### What Is An Affiliate Program?

- An online Affiliate Program is a revenue-sharing marketing strategy in which Affiliates will drive traffic to a merchant's website in return for a portion/percentage of the revenues the merchant receives from that traffic.
- Where a third party (or Affiliate) generates sales or leads for the seller (or Merchant) and receives a commission for each successful sale or lead. It is probably the most widespread form of Pay On performance (POP) marketing

#### **Benefits Of Having An Affiliate Program?**

- A cost effective medium to deliver brand awareness
- Creates brand loyalty by a personal approach through an individual web site
- Enables merchants to produce e-commerce revenue without the hassle

- Affiliate Marketing is an online marketing advertising channel that puts merchants in charge of an online marketing sales force.
- Merchants look to earn revenue from sale of their goods or services, pay affiliates (publishers) who want to earn revenue from placement of product banners or text links on their site.
- Merchants only pay affiliate partners for results, such as a lead or a purchase "pay-for-performance".

### Terms Used

- The Affiliate (Publisher)
- The Merchant (Advertiser)
- The Affiliate Network

# Merchants (Sellers or Service Providers)

- Merchants include both smaller businesses and large multinational companies
- Affiliate marketing works very well for certain types of Merchants
  - o New businesses (with no SEO traffic)
  - O Companies with low budgets or where the cost per acquisition is expensive by using other methods (such as pay per click)
  - o Big brand names that want maximum sales
- Most Merchants tend to use affiliate marketing to sell products to consumers (so they pay commission on a sale)
- Also used for lead generation (for the sale of services) and business to business (B<sub>2</sub>B)

# Affiliates (Advertisers)

• Affiliates, anybody with a website or blog who wishes to generate additional income

e-commerce sites	Others
shopping sites	loyalty sites
ecommerce	cash-back sites
aggregators	
point earning sites	blogs

• Affiliates may already have established traffic, extensive database lists for email marketing, or may use SEO and PPC to get visitors to their site (and then to the merchants' sites)

# Key elements

- Having a programme and commission structure in place to attract affiliates
- Getting enough affiliates to join your programme
- Ability to track which affiliate generated a successful sale or lead
- Easy to manage the programme and pay the affiliates
- Ability to reject sales or leads if they are fraudulent or payment is not received
- Choice of DIY or using an affiliate network

# Using an affiliate network

- The affiliate network acts as a middleman between the merchant and pre-existing affiliates
- Create your own programme on the network
- Use network's tracking software
- Let the network promote and recruit your affiliates
- Let the network manage all the payments
- Use networks tools to manage the programme
  - o do this yourself
  - o use networks in-house services (managed service)
  - O recruit an agency

# Affiliate networks – tracking sales/leads

- Sales or leads are tracked through a combination of tracking code on the Merchant's website and Cookies added to the visitors computer
- The Merchant pays a price per lead or commission for each sale (via the network)
- The network makes all the payments to the affiliates

### Popular Affiliate networks



























### The differences between networks

- Set-up costs
- Monthly costs
- % over-rider (commission paid to network)
- Number of UK affiliates
- Experience of Merchants similar to you
- Ease of use of interface
- Minimum contract period
- Other conditions and costs

# **Types of Affiliates**

- Shopping sites virtual masites consumer shops for various brands and products on site. These sites are not driven by particular coupon or deal offer
- Coupon/Deal most popular affiliate model. These sites are shopping sites that require merchant to provide consumer with either a coupon, percent off savings, or free shipping offer
- Comparison Shopping sites sell items using a comparison model. These sites usually require a data feed of merchants' products.

# Types of Affiliates Sites

- Loyalty/Rewards sites where a percent of the merchant's commission is used to pay reward to consumer. Allows consumer to select their reward option. Rewards can include cash, airline miles, credit card points, or donation to charity or organization
- **Content** sites are usually not shopping sites. Consumers go to sites because the content is of particular interest. Sites to particular product contained in site
- **Blogs/Forums** sites post or feature article that focus on a particular product or merchant and include an product affiliate link to the product.

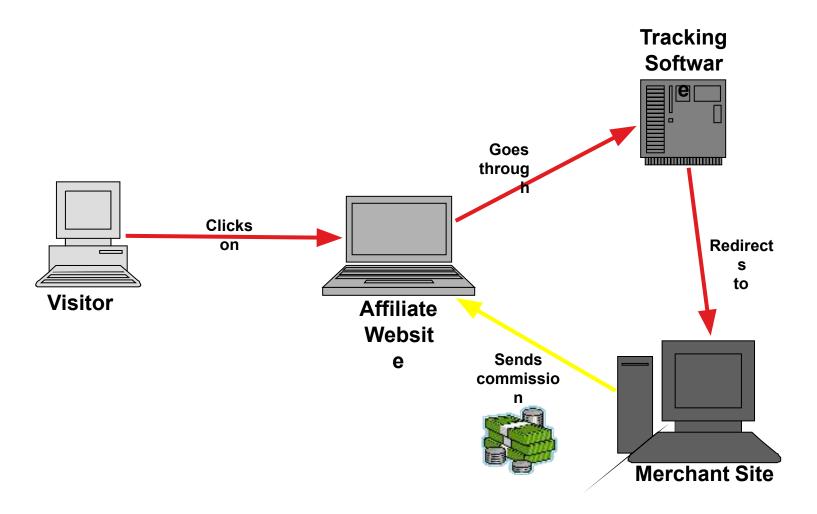
# **Affiliate Commission**

- Pay per Sale (PPS) / Pay per Performance (Revenue Share) –
   merchant pays affiliate commission based on a percentage of the total order value
- Pay-per-Lead / Cost-per-Acquisition merchant pays affiliate commission for every lead or order referred from their site
- Cost per Mille (CPM) / Cost per Impression merchant pays affiliate commission for every 1,000 impressions of their banner on affiliates' site
- Cost per Click (CPC) merchant pays affiliate commission every time a visitor clicks on their banner on the affiliates' site
- CPC and CPM are used by very few traditional affiliate marketing programs, but used heavily in display advertising and paid search.

### How Does It Work?

- 1. Affiliate obtains Merchant creative from Affiliate Network and loads to their site
- 2. Consumer visits Affiliate site and clicks Merchant banner
- 3. Cookie is set on Consumer's browser which identifies Merchant, Affiliate and link
- 4. Consumer is directed to Merchant site
- 5. Affiliate ID is captured by Merchant in referring URL
- 6. Consumer makes purchase from Merchant
- 7. Cookie information sent to Affiliate Network
- 8. Merchant transmits sales file to Affiliate Network which includes Affiliate ID
- 9. Affiliate Network tracks sales transactions with Affiliate ID and pays Affiliate

### How Does It Work?



### Locating Affiliate Programs for a Target Website

- 1. Affiliate program directories
- 2. Large affiliate networks that have platform for hundreds of advertisers
- 3. Target website itself

# **Examples of Affiliate Marketing**

ever, what needs to happen to get women in the constitution, and how the rights we have can be taken away by a hostile Congress.

This interview is segment 1 of a one \_\_rp \_\_ an m ti au es in ite it // m pollster Celinda Lake on what wome \_\_\_ p \_\_ it th \_2(\_2 \_\_\_ oi http://www.prx.org/pieces/82517-what-do-women-want-in-2012-an \_\_iterview-with-poll

Each segment can be broadcast as a stand-alone program, or collible door one hour (56:49). Timing and cues for this segment and combined one hour show below.





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Your Voice Your Vote The Savvy Woman's Guide to Power, Politics and the Change We Need by Martha Burk





Cult of Power: The Inside Story of the Fight to Open Augusta National Golf Club and How it Exposed the Ingrained Corporate Sexism that Keeps Women Down

#### Bikini Car Wash Makes Big Splash



#### Keira Knightley Posed Topless To Protest Photoshop



#### Obama Pledges Immigration Executive Order By End Of Year



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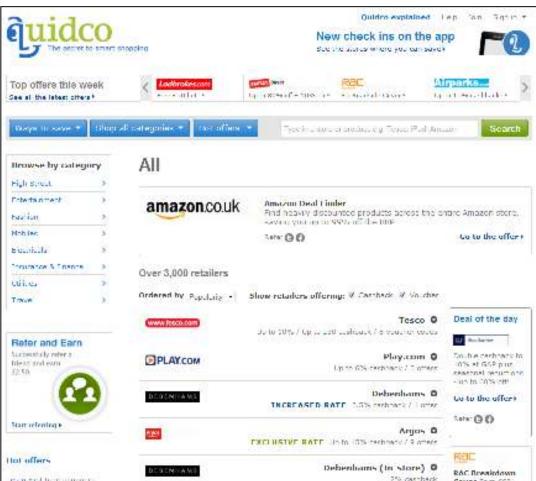
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Adv by Google

# Quidco - Cash back





# Greasy palm - Cashback





# Mutual points - Earn points



# Shopping directory





# Click through to M & S

(note url has tracking code added)



# Business to business

