunley: <http://www.drnunley.com>

Blue Cat Design: <http://www.bluecatdesign.com/bcat/editorial.html>

Signature Files: Dedicated Affiliates may even add your tag to their signature line. Give them a few witty lines to choose from. Your signature lines should be about 60 characters per line and anywhere from 2 to 4 lines.

Email Ads: Your active Affiliates may be interested in placing ads in e-zines or their own newsletters. Stick to about 60 characters per line – but

try writing a few ads in different lengths. I've found the following to be popular lengths: 4 lines, 15 lines, 20 lines, 40 lines and 50 lines.

Sign Up Forms: Let your Affiliates help you build your Opt-In email lists with guestbooks. Depending on what your Affiliate Marketing Strategy calls for, you can offer them a commission for each email address they send you, or each resulting purchase made by the subscribers they send you.

Sign Up Forms work well for offering "Free Reports" or other auto-reply based offers. Visitors simply fill in the blanks and an auto-responder delivers the material.



FREE Report!
How to maximize your profits!

Enter your name and email address below and we'll send you our FREE Report on maximizing your profits without spending any money!

Name

Email Address

They also work very well for signing on new subscribers to your email newsletter. Your Affiliates can help you build your newsletter lists by placing your sign up form on their site.

My Affiliate Program SideBar

The Sign up forms and autoresponder email addresses included in the Opt-In Pro Software can be automatically integrated with your Affiliate Program!

Autoresponder Email Addresses: Give your Affiliates the ability to pass out your autoresponder email address. This way, they can offer their visitors and readers your "Free Report", "Instant Information" or a subscription to your newsletter.

Product Images: Give your Affiliates images that show *and link directly to specific products*. They'll be able to choose an image specific to their site, or choose several images to display. *The link can point to any page on your site.*



Product Images work especially well for companies with a wide range of products directed at several different audiences. If this sounds like your company, pick a few audiences and create product images for each. Instead of displaying a general

banner for your company, your Affiliates can display a banner for a specific product that meets the needs of their target market – increasing their chances of making the sale!

Affiliate Recruitment: Create banners and text links that promote your Affiliate Program. Your Affiliates can use these linking methods to expand their second tier – giving them greater opportunities to earn commissions and giving you more Affiliates!

The more linking options you give them – the better!

The more marketing content your Affiliates are able to deliver to their visitors – the better. By giving the visitors more information **before** they click-through, your Affiliates will be pre-selling your products and services to the visitor. The visitors that click-through after reading through the extra material at your Affiliate's site will be better informed, motivated and have an idea of exactly what he/she will be doing at your site.

Once you have decided on your linking methods, list them in your Affiliate Marketing Strategy. To start with, just list a few ideas for methods you plan to use. **For example:**

My Affiliate Program SideBar

My Affiliate Program makes it easy to offer your Affiliates unlimited linking options. Just create the link and add it to your Empowerment Pack. My Affiliate Program will automatically configure all of the links with each Affiliate's unique ID numbers and make the link available to them on their administration page.

II. PROGRAM STURCTURE

E. Linking Methods

1. **Banners:** 4 or 5 banners. "ABC – the first widget ever created – get yours!", "XYZ – the last widget you'll ever need!" Combine a few for Rotating banners.
2. **Articles:** 3 articles – write one – "The importance of finding the widget that properly fits your needs". Have two written on the history of widgets and the emerging bobble accessories.
3. **Email Ads:** One for ABC, one for XYZ, one for Yourdomain.com Widgets.
4. **Signature Files:** "ABC – where it all began. Isn't it time you got started?"...
5. **Guestbooks:** Free Report – Using your widgets wight – I mean right! – Start collecting addresses for a weekly newsletter.
6. **Product Images:** One for ABC and one for XYZ – link each directly to their own pages.
- 7...



When you've finished your Affiliate Marketing Strategy, come back to this point and actually create the linking methods.

ENTRY PAGES

Once you've determined what linking methods you want offer your Affiliates, you need to determine where those linking methods are going to lead visitors. In other words, what page on your site would you like visitors to enter on? This page is fittingly called an "entry page".

Include on Your Entry Pages

Your entry page is the first page that visitors will see when they enter your site. So, you'll want to keep them clean, impressive and action-oriented. Each entry page you create should list *one to three* actions that your visitors can take. For example:

- Order Now
- Contact Us
- Fill out this form
- Subscribe to our newsletter
- Call Now
- Email Us
- Learn More
- Take the tour
- Download the demo
- Request Product Information
- Request FREE Report
- Members Only – Click Here

Meet Your Objectives

Your entry page is going to be the place where you truly carry out your objectives. Remember the examples at the beginning of the book?

Domain Direct's objective was to increase traffic to their site because they easily turned visitors into customers. Their entry page contained the first part of their order form.

Planet Holiday's objective was to increase leads. Their entry page included several lead generation tools.

Discover Learning's objective was to increase subscriptions. Their entry page included sign up forms for their newsletter/product mailings.

Think about your objective – make it the focus of your entry page.

Multiple Entry Pages

Allowing Affiliates to link to specific entry pages is also a great linking technique. If you've written an article or created an image for a specific product, service, sale or feature – be sure the link points directly to that section of your site.

Using different entry pages for different purposes can help you close more sales for your Affiliates by minimizing the amount of clicks it takes to show visitors what they came for. Instead of always linking to your index page, consider linking a “Buy Now” banner to your order page; an article about “Features you’ll find nowhere else” to your features page; or an email ad about your “Service Guarantee” directly to your guarantee policy page.

Here’s an example of what you may write in your Affiliate Marketing Strategy:

II. PROGRAM STRUCTURE

F. Entry Pages

Since we’ve determined that our objective is to get visitors to our site and turn them into customers on their first visit, we’ll give them every opportunity to order. We’ll add an “Order Now” button to our main toolbar. We’ll also create a large “Buy Now” image and place it at the top of every page.

If your Affiliate Marketing Strategy calls for lead generation or building your opt-in lists, you’ll want to add signup forms wherever you can. Remember how Planet Holiday had three lead generation tools on their click-through page?

Outline the types of lead generation tools you’ll use in your Affiliate Marketing Strategy.

For Example:

My Affiliate Program SideBar

My Affiliate Program makes it easy to create lead-generating forms using the integrated Opt-In Pro Email Marketing Software. Create the form, place it on your site or offer it to your Affiliates to add to their site – either way, the form will collect the information you need along with the referring Affiliate’s ID number. Opt-In Pro can automatically follow up with the visitor with scheduled mailings – specially encoded with the referring Affiliate’s ID Number!

II. PROGRAM STRUCTURE

F. Entry Pages

Our history has shown that our visitors do not usually purchase on the first visit. Instead, we must follow up with them on a regular basis to encourage the sale. We will offer visitors a chance to sign up for detailed product information, monthly promotion details, testimonials from other users, a free brochure and special access to our member's only area. Using the Opt-In Pro Software included with My Affiliate Program, we will create guestbooks that can be placed on our site and our Affiliates' sites so that visitors can easily sign up for this free information. With the help of Opt-In Pro's follow up campaigns, we'll send the visitors a series of email messages telling them more about our Widgets.

Remember: Most sales don't occur "on the spot". So, your best bet is to get an email address. With an email address, you can follow-up with your visitors until they become customers.



When you are finished writing your Affiliate Marketing Strategy, you'll need to come back to this point and actually create the new material and entry pages for your website.

Chapter Five: Affiliate Communication and Motivation

One of the biggest mistakes that many merchants make when starting an Affiliate Program is that they forget to create a plan for Affiliate Communication and Motivation. Affiliates are an important part of your business – and just as you would not neglect to speak to your employees and co-workers –you shouldn't neglect to communicate with your Affiliates. Think of your Affiliates as your “outside salesforce”. They need good sales materials, good motivational ideas and good bonuses for hard work.

Your Affiliate Communication plan should begin with the exact second that a new Affiliate signs up for your program. It should last throughout the time that an Affiliate remains a member of your program.

THANK YOU PAGE

Affiliate Communication starts at your “Thank you” page. This is the page that an Affiliate sees once they fill out your sign up form and click on “submit”. Most tracking and management solutions have a standard “thank you” page that gives the Affiliate their ID number and banner/linking code.

But, don't let that standard “Thank You” page serve as your first communication with your new Affiliate. Customize it to give them a true welcome to **your** unique program and the unique opportunity **you're** giving them by allowing them to become a part of **your** business. No standard “Thank You” page can do that for you.

Your “Thank You” page should contain:

- **Welcome message** – Thank the new Affiliate for joining your program and welcome them to your business. Let them know a little bit about lies ahead of them as your Affiliate.
- **Affiliate ID** – Give them their Affiliate ID number.
- **Linking Code** – Give your new Affiliate their linking code complete with their unique Affiliate ID number. If your sign up page included a choice of banners, give them the code for that banner along with a sample text link.
- **Login Page** – Give your new Affiliate the link to login to their administration page. In a sentence or two, give them an idea of what they will find at their administration screen
- **Contact Information** – Add your contact information to the Thank You page so that a new Affiliate can contact you if he/she has any questions.



Come back to this point and write the content for your “Thank You” page. This is best left for after you have your Tracking and

Management Solution in place – customize the existing “Thank You” page with your unique message.

THANK YOU EMAIL

You should also send your new Affiliates a “Thank You” email that covers the same information you touched on with the “Thank You “ page.

You may also want to add some frequently asked questions and answers to this email. Remind new Affiliates when they’ll be paid, what kind of linking materials you offer and what they need to do to promote your products and services.

Be absolutely, positively sure that the email address that your “Thank You” email is sent from is valid and is regularly checked. Many of your new Affiliates will attempt to write you by responding to this email. If their message bounces back to them or is never answered – they’ll become quite discouraged.

Like a lot of Affiliates, I make it a point to reply to the “Thank You” email with a question – no matter how trivial. If the question gets answered in a timely fashion, the link gets placed on my site. If the question is bounced back or never responded to – the link does not go on my site. Why? I want to be sure that the hours, days and weeks I spend promoting the company will be worth my while. If they can’t so much as answer a simple question when I’m new – what’s to say that they will bother helping me in the future or paying me for all of my hard work...?

The first impression is everything! If you don’t leave your new Affiliate feeling like they have found a great new product or service to represent – you can be sure they’ll leave you.

Like the “Thank You” page, the “Thank You” email will most likely be a standard feature of your Affiliate Tracking and Management Solution. And, just like the “Thank You” page, it needs a little customization to make it truly fit your unique program.



Come back to this point and write the content for your “Thank You” email. This is best left for after you have your Tracking and Management Solution in place – customize the existing “Thank You” email with your unique message.

ACTION-GENERATED EMAIL MESSAGES

Your Affiliate Tracking and Management Solution may come with action-generated emails. These are messages that are sent to your Affiliates when they refer a confirmed sale, when they refer a second tier Affiliate or when they earn a second tier commission.

These email messages keep your Affiliates motivated and excited about promoting your products and services. They don't have to wait until the end of each month to see results – they'll see the fruit of their labor as it unfolds sale by sale and Affiliate by Affiliate.

Once again, be sure that these messages come from a valid email address that someone in your company checks. Your Affiliates may have questions about the order, Affiliate or second tier sale they sent you – and they'll try to get in touch by replying to the action generated email.

If your Tracking and Management Solution offers action-oriented emails – you're in luck. You won't have to do much except edit the letters to include your unique, motivating messages. If your solution doesn't offer this option, you'll need to setup a few letters and determine a schedule for sending them.



Come back to this point and write or edit the content for your Action-Generated messages. This is best left for after you have your Tracking and Management Solution in place – customize the existing letters with your unique message.

Here's an example of what you might write in your Affiliate Marketing about your thank you page, email and action-generated email messages.

II. PROGRAM STRUCTURE

H. Thank you pages and Action-Generated Messages

Thank You Page: Use the Thank You Page supplied in our Tracking and Management Solution. Also, include contact information and a brief summary of our company and our program.

Thank You Email: Use the Thank You Email supplied by our Tracking and Management Solution. Once again, include contact information and a brief summary of our company and our program.

Action-Generated Email: Use the emails supplied by our Tracking and Management Solution. Also, include our contact information and a personal note from me.

Before we go any further, it's time we covered an important topic – “Activation Rates”. Activation Rates refer the number, ratio or percentage of Affiliates that actually place your link. Believe it or not – people will come to your site, sign up for your program and **never** place your link on their site, in an email message or anywhere else.

Why?

Well, there are countless reasons. Maybe they sign up one day and forget the next day. Maybe they accidentally delete your “Thank You” email and don't bother contacting you or signing up again. Maybe they lost interest. Maybe you didn't answer their email.

No matter what reason each lost Affiliate has for not posting your link, poor Activation Rates can be blamed on one thing: poor Affiliate communication.

If Affiliates are properly followed up with, they won't forget about your program, they'll have their account information in front of them at all times and they won't lose interest. So, it's up to you to follow-up with them. Keeping them in touch with you and what's going on with your company will get them and keep them active.

That's what the rest of this chapter is about. Remember:

Affiliate Marketing can be as **easy** as you want it to be or
as **powerful** as you want it to be.

If you want to run a simple, easy program – that's fine. You don't need to customize your “Thank You” page and email and you don't have to follow-up with your Affiliates. But, if you want to run a highly successful, revenue-generating powerhouse of an Affiliate Program – communicating with your Affiliates on an ongoing basis is the key. It will not only increase your Activation Rate, but your traffic, leads, sales and more.

FOLLOW-UP LETTERS

Following up with your Affiliates during the first few weeks they belong to your program is the most important – and most often forgotten – step in increasing your activation rate and resulting traffic and sales. Put together a series of letters that walk your new Affiliate through posting a banner, advertising your links and communicating with you.

Here is a sample schedule of letters:

Day 1 (The first day after the Affiliate signed up for your program):
Thank the Affiliate once again for signing up. Remind him that you

sent him linking code yesterday and ask him where he posted the link. Tell him if he needs help posting the link, he can reach you at 111-222-3333 or your@address.com.

Day 5: Let your new Affiliate know about other linking methods you have available. List the linking methods and tell her where she can put them into place (ie – Widget Article: Use this on your website or in your next newsletter)

Day 9: Tell your Affiliate that you are able to create custom linking options for him. Ask him what kinds of linking methods appeal to him and what kind of links he'd like to see in the future.

Day 13: Remind your Affiliate that she can earn second tier commissions by referring new Affiliates. Explain how second tier commissions work and how much she'll earn each time a referred Affiliate makes a sale.

Day 17: Give your Affiliate a list of resourceful books, sites, products, services or newsletters that he can use to learn how to better promote his site and your links. Sign up for a few Affiliate programs and use this opportunity to earn commissions when your Affiliates purchase a book, a tool or a service.

Sending these types of letters will help keep your Affiliates in touch and get them involved in your business. In each letter, offer them advice, ask for their opinion and offer them your contact information for help setting up links or promoting your products and services.

You'll need to come up with a way to schedule these letters and send them out. You could keep track on a calendar or you could find an automated system to send out the messages for you on the correct day.

There actually is an Affiliate Tracking and Management Solution with an integrated email management system that would send out your messages automatically. You guessed it! My Affiliate Program Software! With the integrated Opt-In Pro Email Marketing Software, My Affiliate Program will follow up with your Affiliates without any headaches or scheduling frustrations for you. Just type the letters and tell it when you'd like them to be sent – it really is that easy.

Here's an example of what you might write in your Affiliate Marketing Strategy about Follow-Up Messages.

II. PROGRAM STRUCTURE

I. Follow-up Messages

Follow-up messages are definite **must**. We will follow up with our Affiliates after they sign up to remind them to post their banner and get them involved in our company right away.

Day One: Have you uploaded banner?

Day Three: Here are more linking methods.

Day Six: Here are some great resources.



Come back to this point to put together a series of follow-up messages for your Affiliates and create a plan for sending them out. Remember – if you choose My Affiliate Program as your solution, the software can follow-up with your Affiliates for you.

NEWSLETTERS

Publishing an Affiliate Newsletter is a great way to stay in touch with your Affiliates long after their original sign up date. It gives you a chance to speak to your Affiliates and keep them motivated and focused on promoting your products and services.

Your newsletter can be sent whenever you'd like to send it, though I wouldn't suggest sending one every day. Like you, Affiliates receive a ton of email each day and they'll only read messages that contain real information. So, if you don't have a lot to talk about every week, send a newsletter every other week or once a month. Make it worth your Affiliates' time to stop and read your message.

Your newsletter should contain a combination of the following:

- **An editorial welcome.** Make yourself and your company seem “real” by starting your newsletter off with a personal message from a “real” person.
- **An update on what's new at your company and in your Affiliate Program.** Remember: Affiliates are part of your company – let them know what's new and what's up and coming. Also, keep them up to date on any changes you've made to your program, your agreement, commission structure and so on.

- **An article or a highlighted topic** . Give your Affiliates some advice about promoting their sites and your links. Try writing a quick tip or answering a question posed by an Affiliate.
- **Linking Methods**. Keep your Affiliates interested by introducing a new linking method or two in each newsletter. Show them the link and give them the benefits they can expect by using the link.
- **Promotion Information**. If you're running a special promotion (discussed below) tell your Affiliates about it in your newsletter. Let them know how to participate, what they'll "win" and how the top producers are doing.
- **Contact Information**. Always encourage your Affiliates to contact you and give them every opportunity to find you. Use your regular newsletter to keep your email address and phone number in their reach at all times.
- **Humor**. Keep it light and personal. Make your Affiliates feel like old friends.

Here is an idea of what you may write in your Affiliate Marketing Strategy about an Affiliate Newsletter:

II. PROGRAM STRUCTURE

J. Affiliate Newsletter

We will have a monthly newsletter that will update Affiliates on new happenings in the company, new linking methods and include contact and login information.



Come back to this point and get an outline together for your newsletter and an idea of when you'll be sending it out. Then, sit down and write your first newsletter and start sending it out according to your schedule.

PROMOTIONS

Another great way to keep your Affiliates motivated is through special promotions. Much like you offer your customers and prospects special incentives to buy – you can offer your Affiliates special incentives to sell. If you give your customers 10% off their purchases one week, why not offer Affiliates an extra 10% commission the next week? Here are a few more special promotions you could offer your Affiliates:

- **Second Tier Builder:** Encourage your Affiliates to refer new Affiliates to the program by offering them a higher second tier commission for a limited time.
- **Holiday Promotion:** Offer your Affiliates an additional 10% during the Christmas Season.
- **Special Announcements:** Ask your Affiliates to send a special announcement to their list of opt-in addresses and reward them with an additional 5% in commissions for one month.

Giving your Affiliates a chance to earn additional income by promoting the products, services and opportunities you have to offer is an excellent way to keep them motivated and in sync with your companies current goals.

II. PROGRAM STRUCTURE

K. Affiliate Promotions

We'll setup a promotion for each month to keep Affiliates motivated.

Month One: Additional 2nd tier commissions (to build our program)

Month Two: Two-week Holiday promotion (to relieve holiday stock)

Month Three: Introduce new winter line and offer Affiliates the chance to earn an additional 2% if they send a letter to their contacts about the new products.



Come back to this point and compile some ideas for Special Promotions you can run throughout the next six months.

Section Five: Launching Your Program

Adding Links to Your Site
Press Releases to Your Contacts

Summary

Once you have your program Structure in place, there's not much left to do. Just add a link to your site and start telling people that you have an Affiliate Program – and your launch is complete. This section will give you some ideas on launching your program.

Launching Your Program

ADD A LINK TO YOUR SITE

Once you have all of your Affiliate sign-up pages and emails setup, you're ready to launch your program! Amazing as it may sound, launching your program is as easy as placing a link on your site that takes visitors to the promotional page you created about your program.

You'll need to decide where to add this link so that visitors can see that you offer an Affiliate Program. This can be on your toolbar, in the text on your home page, in a banner at the top of your page and so on. Decide where you'll be placing the links and note the locations in your Affiliate Marketing Strategy:

III. LAUNCHING YOUR AFFILIATE PROGRAM

A. Add a link to your site

When we are ready to launch our program, a link pointing to our promotional Affiliate Program page will be added to our toolbar. We will also place a banner on the far right side of each page on our site pointing to the same promotional page. As soon as we add that link - our program is live.

As the example above shows, as soon as you link your promotional page to your index page or other pages, your program is live! Affiliates can begin signing on and sending traffic your way.

(In the next section "Promotion", we'll discuss optimal places to situate the link to your promotional page.)



Remember to come back to this point to activate your program by creating the new links and add them to your site.

PRESS RELEASES TO YOUR CONTACTS (A GREAT START)

Sending notices to all of your customers letting them know that they can sign up as Affiliates and earn commissions by recommending your products is a great way to announce your program. Also, consider sending

a press release to industry participants, industry-related press, partners, stockholders and others that may be interested in knowing about your new program.

You'll be surprised to see how many of your current contacts sign up for your Affiliate Program when you simply let them know that you've started one. Plus, you may receive some media attention – like an article or a special mention in an industry newsletter, ezine or resource site.

Write a letter to your customers and one to other contacts regarding your new Affiliate Program. If you're not a writer, remember, you have the option to hire someone to write your press release for you. Here are a few companies that will write your press release:

Internet Writers: <http://www.internetwriters.com>

Dr. Nunley: <http://www.drnunley.com>

Blue Cat Design: <http://www.bluecatdesign.com/bcat/editorial.html>

You can also hire a PR company to write and/or send your release to related press members. Your release may be sent to industry publications, local papers and online publications. Here are a few companies to check out:

Gebbie, Inc: <http://www.gebbieinc.com>

BusinessWire: <http://www.businesswire.com>

InternetWire: <http://www.internetwire.com>

Internet News Bureau: <http://www.news bureau.com>

Xpress Press: <http://www.xpresspress.com>

PR Web: <http://www.prweb.com>

PR NewsWire: <http://www.prnewswire.com>

Add the letters and your distribution plan to your Affiliate Marketing Strategy – here's an example:

III. LAUNCHING YOUR AFFILIATE PROGRAM

B. Press Releases

To Our Customers:

Dear Customer,

Not only will you benefit by using our quality Widgets, you can also benefit by referring them to others. How? Join our new Affiliate Program.

Here's how it works: Sign up for our program and place our banner on your site. You'll earn 10% each time someone purchases a Widget after visiting your website.

Sign up now: <http://www. . .>

To our other Contacts:



When you've launched your program – come back to this point to compose and send the letters to your customers and contacts.

Section Six: Promotion

Chapter One: Affiliate Directories

Chapter Two: Email Advertisements

Chapter Three: Second Tier Promotion

Chapter Four: Active Recruiting

Types of Sites to Look for

How to Find Them

How to Contact Them

Summary

Promoting your new Affiliate Program is easier than you may think. By the time you finish launching your program you'll have gotten a good start on promoting it. Along with adding links to your site, you can easily promote your program using Affiliate Program Directories, Email Advertisements and good 'ole fashion Recruiting.

Promoting Your Program

Chapter One: Affiliate Program Directories

AFFILIATE PROGRAM DIRECTORIES

There are several Internet sites dedicated to listing Affiliate Programs – these sites are usually called Affiliate Program Directories or Affiliate Program Search Engines. Prospective Affiliates visit these sites to find suitable programs to join.

These sites are obviously a great place to find Affiliates. You can get your program listed in these directories by visiting each and filling out their submission form. Your information will be added to their database and displayed for visitors.

My Affiliate Program SideBar

When you purchase a Standard or Professional account with My Affiliate Program, you'll get a **FREE** listing in the Kolimbo Open Affiliate Network where existing affiliates can view and join your affiliate program.

Here's an example of what a listing in an Affiliate Program Directory may look like:

Category: Widgets

Website: <http://www.yourdomain.com>

Program Details: YourDomain.com offers a wide range of Widgets and Bobbles. Their Affiliate Program pays 10% in the first tier and 5% in the second tier. Commission checks are issued every month.

Add a section to your Affiliate Marketing Strategy listing Affiliate Program Directories and the links to their sites. Here are a few directories to start with:

Associate Programs by Alan Gardyne: <http://www.associateprograms.com>

2-Tier Programs by Rick Bier: <http://www.2-tier.com>

Refer-It Directory by Internet.com: <http://www.refer-it.com>

Associate-It: <http://www.associate-it.com>

Click Quick: <http://www.clickquick.com>

Top 10 Affiliates: <http://www.top10affiliates.com>

MakeMoneyNw.com : <http://www.makemoneynow.com>

i-Revenue: <http://www.i-revenue.net>

10000 Affiliate Programs: <http://www.10000affiliateprograms.com>

Promoting
Your
Program



Come back to this point to lookup the domains and submit your program.

Chapter Two: Email Advertisements

EMAIL ADVERTISEMENTS

With the growing number of businesses and organizations that are starting email newsletters or e-zines, you'll have no problem finding one that targets your ideal audience. Compile a list of these e-zines and contact the editors for advertising rates. Add the names and the rates to your Affiliate Marketing Strategy – note that this is an ever-changing area – leave room for changes!

Here are a couple of websites you can visit to find listings of e-zines and online newsletters and advertising information:

eYes Mail: <http://www.eyesmail.com>

E-Zine AdSource Directory: <http://www.ezineadsource.com>

Ezine Advertising: <http://www.ezineadvertising.com>

LifeStyles Publishing: <http://www.lifestylespub.com>

List Universe: <http://www.list-universe.com>

List-Advertising.com: <http://list-advertising.com/>

List Resources.com: <http://list-resources.com/>

Ezine Seek: <http://ezinseek.com/>

Ezine Swap: <http://ezine-swap.com/>

Ezine Search: <http://www.ezinesearch.com>

In your Affiliate Marketing Strategy, compile a list of ezines, their target market, rates and advertisement guidelines. Also, write a few ideas for the ads you would place in the e-zines. For Example:

IV. PROMOTING AND MANAGING YOUR PROGRAM

A. C. Email Advertisements

1. Publication Information

Widget E-zine: Targets large corp widget customers. 10,000 subscribers. \$50 - \$400 dollars. 5-15 lines.

Widget Enthusiasts: Targets widget collectors and retailers. 3,000 subs. \$180 for sponsor. 10 lines.

2. Text for Email Advertisements

Earn Extra Cash with Your Website!

Make money promoting the first - and the best Widget brand on the market. Simply join our new Affiliate Program, place our link on your site and we will pay you 10% of every sale you send our way.

<http://www.yourdomain.com/affiliate/code>

Promoting
Your
Program



Once your program has been launched, you can come back to this point and choose a few e-zines to place your ad in, purchase the placement and submit your ad.

Chapter Three: Second Tier Promotion

One of the absolute best ways to promote your Affiliate Program is through your existing Affiliates. By encouraging them to build their second tier, your Affiliate base will grow at an exponential rate.

During the year 2000, 35% of the Affiliates that My Affiliate Program Software users signed on were second tier Affiliates. This means that 35% of the Affiliates were referred to the program by other Affiliates.

Here's one way to look at it: Let's say that you send out a press release and let all of your customers know about your new Affiliate Program. Now, let's say that 65 of them come to your site and sign up for your program. According to statistics – those 65 Affiliates will refer another 35 Affiliates to your program – giving you a grand total of 100 Affiliates after sending only one email message.

Here's another way to look at it: One to two out of every three Affiliates you recruit into your program will refer a new Affiliate to the program. So, if you recruit 6 Affiliates to the program – they'll refer another 2. If you recruit 12 Affiliates to the program – they'll refer another 5. If you recruit 60 Affiliates, they'll refer another 27.

Pretty powerful – huh?

Be sure that you consistently remind your Affiliates that they have the opportunity to earn additional income by referring quality Affiliates to your program. Give them special linking methods and promotional text that relates strictly to your program.

Chapter Four: Active Recruiting

Along with advertising your program to a select audience - you can also promote your program to select individuals by searching for them. This is probably the most active form of promotion, requiring that you get out there on the net and do a little old fashioned door to door salesmanship. This type of promotion will not return a large number of Affiliates, but it is sure to return **quality** Affiliates.

Richard Reitman of Planet Holiday (the Travel site we talked about at the beginning of the book) says that when he recruits Affiliates on his own, nearly 80% of them add his link to their site (that's an 80% Activation Rate). On the other hand, he says that of all of the Affiliates that sign on from directories, advertisements and other promotions – less than 40% actually post a link to the Planet Holiday website.

Once again, recruiting Affiliates may not bring you quantity, but it sure will bring you **quality**! Here are a few places to start with in your recruiting efforts.

"Complementary" Sites - "Complementary" sites are a perfect place to find excellent Affiliates. If you sell "gardening tools", a site that sells books on "gardening tips" would be a complementary site – and a great Affiliate. If you sell software, try looking for sites that sell computers or computer parts, or computer manuals. The goal is to find sites that attract your target market and those who can benefit from recommending your product or service to their visitors.

Content-Oriented, Interest-related sites - Many netrepreneurs have started content-oriented websites that earn money from advertising dollars alone. They may not directly sell any products on these sites, but instead promote an idea, belief or study.

For example, a parenting site – this “mommy” oriented area may not have a product to sell, but instead attracts traffic from mothers who want to “chat” or leave messages about advice, ideas and entertainment. If you are selling anything related to parenting, family, children, cooking, toys or household goods – this is a perfect Affiliate for you!

Chances are, there is a content-oriented site or two that relates to your industry. Offer these site owners a chance to become your Affiliate. As an Affiliate they can earn money to help keep their website online.

How will you find them?

Pretend you are a customer searching for products and services in your industry. If you sell "picture frames" - do a search in your favorite search engine for "picture frames", or another term that your customers would use to search for you. What do you come up with? There are probably some competitors listed, but there are probably a lot of photo studios, art studios or camera companies.

If your site promotes a book on "building family values", try finding sites where moms get together and chat or sites where religious organizations promote their ideas. A site that promotes "energy conservation and less pollution" would be a great Affiliate for your "solar-powered heating system". Content sites that are used as a resource for your target market are ideal Affiliates.

How will you contact them?

Over the past few years, we've been conditioned to think that non-permission based marketing is unacceptable, wrong and a great big "no-no". This is true when it comes to marketing a product or service to the masses. However, if you have a specific offer to present to a specific company/individual – you can do it without breaking the rules if you take some time and do it right!

First, do your homework! Check the company out – what organizations do they belong to, what products do they sell, who are their customers, where are they located? You could find that you have a common bond with the company beyond your industry that may help give you an edge in contacting them.

Check their site for advertising information to find out how much they charge for banner ads, email advertisements and other promotional listings. Translate that amount into the number of sales they would need to generate to with your Affiliate Program to earn that amount. With this information you'll be able to show them how joining your Affiliate Program would be more beneficial to them in the long run than if you had simply paid for a placement.

(Why wouldn't you just pay for an ad if you'll pay them more with your Affiliate Program? The long-term benefits are greater for you if they become an Affiliate. You'll have better chances for increased exposure on their site, better placements than regular advertisers, longer running ads than standard placements, etc. Without this, the long-term opportunity to make more sales is lost.)

When you contact the company, be professional! Do not send a generic form letter. Write them a letter introducing yourself and presenting your

offer as it relates to them **specifically**. Let them know that you'll keep in contact with them and tell them to let you know if they would rather not participate so that you know not to contact them again. Follow up the email with a phone call from you or your Affiliate Manager to check to see if the proper person or department received the email and to check if they have any questions.

Keep it simple – do not try to devise a plan or a master form letter that will allow you to reach large numbers of potential Affiliates. Stick to one-on-one personal contact with the companies. Unless your letter is extremely customized and directed to the company, it will be considered SPAM.

Compile a list of complementary sites and content-oriented sites in your industry. Add this list to your Affiliate Marketing Strategy. Be sure to also add information about each site and notes on what you could offer them specifically.

IV. PROMOTING AND MANAGING YOUR PROGRAM

C. Active Recruiting

1. Complementary Sites

Bobbles.com: Sells bobbles (widget accessories). We already have mutual clients, could expand our market with their customer base. Consider offering them a higher commission because of their potential.

2. Content-Oriented Sites

WidgetSafety.com: Industry news on how to properly use widgets - news onsite and in an email newsletter. Great place to offer our 100% safety guaranteed widgets.



After you launch your program, contact these website owners - offer them the opportunity to direct customers to your site and make additional income in commissions with your Affiliate Program.

Section Seven: Management

Chapter One: Your Affiliate Manager
What to Look for in an Affiliate Manager
Affiliate Manager Tasks
Personalizing Your Affiliate Manager
Affiliate Management Companies

Chapter Two: Training New Affiliates

Summary

Managing your program is easier than you think. If you take the time in the beginning while structuring your program – management will consist of simply keeping all of your materials current and your Affiliate communication ongoing.

Chapter One: Your Affiliate Manager

You'll need to designate an Affiliate Manager to oversee the day to day operations of your Affiliate Program. This may be you, it may be another member of your company; or it could be a new hire or an outside company that specializes in Affiliate Management (if you go with an outside company – be SURE that you still own the Affiliate relationship and that you have final say over every aspect of your program).

WHAT TO LOOK FOR

If you are thinking of hiring a new employee to manage your program or looking within your current employee base for the perfect person, there are a few things that you should look for. An Affiliate Manager should be able to:

- Clearly communicate with Affiliates via email and over the phone.
- Answer questions about Affiliate Marketing and it's role in your company.
- Effectively prioritize their tasks and manage their time.
- Compile and present Affiliate activity and progress reports.
- Use the Internet effectively and professionally.
- Create text and HTML linking materials for Affiliates. The ability to create graphics is a big plus – but not entirely necessary if you have an inhouse graphics department.

TASKS

The Affiliate Manager's tasks will include:

- Answering Affiliate questions – quickly and correctly.
- Creating new linking materials.
- Composing and sending the Affiliate newsletter
- Updating and maintaining all Affiliate follow-up letters, thank you letters and other communications.
- Actively recruiting new Affiliates
- Promoting your Affiliate Program
- Creating and running special promotions
- Reporting Affiliate activity and progress to others in the company
- Sending out monthly commission checks
- Making sure all Affiliates are following the agreement of terms.

Take a minute to think about the points above. Is this something that you can handle? Will someone else in you company fit the bill – or should you think about hiring a new employee? Remember to keep your goals in mind. If you want drastic results from your Affiliate Program, you're going

to want someone working on your program full-time. If you're looking to add some additional traffic and revenues you or another employee may be able to handle Affiliate Management along with other duties.

If you are going to move an existing employee to the job or hire a new employee, you'll need to discuss salary and wages for the job. We've found that many Affiliate Managers are paid a base salary plus a commission or bonus based on the Affiliates' performances each month. This is a good way to compensate your Affiliate Manager for his/her time while giving them an incentive to work harder at creating more Affiliate activity.

No matter what you decide to do with Affiliate Management – just be sure to make a conscious decision that you, Mr. X or Mrs. X will be responsible for managing your Affiliate Program. Leaving the decision and the delegation of the job up in the air will only cause confusion and leave many of your goals unreached. Place your Affiliate Manager candidate and information about his/her/their job in your Affiliate Marketing Strategy like this:

V. MANAGING YOUR PROGRAM

Affiliate Manager

We're going to start by using Jim Smith in the marketing department as our Affiliate Manager. He has been working on another project that will be coming to an end in the next few weeks, which will give him the chance to get started on our Affiliate Program.

Jim has excellent writing skills and the ability to communicate well with others. He also has the ability to create basic graphics and design webpages – so he'll be able to create new linking methods for our Affiliates.

His duties will include:

- Sending our monthly newsletter
- Creating new linking methods for our Affiliates
- Answering Affiliate questions
- Paying Affiliates each month
- Running a ...

Every two months, we'll evaluate Jim's performance and needs to see if we need to hire more Affiliate Management staff.

PERSONALIZING YOUR AFFILIATE MANAGER

Once you choose your Affiliate Manager – be sure to give him/her an personality and an identity. Let your Affiliates know who is sending them their checks, the weekly newsletter, answers to their questions and so on.

Along with being an Affiliate Manager, I'm also an Affiliate for several different programs. So, I know how un-exciting the program can be and how frustrating it can be to deal with companies that don't tell their Affiliates who their Affiliate Manager is.

I receive newsletters, updates and other mailings from "The Affiliate Department" or "Company ABC". Many of these newsletters come from generic addresses like affiliates@domain.com or news@domain.com. As an Affiliate – this troubles me. Who do I go to with questions about my commission check? Who can contact to find out about custom linking options? How do I get in touch with someone? How soon should I expect a response?

These kinds of questions can lead prospective and even current Affiliates to start looking for other programs.

Include information about your Affiliate Manager and how to contact him/her your newsletters, updates, promotional page, login page, automatic email messages and admin page. Give your Affiliates a name, an email address and a phone number for your Affiliate Manager. Let them know the best times to reach your Affiliate Manager and an idea of what the Affiliate Manager can help them with.

AFFILIATE MANAGEMENT COMPANIES

Outsourcing your Affiliate Management is also an option. There are several companies and consultants who are in the business of managing Affiliate Programs for other companies. They offer a wide range of services at a wide range of prices. But, in general, you can expect an Affiliate Management company to:

- Help you setup your Affiliate Marketing Strategy
- Help you launch your Affiliate Program
- Help you find new Affiliates and promote your program
- Either create or outsource creation of linking methods, marketing material, and online help and training for Affiliates.

Depending on who you choose and what you contract them to do – an Affiliate management company could run your entire program. They'll report to you and consult with you on the best way to integrate their actions with your business – but they can handle all of day to day management.

Here are a few consultants that you may want to consider:

AffiliateGoddess Linda Woods: <http://www.affiliategoddess.com>

Joel Gehman of AffiliateHandbook: <http://www.affiliatehandbook.com>

Jim Gribble and team from LinkProfits: <http://www.linkprofits.com>

Neil Durrant of AffiliateToolkit: <http://www.affiliatetoolkit.com>

You may also be able to find a consultant at the USAMC (the US Affiliate Managers Coalition) at <http://www.usamc.org> .

Chapter Two: Training New Affiliates

The bulk of your Affiliate Manager's time will be spent on new Affiliates. These Affiliates require attention to keep them interested, have a number of questions and need to be properly trained to best promote your products and services.

New Affiliates need a great deal of information about your products and services. They also may need a great deal of information about Affiliate Marketing and Internet Marketing in general. Your Affiliate Manager should have a plan for delivering information to your new Affiliates about your products, services and marketing them.

What they need to know

There are several things that new Affiliates will need to know to become a performing Affiliate. Here are things that you should be prepared to offer your Affiliates:

- **Information about your program.** Yes, they did read about it before signing up, they did get see your "Thank You" page and emails and they are getting your follow ups. But – I can guarantee that they skipped over or already forget a lot of what you told them. So, have all of the details, agreements and information about your program ready when your Affiliates realize they may have missed something important and come running to you for answers.
- **Information about your products and services.** Remember, your Affiliates are a group of people that are marketing your products and services without the professional training you had or that you've given your employees. They need to know what they are marketing, the benefits of your offerings, the drawbacks of your offerings, the price of your offerings, what the competition is selling and where and how their contacts can purchase your products and services.
- **Information about online marketing.** Though Affiliates have become a wiser, more tech-savvy bunch in the last year, you still may get a new Affiliate that doesn't have a website, doesn't know how to use FTP or doesn't have the slightest idea how to create or edit a webpage. For these Affiliates and even for those who know what they're doing, but still enjoy learning something new, be ready with links, resources and information about online marketing.

What you can offer them

Here are a few things that your Affiliate Manager can do to deliver the information your new Affiliates need:

- Give new Affiliates TONS of information up front. Don't wait for your new Affiliate to ask where to get various linking codes – place a link to “more linking options” right on their admin page. Don't wait for them to ask how to post the banner to their site – add a link to your “Thank You” email that sends them to an free online HTML tutorial. Don't wait for them to ask what your top Affiliates are doing to produce – tell them. Use your “Thank You” page, a “Thank You” email and a series of follow-up messages to answer all of their questions **before** they even ask them.
- Follow up with new Affiliates with product and service information. Design a series of follow-up letters that can be sent to new Affiliates that discuss your products and services. These follow-up letters can be integrated into your post-sign-up campaign or can be setup as a separate campaign all together. Setting them up as a separate campaign will allow you to send the messages only to lower performing Affiliates who need help understanding the products they are marketing.
- Add a section to your Affiliate newsletter that explains a feature of your product or service. Explain the benefits of this feature to your Affiliates and tell them how they can market the benefit to their visitors and contacts.
- Start an Affiliate Training Center. Create a mini-site that contains information about your program, articles about Affiliate Marketing, resources and other information that will help your Affiliates learn about your products and services and how to market them. Along with learning about your products and services, your new Affiliates will want to learn about marketing their sites, starting a newsletter and finding low cost or even free advertising. Use a Training Center to offer them this information – and keep them coming back for more.
- Start a discussion group. Getting your Affiliates involved in a discussion group is a great way to get them motivated, involved and trained. Discussion groups can be setup to run via a form on your website or through email. Affiliates that participate can ask questions, answer questions left by other Affiliates and learn from the questions and answers they see. As more and more Affiliates participate, the discussion group will be a wonderful place for your Affiliate Manger to

My Affiliate Program SideBar

When you purchase My Affiliate Program Software, your Affiliates will have access to your co-branded Affiliate Training Center Website . The center is full of the articles, and answers your Affiliates need to better promote their sites and your offerings.

post updates, changes and links to new material. Here are some resources that may help you start your own discussion group:

YahooGroups: <http://www.groups.yahoo.com>

Listpro by CREN: <http://www.cren.net/listproc/index.html>

ForumCo.Com: <http://www.forumco.com>

eZBoard: <http://www.ezboard.com>

Above all – the most important thing that your Affiliate Manager can do to help new Affiliates is simply ***be there***. When new Affiliates write, they need answers quickly and professionally. When they call, they need someone who will walk them through posting a new banner or creating a text link.

Section Eight: Evaluating Your Program

Setting Benchmarks
What to do at each benchmark

Summary

Just like any other business or marketing venture – you need to setup specific evaluation criteria for your Affiliate Program. This section will tell you how to setup benchmarks and how to follow them.

Evaluating Your Program

Setting Benchmarks

Setting up benchmarks will help you evaluate your progress and assess your goals. Try to set your benchmarks based on time (instead of dollar amounts or number of Affiliates). In a six-month plan you'll want to set up about 7 Benchmark times. **For Example:**

V. EVALUATING YOUR PROGRAM

Benchmarks

Our Benchmarks will help us determine how our program is working compared to how we thought it would work. The first will be two weeks after our program is launched. At this point, we'll evaluate the beginning of the launch of our program. Our second will be at the end of the first month. The rest of the benchmarks will be set for the end of each of the following five months.

- A. Date One: June 1st - Evaluate launch
- B. Date Two: June 15th Evaluate first month's progress
- C. Date Three: July 1st Check progress against goals. Evaluate goals - if too low, reset, if too high work on promotion.
- D. Date Four: August 1st Check progress against goals. Evaluate goals - if too low, reset, if too high work on promotion.
- E. Date Five: September 1st Evaluate any changes that were made
- F. Date Six: October 1st Evaluate first four months
- G. Date Seven: November 1st Re-evaluate program and start planning and goals for the next year.

WHAT TO DO AT EACH BENCHMARK

At the first 4 benchmarks, ask yourself, “Does it look like I’m going to reach my goals?” If you find that you set your goals too low, and that you’ve already met them – adjust your goals.

If you think that your goals were too high and you fear you may not be able to reach them, don’t immediately lower them. Take a look at what you’re doing in Promotion and Affiliate Communication to reach your goals and try adding a few new techniques. At the next benchmark, evaluate your progress – if you still aren’t coming close to meeting your goals, you may have shot too high. Set new goals and strive to meet them!



Mark your calendar! Set your Benchmark dates in stone and stick to them! Come back to this point often!

Conclusion

Now that you have identified the various areas of Structuring your Program, Launching it Promoting it and managing it you've got a good start on your Affiliate Marketing Strategy! Take the notes you jotted down on the outline and use them as your guide to create a professional plan. Remember to go back to the Action Plan and complete all of the actions listed.

Don't put off writing your Affiliate Marketing Strategy! It is your first step in getting started with your Affiliate Program.

Your strategy doesn't have to follow the outline presented in this book or any other. Just sit down and put your ideas on paper. You'll be able to use it in the future as part of your marketing and business plans or as a guide for your marketing department or Affiliate Manager. And you'll be **sure** that you have covered all of your bases.

Take a look at the Appendix C for an example of a completed Affiliate Marketing Strategy. This is a real strategy used by a real company starting out in Affiliate Marketing.

Appendix A: What makes your program successful?

- Dr. Kevin Nunley of DrNunley.com
- Bessy Nikolaou of Domain Direct
- Linda Woods of AffiliateGoddess.com

Summary

See what successful Affiliate Program Managers are doing to make their programs the successes that they are.

Successful Affiliate Managers tell you what they're doing to be successful.

I asked a few successful Affiliate Managers to give you some advice on what makes a successful program. They came up with some wonderful tips and great suggestions for what you can do to make your Affiliate Program a successful Affiliate Program.

Here's what they had to say:



**Dr. Kevin
Nunley**

Dr. Kevin Nunley
DrNunley.com

Rachel,

By far the best method we've found to promote is to write articles.

People love to sign up for your affiliate program if they think of you as an expert--someone who knows the terrain and can help bring them sales. Nothing promotes your image of being an expert like putting out your own articles. Pick a topic that relates to your business, do a little research online and at the library, then write down that information in your own words including your own related experiences. Send your article to your favorite ezines (Lifestylespub.com has a huge catalog of newsletters looking for articles), put your articles on your web site and register them with search engines.

Many of the best affiliate programs on the Net started off getting members this way.

Also don't forget to participate in discussion groups and place ads in newsletters. The one pay-per-click search engine that REALLY works for us is NetFlip.com. Pick a keyword that is oh-so-common for maximum traffic.

Above all, be your program's biggest advocate. Mention it in all your email messages, put an offer to check out your program in your email signature file, include your *personal* experience with the product

prominently on your web site and in email sales letters (people always want to know if you can email them more information).

Hope that helps!
Thanks!
Kevin Nunley
<http://DrNunley.com>

Yes Dr. Nunley – that did help! Offering articles to your Affiliates is a great way to get them to sign on and keep them active and motivated.

As I mentioned earlier – if you don't feel that your writing skills are up to par or you don't feel you have the time to write quality articles – don't count them out of your program. There are several writing professionals (like Dr. Nunley) that can develop professional quality articles for you and your Affiliates.

List some topics that you think would make interesting articles. If you're having trouble finding topics, go to the "Features" section on your website and think of the benefit of having those specific features – there you have an article topic. Try to write a few of the articles yourself and hire a professional writer to do the others or edit those you've completed.



Bessy Nikolaou
Domain Direct Affiliate Program
Manager

Communication is Key!

How many times have you heard the phrase "Communication is Key!"? In running Domain Direct's Affiliate Program - communication with our affiliates is our number one priority. The bottom line is - if we don't talk to our affiliates, someone else will!

Our basic form of communication is through a monthly affiliate newsletter, where we offer our affiliates marketing tips, content tips and search engine tips. We also award our performing affiliates with prizes, and communicate new tools/linking methods that our affiliates can use to promote our product. Lastly, we encourage feedback from our affiliates - how they like

the program, what sort of changes they would like to see, how can we improve our program. Etc.

Our second form of communication is individually contacting affiliates who have not yet added an affiliate link to their site. A simple email encouraging affiliates to contact us with any questions or concerns they may have - or problems they have encountered when attempting to add the HTML code to their web pages. You must remember that many affiliates who sign up may be newbies when it comes to creating web pages. Offer these affiliates your help - great customer care will always benefit you in the end!

Lastly, as your affiliate base grows, you will notice the emergence of what we call "Super Affiliates". These are the affiliates that are performing well - driving a huge amount of traffic to your site and generating a large number of sales. These are the affiliates with whom you have to build an even deeper relationship with. On a monthly basis, I personally visit each super affiliate's website. Each of these affiliates gets a personal email or phone call with specific comments and suggestions. For example, we propose new placements on the site for their links, offer suggestions on which type of link to use - whether it be a banner link, text link or a Domain Search box link (specific to our program). Finally, we reward our super affiliates by increasing their payout when they reach a specific target.

Be aware that running an affiliate program is a huge process. And in our opinion, "Communication is Key!" Build a personal relationship with your affiliates. Encourage them. Reward them. Remember - you want to motivate your affiliates to generate more sales. The more sales they generate the higher the commissions they receive. This will encourage them to promote your product or service even more!

Good luck!

Bessy said exactly what I like to hear! A good Affiliate Manager knows that communication is key. Take a look at all of the items that Bessy listed as part of her communication plan:

- Newsletter
- Individually contacting Affiliates with low performance
- Working to help “newbie” Affiliates
- Contacting Super Affiliates

AS Bessy mentioned, all of this communication makes for a big job. But, it is an important part of making your Affiliate Program a successful Affiliate Program.



Linda Woods
AffiliateGoddess.com

The Nine Most Important Things to Know About Affiliate Marketing Management

1. Use a Variety in Creatives

- Drill down to interesting niches for contextual selling
- Use Product Links even for large catalogs
- Use all sizes of banners, many kinds of text links, Email links, Content links
- Change/Update them often and test, test, test

2. It's All About Money

- Pay them monthly, accurately, generously with low minimum threshold
- Performance based Incentives - Reward Them for hitting sales goals
- Don't monkey around with payout levels, like starting high to attract affiliates, then dropping it without notice

3. Support them with Marketing Assistance

- Write good copy about your company's products & make it available

- Provide website marketing ideas & design tips & services - like Search Engine Help
- Use self replicating pages - template pages loaded with your product/their colors & design
- Invest in rich media banners or HTML email campaigns that affiliates can use
- Provide free Tools/Resources they may not have access to on own, i.e. free email, free chat, discussion boards, search submissions

4. Communicate!

- Use Ongoing Newsletters to motivate, educate, give practical tips, company news & feature success stories
- List top payouts
- Always use Phone plus email for Top Producers, develop relationships
- Always have 24 hour or LESS turnaround on Email Questions for all affiliates
- Offer technical help
- Start a YahooGroup to build community & have a active interested focus group for testing new ideas
- Use your real name and be available by phone, email, chat, anything!

5. Do Your Job Well

- Offer Good Value/Benefits for the customers your affiliates send you
- Strive for excellent customer service
- Make compelling offers so Affiliates will want to promote you to their visitors
- Smooth site design & navigation & EASY buying process
- Work on CONVERSION rates all the time - affiliates will drop merchants who can't convert traffic to sales
- Know your target market and tailor affiliate offers to match that demographic

6. Get Noticed and Known

Get listed in major directories, participate in their online forums and consider advertising in these best ones:

- AffiliateAdvisor.com
<http://www.affiliatemanager.net/aaads.htm>
- AssociatePrograms.com - 17,000+ on email list
classads@AssociatePrograms.com
- Associate-It.com
<http://www.affiliatemanager.net/aiads.htm>
- CashPile.com - Active discussion boards and experts
<http://www.affiliatemanager.net/cpads.htm>
- FoxTucker.com A network of 7 UK resource sites
<http://www.affiliatemanager.net/ftads.htm>
- Refer-It.com - The first and most extensive directory and advertising site
<http://www.affiliatemanager.net/riads.htm>
- ReveNews.com - The BEST discussion board
<http://www.affiliatemanager.net/rnads.htm>

7. Post to all these directories at once using AffiliateAnnounce.com service

8. Spend Time and Energy on Locating and Recruiting "Super" Affiliates

There are high traffic sites produces thousands of dollars in revenue monthly for their merchant partners. Find them by:

- Surf net using your keywords, produce list of all sites in your niche
- Organize them according to category & then create offer based on categories
- Always Personalize the offer / use phone if possible
- Be persistent and sell benefits of partnering with your firm, not just money

Keep them loyal by:

- Make them "special" offers
- Create Co-Branded pages
- Customize their offers, Do Hybrid deals
- Don't overlook their newsletters, give special email deals and creatives

9. Stay Informed and Always Keep Learning - subscribe to good newsletters!

- www.affiliategoddess.com
- www.affiliatemanager.net
- www.affiliatemarketing.co.uk
- www.affiliatehandbook.com
- www.affiliatehelp.com

- www.associateprograms.com
- www.clickz.com/column/am.html
- www.affiliatemetrix.com - great stats, buy it!

Final Considerations to Incorporate

- Value Quality of affiliates over Quantity â " hand pick & nurture 20 - 200, not 20,000
- Run it like a valued outside sales force
- Have sufficient resources to manage daily
- Keep innovative, test often and adapt quickly
- Get Committed - Either do it right or don't do it at all

Wow! That is a lot of great information from Linda. But, it doesn't surprise me – she's been working to help merchants start and run successful Affiliate Programs for a few years now. Her advice comes from tried and proven methods used by a variety of companies from multi-million dollar corporations to tightly-budgeted start-ups.

Use Linda's advice as a checklist against your program. Have you incorporated all of these items? Which could you use more work on?

Appendix B: Advanced Affiliate Marketing Strategies

- Approving Affiliate Signups
 - Super Affiliates

Summary

Learn about taking your Affiliate Program to the next level with these advanced strategies.

Approving Affiliate Signups – Quality over Quantity

A growing trend in Affiliate Management is the practice of approving or denying Affiliate signups. This means that instead of adding everyone who fills out your signup form to your program – you first screen them to be sure that their site, list or company matches your Affiliate profile.

This practice has been picking up now that more and more Affiliate Managers are looking to have a quality Affiliate base instead of a large Affiliate base. When Affiliate Marketing began, the name of the game was numbers. A successful program boasted a high number of Affiliates and used these numbers as a vehicle to obtain more Affiliates.

Now, Affiliate Managers are taking a step back and looking at their programs. They see that – sure, they have an impressive base of 10,000 Affiliates, but only 20,000 impressions, 10,000 clicks and 1,000 sales each month. They quickly realize the success of their program doesn't rely on the 10,000 Affiliates they have – it relies on the top 10 Affiliates that consistently bring them an average of 100 sales per month.

So, more and more Affiliate Managers are doing what they can to work with their top producers and stop wasting time on Affiliates that will never produce. One way they are going about this is to stop taking on Affiliates that they feel will not become producers.

When new Affiliates sign up, the Affiliate Manager takes a few moments to visit their site, write them or even call them. They try to decide if the Affiliate looks like they will become a top producer – or even a producer at all.

If you are starting a new program, turning down Affiliates may seem like a losing proposition. However, this screening process ensures that your Affiliate Manager won't be wasting time working with Affiliates that will never produce.

Try starting out with a liberal accepting and rejecting plan. Reject only those prospective Affiliates that don't have a website or an opt-in email list and don't respond to your email and phone messages. Then, as your program grows, you'll get a better idea of who your performing Affiliates are and you'll be able to judge new Affiliates against their characteristics.

Keep in mind that a successful program isn't always a large program. A successful program is one in which Affiliates are active and producing.

Your Super Affiliates

In the Affiliate Marketing industry, we hear a lot about “Super Affiliates”. These somewhat ambiguous beings seem to have the power to join an Affiliate Program and make hundreds and thousands for themselves and for the companies they promote.

Who are these super-heroes?

Well, that depends a lot on who you are. A Super Affiliate for a marketing book may be very different from a Super Affiliate for a pet store. Then again, there are a few Super Affiliates out there that can be successful at any program they pick up.

What is their secret?

Promotion!

Super Affiliates are masters at online promotion. They know who their ideal target market is, they know where to find them and they know what to tell them to make a sale. Here are a few things that characterize a Super Affiliate:

- **Professional Sites:** Super Affiliates have their own site – or sites. Their sites may look like yours completely or may zero in on a specific part of your product or service.
- **Top Search Engine Placement** – This is what many Super Affiliates swear by. They have mass strategies on getting placed where surfers will find them.
- **They Spend Money to Make Money** – Super Affiliates treat their relationship with a merchant as a business. They know that in order to make money – they have to spend money. Just like any other business, they know that the business of being an Affiliate requires advertising and other pay-for marketing techniques.
- **They are involved in the industry** – This means the Affiliate Marketing industry – and your industry. They can be found at discussion groups, submitting articles to your favorite ezines, speaking at conventions and writing books or eBooks.
- **They earn BIG commission checks** – There are Super Affiliates who are earning tens and hundreds of thousands each month in each of the programs they join.

How do you find them?

The methods we discussed earlier in the Promotion Chapter cover some of the methods for finding Super Affiliates. But, here are a few more:

- **Look within** – You may already have Super Affiliates in your program. Take a look at your top producers. Visit their sites and see why they are performing as well as they are. Is it their placement of your link? Is it their search engine placement? Is it their advertising efforts outside of their site?
- **Get involved in the industry** – Subscribe to ezines, join discussion groups and watch for the perfect Affiliates for your program. You'll want to look at getting involved in your own industry and in the Affiliate Marketing industry - try www.ReveNews.com and www.USAMC.org.
- **Create them yourself** – Turn your Affiliates into Super Affiliates – or at least high performing Affiliates. Tell them how to design a site and why they should have a site dedicated to you. Tell them how to get listed in the search engines. Tell them where to purchase advertising and what works and doesn't work. Get them involved in your industry and in Affiliate Marketing.

What do you offer them?

Just like any other Affiliate, a Super Affiliate needs your support. They need marketing material, special promotions, click-through pages designed for them and constant communication with you.

But, they may also need:

- **Increased commissions** – Don't be afraid to do this. Increasing commissions can help give a good Affiliate the motivational boost they need to become a Super Affiliate. Consider working out a deal with an Affiliate that pays them a higher commissions when they reach a certain level of sales or leads. This will ensure that your Affiliate strives to reach that goal and make more and more at the higher rate.
- **Custom Linking Methods** – Super Affiliates may need linking methods, promotional material and information that goes above and beyond what you're offering. Work with them to get them the materials they need to promote.
- **Direct Communication** – You may be communicating with your Affiliates with a newsletter or email messages here and there – but your Super Affiliates may need a direct line into you or your Affiliate Manager.
- **Recognition** – It can't hurt to tell your Super Affiliates that they've done a great job. Offer them an award, a bonus or a special incentive to do the same great job again.

Appendix C: Neil Durrant's Case Study

- Background on Affiliate Announce and AffiliateToolKit
- Reasons for Upgrade
- Choosing a New Solution
- Preparing the Site
- Choosing Domain Names
- Getting a New Merchant Account
- Setting up the Software
- KowaBunga's Email Management Features
- Creating an HTML Drop Down Banner
- Finalizing Affiliate Linking Options
- Illustrating Linking Options to Affiliates
- Handling Foreign Currency
- D-Day Almost
- Custom Programming
- D-Day

Summary

Neil walks you through his experience setting up an Affiliate Program with My Affiliate Program Software.

Appendix C: Neil Durrant's Affiliate Marketing Case Study

The following is a case study written by Neil Durrant of Affiliate -Announce and AffiliateMarketing.co.uk. It details his experience setting up an Affiliate Program for his site. It includes the actual steps he took, the materials he created, the road-blocks he encountered and the keys to his success. As you'll see, Neil chose to use My Affiliate Program Software to run his new Affiliate Program – so you'll get an idea of how the software works along with the planning, structuring, promoting and managing an Affiliate Program.

Case Study: Upgrading the Affiliate Announce Affiliate Program Neil Durrant, Affiliate Announce and AffiliateMarketing.co.uk

August 24, 2000

Background

Affiliate Announce operates a niche service, providing promotional services to affiliate program managers, announcing their site to all the major affiliate program directories.

The team includes me as sole proprietor, gratefully accepting help from my wife-to-be in keeping me organized and supervising the accounts/affiliate payments. Any programming over and above my basic HTML skills are outsourced (usually auctioned at eLance.com).

Almost 50% of the sites revenue is generated through it's own affiliate program. Most affiliate partners are in fact the affiliate directories themselves.

The majority of partners have been personally introduced by me contacting each one, the fact I'm working in such a niche market makes this task quite easy!

In total Affiliate Announce have just over 200 partners of which approx. 10 generate 95% of affiliate traffic and sales.

Reasons for upgrade

For the past 12 months the program has been operated using the Affiliate Tracking Network. As one of the entry-level solutions they were ideal to start with, providing me with a low cost solution to test the water. The customer support has been fantastic and the software does the job but it does have one key drawback.

The software does not have the facility to easily email all the affiliate partners. With a now established brand I plan to roll out a number of new

services and products under the Affiliate Announce name and need to be able to easily communicate these updates with the network.

Nor am I able to manually enter credit to an affiliate for orders generated by telephone.

I also need access to more detailed statistics, for example I know the best results are created by the directories using a simple text link but further reporting is needed to really optimize linking options.

The Game Plan

The planned new products will be a natural up-sell from the core affiliate directory submission service. Now of course I could simply let my affiliates acquire the customers for me, fulfill the first order and then introduce the new product line. Many programs do just this and do not reward affiliates for ongoing sales, which really isn't in the spirit of a partnership. I would much rather develop a network which rewards affiliates not as a one off for creating a single sale but ongoing commissions against future purchases from the Affiliate Announce brand.

In developing the program I need to keep putting on my 'affiliate hat' - what would I want if I were an affiliate partner with Affiliate Announce. If I can create a program that makes it profitable for affiliates then it follows that I too shall profit.

Too many programs are developed by media agencies and execs that just don't get it. The board has agreed to a program and then they use affiliate relationships for customer acquisition at the lowest possible cost. Long term this is not going to succeed.

OK. So let me jump off my soapbox and see how these principles fare in the real world!

Ideally I would like a custom built solution similar to that of Ken Evoy's highly successful 5 Pillar Program. This program takes affiliate partnerships to the next level, once an affiliate has generated a sale that person becomes their customer forever on all future purchases. Now as an affiliate isn't that a much more attractive proposition than say 3% on a cut price CD!

Unfortunately a custom built solution that doesn't just write a permanent cookie but logs the customer/affiliate relationship permanently in my client database is way beyond my budgets! So with the all the best intentions I need to come up with something that try's to emulate this but stays within my budget.

Whilst dealing with the new tracking solution I need to plan how I design the new site, changeover from one affiliate software system to another and while I'm at it lets take the existing program apart and see what we can do to make it better. I also need to look at my existing merchant account (too expensive!) and get the new products through beta. It's going to be a busy few months!

Choosing the new tracking solution

Whilst my ideal solution would be custom built system emulating the 5 pillar programs "lifetime customer" feature I don't have a spare "many several thousand dollars" laying around so it looks as though I will need to use an off the shelf solution!

I have two choices I could use an affiliate network or operate the program in-house using a software package. Both the top end networks, Linkshare and Be Free are out of my price range (they both cost in excess of \$5000 to set-up with many additional fee's on top). Commission Junction offers an affordable networked solution (set-up at \$795) but they are missing a key feature I require. CJ insist all affiliate communications are handled through their web based email system and I'm afraid that as a CJ affiliate I never check my internal message box - it's always flashing away with over 100 messages waiting!

By selecting a software solution I have more affordable options with more features. I'll have to cut my own checks but my market niche is so defined that I will only ever be issuing checks to a manageable number of affiliate partners.

Let's have a quick review of all the features I must have from my tracking software:

- Reliable tracking facilities
- Easy email communications with my affiliate partners
- Two-tier tracking
- The ability to set different commission rates for different products and key partners

OK, that's my bare minimum. But what about continuing to reward affiliates for ongoing sales from new products. The best 'workaround' is to use a system that enables me to adjust the 'return day'. The return day is the period that a cookie stays active for, now if I can set a cookie that stays active forever then at least an affiliate has a fair chance of earning a commission on future product sales. It's not perfect, cookies can get deleted or overwritten by another affiliates link writing their cookie but it's the best compromise I can work with. For this to work I am going to have to restructure the entire site. Rather than create separately hosted sites for each new product I will have to host all products on one site so that the

tracking software allows an affiliate to link to whichever product/s they choose to promote.

I've nailed it down to two choices -

- Corey Rudl's Assoctrac
- KowaBunga's 'My Affiliate Program'

Both offer all the features I require and more. KowaBunga's got a very nice feature that enables affiliates to host a signup form for autoresponder reports. I already have an autoresponder for my free report this report has proved very popular and it would be great to allow affiliates to distribute it and at the same time write their affiliate ID to the recipient.

I have heard good things about Assoctrac, but the site is so full of sales hype....maybe it's a Brit thing, but I actually find it very off putting!

After a telephone call to Todd Farmer CEO at KowaBunga, I decide I like the way they deal with me, their product 'My Affiliate Program' looks great. I'm sold.

Total budget for software - \$795 set-up + \$50 per month hosting including the email management feature I liked so much.

August 25, 2000

Preparing the site

Today I need to start preparing the new site ready to integrate KowaBunga's 'My Affiliate Program'.

To enable affiliates to link to different products of their choice I need to place all the different products onto one server.

I make a quick call to my web host, Web2010. I plan to buy a few new domain names for the different products and have them point to different folders on the server allowing me to easily advertise different products under their own name.

At first the sales rep at Web2010 said it couldn't be done as they 'don't allow it' - hosting a few domain names on the same server mean they lose out on additional hosting fees!

After offering to compensate them for the lost revenue the sales rep promised to check with tech support and call me back.....(he didn't call back but on chasing them up the account was eventually set-up).

Choosing Domain Names

Next on the list of jobs to do was to select appropriate domain names.

Boy, this is hard these days! I went through so many names that had already been reserved, most annoyingly all the names I wanted had been reserved but no one was using them!

Quick Rant - There are only a finite number of names and whilst I can accept that some people purchase a domain name for a project that is then shelved, I'm sure most of these unused domain names are held by those hoping to make a quick buck by reselling them.

I am not wasting good money paying over the odds on a domain name, when are the registrars going to tighten up their rules over domain name registration and usage. What's wrong with a policy of don't use it and lose it!

A couple hours of going back and forth I settle on the new names –

- AffiliateToolkit.com
- AffiliateScouter.com
- TheAffiliateFactory.com

Hints to the new product range perhaps, more on these later.

New Merchant Account

I have also decided to update my merchant account, for the past year I have operated a bureau account through Netbanx. Paying a very high commission plus having to wait a month in arrears for sales credits.

In applying for merchant status I have opted for a multi-currency account, most of my customers are US based so it makes more sense to bill in US dollars rather than force them to pay in pounds sterling.

The new merchant account application takes 6 weeks! In the meantime I need to chase up my programmer on the first new product and start to plan the new affiliate programs strategy.

October 7, 2000

Merchant Account Refused!

The development of the new program was on hold awaiting a new merchant account. I had decided that I wanted to offer multi-currency to allow payments in customers own currency and at the same time wanted to reduce my bureau merchants hefty charges so I made an application for merchant status with NatWest.

I figured that as I had been operating a successful online business with positive cash flow for almost a year it wouldn't be a problem...well after almost a 4 week wait the account was refused due to a 'lack of funding'!

Hmmm now if I can find a VC to invest a few million on the promise that I squander it on ineffective advertising and go bankrupt in the next 9 months I'm sure they will welcome me with open arms.

Well within a week I have applied and had approved a new bureau account (with WorldPay) which does offer multi-currency so on with the case study.....

Setting up the software

Previously I decided that Kowabunga's My Affiliate Program will power my program. I signed up online, all straightforward select the package you want (in my case I opted for the standard package with the optional extra for the Email marketing software - more on this later). The form also collects some data about your program set-up, I printed the form before submitting but needn't have worried as all the settings and changes are easily altered once you have access to the software.

Within a couple of hours I received a personal phone call to confirm receipt of my order, a nice touch, as it was an International call for them!

The next working day I had a personal welcome and set-up instructions from their head programmer Jeff Doak.

Just to try and be organized I printed out the integration guide and help pages. The software is very easy to use and the instructions actually make sense and are helpful!

To integrate the tracking with my site I just need to drop a small piece of code on my page that confirms a credit card transaction has been approved. The codes supplied it just needs pasting in.

The set-up instructions from my new merchant account, Worldpay where appalling making no sense whatsoever so I have given up and sent them to a third party to integrate - the affiliate tracking code just needs pasting into their page once created, which all being well should be early next week.

In the meantime I have –

- Customized the affiliate agreement - KowaBunga sends a sample agreement, but don't just use it as is. It needs you to add commission levels etc. For now I have simply used the same agreement I had for my old program but as soon as I get more time I will go through the Affiliate Union voluntary code to make sure it meets with their recommended criteria.

- I have created the affiliate information pages detailing the affiliate offer, a FAQ, the affiliate agreement and support email addresses.
- I have also customized the various email messages that go out when an affiliate makes a sale or joins the program (all easy enough you just type the text you want into the admin panel).
- The affiliate admin and signup pages have also been customized - I simply dropped the customized HTML onto the standard pages and emailed the template to Jeff - he pointed out a small error in my code, once corrected he quickly enabled the custom template to all my affiliate pages.

To ensure the program is fair to affiliates I have enabled cookies for as long as possible - setting cookies to a day or two really isn't fair many customers don't always buy on the first visit meaning affiliates lose out on their commissions!

Initially I set cookies to 99,999 days but this created an error in the system and had to reduce the cookie expiration day to 9,999 still more than enough for a customer to make their buying decision :)

Finally, I have implemented new banners to the system. My old program had a few homemade banners. Now I'm not a graphic designer, in fact I don't have an artistic bone in my body - one of the old banners I am happy with but the others look, well 'home-made'!

I spent a few hours surfing for inspiration but still faced with a blank box in my graphics program decided it was best left to someone who knew what they were doing. I placed a request for help on www.elance.com and within a day had 9 quotes from companies, all reasonably priced I chose the one that in my opinion had the best portfolio.

Within a day the company finalized two new banners to add to my



program.

Adding these banners to the tracking software is easy - you simply specify which directory they are stored in and upload them to your server.

Getting the basic set-up in place really is quite easy, KowaBunga's documentation is well written and if like me you never really bother to read the help files I found that Jeff did an outstanding job in replying very promptly to my questions.



So far so good.

Next I start to look at KowaBunga's email features.

Kowabunga's Email Management Features

One of the key reasons I chose the My Affiliate Program package was for its email features allowing me to easily manage affiliate communications and provide affiliates with a powerful tool to provide a sign-up form on their site for my free report which includes their affiliate ID code.

Their email features have very recently been upgraded to what is now a very powerful package I have quite a few ideas as to how I utilize all the features I'll share here as they develop.

Unfortunately the new features are so new that KowaBunga haven't actually completed all the help files and documentation!

This concerned me a little at first but Nick, who wrote the new features, is on hand offering technical support so let's jump in to see what he can do.

Creating a personalized autoresponder

Since the launch of my site I have offered a free report titled 'Recruiting Affiliates and Increasing Sales'. This report has only been available when a visitor signs up from my site. An autoresponder then delivers a series of personalized emails sent over a two-week period. The report has had many hundreds of signups and received many notes of appreciation and certainly helped to generate many a sale.

Utilizing the Opt-In pro system I can now offer a sign-up form that my affiliates can place on their site, the emails will then automatically carry their affiliate ID code, far more effective than just using a banner!

From my admin screen I simply select add categories and after choosing 'guest book' insert a description and text to create the sign-up form that will be seen by my affiliates site visitors. The system automatically creates the HTML code for you, but you can access the code to tweak it a little if you want to change the layout.

As a default the guest book will collect the recipients first and second name, email address and send back as a hidden field the referring affiliate ID. If you wish you can add any number of additional fields to build up a better demographic profile of your subscribers. This data will be added to your opt-in pro guest book list.

The signup form HTML can now be grabbed by your affiliates when they login to your affiliate program stats page. Here's the form I have created for my free report that affiliates can place on their site -

| Recruiting Affiliates and Increasing Sales - Free Report | |
|---|----------------------|
| This comprehensive free report provides ideas and tips to help you build your affiliate program including: Planning Your Program - Building Your Team Of Affiliates - Keeping Your Affiliates Loyal - Which Links Attract The Most Click-Throughs? - Silly Mistakes Affiliate Merchants Make - Free Targeted Advertising For Your Affiliate Program - Further Reading and Resources | |
| E-Mail Address: | <input type="text"/> |
| First Name: | <input type="text"/> |
| Last Name: | <input type="text"/> |
| <input type="button" value="Click for your free report"/> | |

Once the data has been submitted you can program your Opt In Pro mail handler to automatically fire back a single autoresponder message. This message can be personalized with the recipient's name in the subject header and the message body. You can of course include any other fields collected by the form and use any links back to your site to incorporate the originating affiliates ID code so they receive their due commission.

Now rather than send just a single follow up message you can create automatic follow-ups at pre-determined intervals. In this case I have set up a series of seven emails each containing useful content yet each still selling the Affiliate Announce service.

Once the series is complete you can also move the recipient's details from your current file to another list, in my case I'm going to move the records to a 'prospect' list. At times I may then want to create a special one-off promotion to try to convert these prospects, again at all times the affiliate ID code follows the record - your affiliate partners bring you the lead and Opt In Pro gives you the power to work and convert the prospect.

More uses for the email management system

The more I look at Opt In Pro the more ideas I have, Nick, tells me that yes I can integrate another record set with my order file. This would be

great and help me work towards my lifetime customer policy for affiliates, I could allow the database to carry my client list (complete with referring affiliate ID and then market new products and services to this list).

Perhaps I can even get really clever filtering clients that have purchased from the prospect list and place them into my client list so I only send relevant marketing information and offers to the right groups? Nick says this will require a little programming and I'll examine this later as the set-up develops.

Finally, Opt-In Pro carries another automatic list recording each of your affiliates contact details. Each time an affiliate signs up they are added to the group allowing you to easily keep in touch with a newsletter or promotion.

The affiliate list of course has the same handling features so I also plan to create a series of training emails that over the first 2 weeks of an affiliate sign up keeps in touch providing helpful tips and advice to help them make the most of the program. Declan Dunn uses this system to great effect with all of his programs at Activemarketplace and I figure this is a great way to keep your affiliates motivated while their enthusiasm for your program is still high.

I've added this training system to my list of jobs to do!

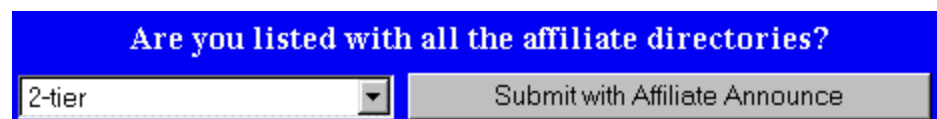
So far I must say I am very impressed with the email features of My Affiliate Program I think the ease in which you can communicate with your affiliates and customers whilst maintaining the integrity of the referring affiliate ID code is a huge plus for any program.

October 9, 2000

Creating a HTML 'Drop Down' Banner

I have already uploaded my basic banners into the new tracking software but I wanted to create a more interactive banner to see if it can generate higher click through rates.

As you can see below this banner is designed to allow users to open up the banner to see a list of all the sites Affiliate Announce submits to –



Are you listed with all the affiliate directories?

2-tier

It was actually quite easy to create this as an additional linking option for my affiliates.

First I created the banner purely in HTML (no graphics) in its own table to the size I required.

To allow the drop down box to be used I added the FORM POST command -

```
<FORM METHOD=POST ACTION="http://affiliates URL inserted here">
```

Rather than uploading this as a standard banner to My Affiliate Program I used one of the programs advanced functions to set this as a new category. By selecting add new categories I allocated the link with a descriptive name so I can track its results and uploaded it as a text ad.

To enable the KowaBunga's My Affiliate Program software to offer the right affiliate URL you simply insert a simple piece of ASP code into the text file your uploading - this is supplied by the software when your uploading the file.

Now when an affiliate logs in to the programs admin pages and chooses other linking options they can cut'n'paste the required HTML for this banner which automatically includes their affiliate ID.

With a little more time, imagination and programming skills you may be able to create more interactive linking methods that integrate more tightly with your sites features such as searching your inventory or database?

With such a low typical CTR on standard banners such interactive links are worth further investigation. For example I know of one affiliate program (operating via the CJ network) that allows affiliates to incorporate a search box listing the job vacancies their employment site offers. Can you apply any similar ideas to your program?

October 12, 2000

Finalising Affiliate Link Options

Now I have a good number of affiliate linking options.

Affiliates can choose from full size banners, a smaller box banner the experimental drop down banner and the free report.

I have also just added an article, this article provides useful content that an affiliate might want to paste into their email newsletter or reproduce on their site.

Easy enough to create, simply log-in to your admin screen, enter the articles text including any HTML markup tags and by inserting a simple line of code the system automatically provides your affiliate partners with the complete code including the referring affiliates id. You can see an example of how an affiliate might utilize this at [here](#).

I know many of my affiliates run email newsletters and providing articles is a great way to encourage them to feature a program.

Can you create such articles related to your business? If so don't forget to also try submitting the articles to any other ezine related to your content, ezine editors are always on the look out for good articles and they may run your article whether they are an affiliate or not!

Illustrating Linking Options to Affiliates

All the linking options can be found by an affiliate logging in to the reports page and clicking the 'more links' button.

I'm a little worried that this could easily be overlooked and after going to the effort of creating these link tools I don't want my affiliates to miss them! Talking to Jeff he confirms that there is in fact a piece of code I can use in my email communications to direct an affiliate to the advanced link page so I will use this code in all communications I have with affiliates.

I'm quickly approaching the point to go live :)

Today I have finalized integration of the new payment provider and included the small code required by KowaBunga to track confirmed sales. I'm just awaiting final approval from the bank that the set-up is correct before I can do a live test to make sure the payment provider and tracking is all functioning correctly.

Handling Foreign Currency

I hit upon a small snag yesterday that you may need to consider when planning your program, typically I imagine this is most likely to affect a non-US merchant.

I have upgraded my site to handle multi-currency i.e. a client pays in their currency the amount is then converted and the bank pays me in pounds Sterling.

Because bank charges are so high for me to have a US dollar account here in the UK I have opted to continue paying affiliates in pounds sterling. Changing the currency symbols on the tracking software was easy

enough, an email to Jeff and he ensured all currency symbols are now illustrated in £'s.

Now in integrating the software I needed to be able to place a small snippet of code on my page that is displayed once a credit card transaction is processed. This code needs to include the value of the transaction but because I'm paying affiliates in pounds it needs to be the value in pounds sterling.

Unfortunately my payment provider does not provide me with the required variable ie. the figure after conversion to pounds sterling to pass to the tracking software.

Luckily after a few hours my programmer managed to write a script that works with my payment processor's conversion rates to generate the required figures.

Just an important point not to overlook - if I had missed it affiliates would have either been over or under paid depending on the customer's choice of currency payment!

October 18, 2000

D-Day minus(just a day or two!)

Very nearly there.

Just been able to do a live test with my new merchant account and the tracking is working.

I've double checked all links and image tags on the customized admin pages and the new affiliate information pages.

Ran a thorough spell check on all new pages.

I've joined as an affiliate - that works fine. I've made a purchase, as an affiliate I get a confirmation and can see the sale logged when I check my stats as an affiliate.

I can also see the sale logged in the merchant management screen.

Not forgetting this is an upgrade, the old tracking system still functions correctly so affiliates who haven't yet updated their links still get paid!

I'm happy all is ready to go live, if this was a new program now is the point I can launch and maybe head over to Affiliate Announce to arrange some publicity for my new program :)

But...

As it's an upgrade I need to help move my affiliates from the old system to the new.

I can't just export the old affiliate data and import into the new. Rather than rely on my affiliates to re-join the program I'm going to manually enter their contact details into the new system.

Because I want to retain the 2-tier structure I have printed out a plan of the current affiliates and their relative referrals so I can sign up the right affiliate under the right ID code.

Although I can enter their contact details I can't of course update my affiliates links so I have replaced the standard signup message that goes out to an affiliate with my own text. Now when I manually enter a new affiliate they receive the customized welcome message explaining why I have updated the program and how to add their new links.

It's crucial to make the transition swiftly so I have created 3 follow up reminders that go out automatically over a six day period this has been set up using KowaBunga's Opt In Pro that comes with the tracking software.

I'm hoping that the active affiliates will update their links from the automated reminders and after a few weeks I'll refer to the old tracking system to see who hasn't yet updated and start making personal contact by email and by phone for the key affiliates.

It's taken quite a while to get to this mainly due to waiting for my new banks merchant account but this has at least given me time to check everything out carefully and overall I am very happy with the way its looking.

One last thing before I make the pages live.....

October 19, 2000

Custom programming to enable lifetime commissions

I like the concept of enabling lifetime commissions to my affiliates.

Some will disagree with me but I see keeping affiliates loyal and well-paid essential and I see offering lifetime commissions as a key point to work towards this. Most of my business is driven by my affiliate partners and I'm happy to pay out ongoing commissions in return for an ongoing healthy business!

I have already enabled the cookie life to 9,999 days and backed with IP tracking this ensures fair tracking of clicks to sales.

Further with a little custom programming I have managed to integrate my client database and affiliate tracking software so that every customer is tagged with the referring affiliates ID.

I'm using KowaBunga's email management system (Opt In Pro) within its My Affiliate Program to handle the client database. This does all I need, record necessary data, filter records, mail out and allow clients to unsubscribe from mailings etc.

By utilizing KowaBunga's 'You Track' option it enables my site to read the affiliate cookies. So by placing the relevant code on my payment processed page I can pass the client data with the affiliate id to the database.

Tech note - because my payment provider is a third party who cannot read my cookies my programmer wrote the cookies information (containing the affiliate ID) to a temporary file on my server. The payment provider on approving a transaction then makes a call back to the temp file and includes the data which is passed to Opt In Pro. I don't really understand it all either, but it works and your programmer should have this up and running in an hour or two!

Now lets say I launch a new product in a few months I can email all my existing clients but use the original affiliates ID code in the email. If the client then returns to the site via the URL in the email any expired cookie for that affiliate is re-written and they get paid for the additional sales.

I have already created a free report sign-up form that affiliates can use that also logs the recipient with their ID code so now an affiliate partner can refer me a visitors and with any forthcoming new products receive additional sales credit.

Note, these ongoing commissions only apply to repeat sales generated by any email messages I initiate it's not going to automatically re-credit repeat sales if the cookie is lost and they just revisit the site.

I have made this clear to affiliates and have purposely not claimed it's a 'lifetime' program but explained that in the right circumstances they will get additional sales credits.

I believe this is fair and offers just that little bit extra to my program. It also avoids the other common difficulty with lifetime commissions as in if a customer comes to a site and buys from an affiliate link but has already been tagged by another affiliate then who gets the commission?

October 20, 2000

D-Day

With all the final checks in place I have contacted my web host and instructed them to transfer the domain name pointing to the new site.

This will take up to 48 hours so I eagerly await the changeover to make a last double check and will then start manually entering the affiliates contact details from the old system to new.

I must say a special thanks to Nick and Jeff at My Affiliate Program both having offered exceptional and timely technical support even when I wanted to experiment with new ideas like the lifetime customer tracking!

I have used and reviewed many of the available tracking solutions and by far KowaBunga's software offer the best features I have seen and would not hesitate in recommending you seriously consider their software for your program.

I hope the case study has proved useful and will post a couple more updates in the coming weeks as I tie up any loose ends and examine how the new program develops.

End of Case Study

Well, hopefully Neil's Case Study gave you some additional insight into what it takes to setup an Affiliate Program and get it off the ground. Reading through Neil's experience should have solidified many of the concepts we covered throughout the book and gave you a better idea of how each part of your Strategy will play out.

Appendix D: Sample Affiliate Marketing Strategy

Here is an Affiliate Marketing Strategy that was completed by a company looking to start their own Affiliate Program. As you can see, they didn't use the exact outline as discussed in this book, but they cover all of the topics in a format that fit their style. You can do the same!

Remember: The idea is to get all of your thoughts and plans into writing to be sure that you have covered all of your bases and to give yourself a map to follow in the future.

Sample Affiliate Marketing Strategy

Company Goal: To have 2,000,000 or more customers by the end of year 2000.

Company Objective: To maximize our customers' use of products.

Company Affiliate Program

Program Description

The company Affiliate Program is an incentive program that offers an opportunity to qualified affiliate web sites to get paid for generation customers from their websites. Affiliates will earn money for every free trial generated from their website.

Program Goals

To get more customers!
To create customer brand awareness
To recruit 1,000 active affiliates

Program Objectives

1. Develop a program that is competitive, with other popular affiliate programs.
2. Design attractive and compelling links to the free trial and to the general website.
3. Submit program to Affiliate directories

How it works:

At our web site, an interested affiliate can go to our affiliate section and complete these steps to join:

1. Sign up for a free Affiliate Program membership via an online form
2. Wait for an email from us with an approval/welcome along with a login name and password for the affiliate section of our website.
3. At affiliate section, choose from the graphic links, buttons, and text links and place them on their websites.

4. Promote the links at their website
5. Get paid on a monthly basis for the referrals they make!

Launch Steps

1. Determine the budget
2. Research host companies, affiliate program software and third party solutions.
3. Design affiliate web site to handle registration, inquiries for all Affiliate members.
4. Design various links for affiliates to use.
5. Develop backend support whether in-house or through a third party
6. Determine TOI (Transfer of Information) for call center
7. Determine TOI for sales
8. Get engineering support
9. Set-up data mining process
10. Develop marketing collateral for sales

Free Trials

Approved Affiliates can choose from a number of graphic links, text links and general links to:

- The trial section on our site
- The our affiliate sign up page
- The product feature pages

Resources Needed

We will need to pull resources from these departments

- Web & Design – to design links and to setup affiliate section for the site
- Engineering – to setup the backend support
- Marketing/Data mining – to gather and analyze information
- Call Center – to setup a TOI
- Sales – to setup a TOI

Affiliate Program Marketing Plan

Plan Goals

To get customers into the affiliate program

To get Affiliates to sign up for the program

Plan Objectives

This plan is two-fold. We need to market to both ends of the program, customers and affiliates.

1. Develop a scaled marketing program for customers that give free instant membership with the opportunity for higher levels for additional fees.

2. Develop a scaled marketing program for approved affiliates that gives free membership, with the opportunity to become a platinum affiliate.

Plan Description

A scaled marketing program that provides customers' an avenue of promotion in three levels:

1. **Basic Plan** – FREE! All customers are automatically signed up for the basic plan that places general link on their site. Visitors that click on this link will be brought to a general list of trials they can choose from
2. **Professional Plan** – For an additional fee (\$10), customers can choose to link to a specific area of trials – increasing their chances of getting the visitor to trial the product.
3. **Premier Plan** – For an additional fee (\$100), customers can choose to place a link to a specific trial. These links will target a specific audience and most likely obtain a higher download rate.

A scaled marketing program that targets affiliates with the opportunity to advance to a senior level affiliate with more benefits, recognition and increased levels of pay.

1. **Basic Affiliates**
 - Access to reports
 - Limited technical support
 - Updates on new products
2. **Platinum Affiliates** – By generating 1000 users per month and referring at least 10 Affiliates that join the program, Platinum Affiliates will receive:
 - All benefits of a customer affiliate
 - Unlimited technical support
 - Access to pre-released products
 - Discounts to affiliate network events

Events and Promotions

1. We will submit our program to directories to get listed
2. We will send a press release regarding the launch of the program
3. WE will setup a promotion upon launch to the first 50 affiliates that sign up. We can also include a promo for anybody who signs up before a specific date. This will be an entry to win \$1000.

Affiliate Marketing Strategy Outline

Use this outline to organize your ideas and thoughts about your own Affiliate Program. When you finish the book, you should be able to use your notes on this outline to write your Affiliate Marketing Strategy.

- I. Pre-Planning
 - A. Objective

 - B. Goals
 - 1. Affiliates

 - 2. Traffic

 - 3. Sales

- II. Structuring Your Program
 - A. Tracking and Management Solution

B. Commission Structure

C. Promotional Page

D. Affiliate Agreement

E. Linking Methods

F. Entry Pages

G. Thank You Page/Email

H. Action-Generated Email Messages

I. Follow-Up Messages

J. Affiliate Newsletter

K. Affiliate Promotions

III. Launching Your Program

A. Activate Your Program

B. Press Releases

1. To our customers

2. To our other contacts

IV. Promoting and Managing Your Program

A. Affiliate Program Directories

B. Email Advertisements

1. Publication Information

2. Text for ads

C. Active Recruiting

1. Complementary Sites

2. Content-Oriented Sites

D. Affiliate Manager

V. Evaluating Your Program

A. Date 1

B. Date 2

C. Date 3

D. Date 4

E. Date 5

F. Date 6

G. Date 7

Action Plan

Here is a summary of all of the “Action Tags” found throughout this book. Use this sheet as your guide when completing each step of your Affiliate Marketing Strategy. As you complete each step – check it off the list.

- ☐ Choose your Affiliate Tracking and Management Solution
- ☐ Setup your Affiliate Tracking and Management Solution
- ☐ Decide on a Commission Structure
- ☐ Decide on an Affiliate Manager
- ☐ Create promotional webpage for your site
- ☐ Compose Affiliate agreement
- ☐ Create Linking Methods
- ☐ Create entry page(s)
- ☐ Create/Edit Thank you page
- ☐ Create/Edit Thank you email
- ☐ Create/Edit Action-Generated Email Messages
- ☐ Create a plan for follow-up messages
- ☐ Compose follow-up messages
- ☐ Create an outline and a schedule for Affiliate Newsletter
- ☐ Create a plan for special promotions
- ☐ Upload your entry page(s), promotional webpage and Affiliate agreement to your site
- ☐ Activate your program by adding a link on your site pointing to your promotional page
- ☐ Compose and send press releases to your customers and other contacts
- ☐ Get your program listed in Affiliate Program directories
- ☐ Write and place ezine advertisements
- ☐ Locate and contact Complimentary and Content-oriented sites
- ☐ Follow Benchmarks

