

Let Others Promote your Business

Affiliate programs are the ideal way to make your web site profitable. Even if you have very little sum in time or money you could get others to promote your website. **Affiliate Programs** are the real deal and they help to sell products on all kinds of sites, from the smallest sole proprietorships to the largest corporations.

Affiliate marketing essentially involves having website owners, known as affiliates, post advertisements for your website on their own website. The advertisements are specially coded to allow you to determine how many visitors enter your website through this advertisement. Unlike other types of Internet advertising where the business owner pays for the opportunity to place the advertisement on the website, an affiliate program can work on a pay per impression, pay per click, pay per lead or pay per sale basis.

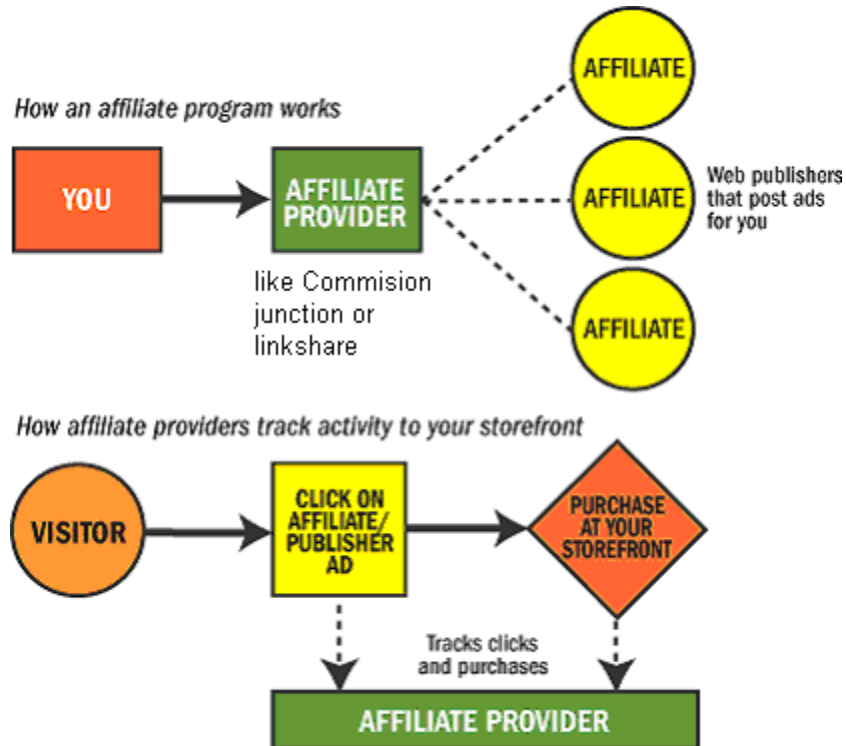
There are three major factors to be considered before you begin:

1. **Whether to buy or develop your own affiliate software**
2. **Identifying Right Affiliates**
3. **Deciding how much to pay in commissions**

For implementing a successful Affiliate Marketing Program you will need to accurately track the activity on your program once it's up and running, and to do this you'll need to consider how you can provide good reporting systems to your associates. Hence, if you decide to Outsource by joining an affiliate, an affiliate network, such as CommissionJunction.com, LinkShare.com, or Nexchange.com, can handle the basic development and implementation of a program. But if you prefer to develop the program on your own, the entire development process can be done quite effectively in-house.

This is How Affiliate Program works:

1. Say, you choose an affiliate provider or providers (such as Commission Junction® or Link Share®) to help you set-up and launch your program.
2. Affiliates will sign up for your affiliate program through your affiliate provider, who will manage your affiliates with unique tracking URLs.
3. When an affiliate puts a link or advertisement on their site, it will use the tracking URL that they receive from the affiliate provider. Visitors that click on that link or advertisement are then tracked by your affiliate provider.
4. Each purchase on your reseller storefront will also use a tracking URL on the confirmation page that will allow your affiliate provider to track which publisher should be credited with creating the sale.
5. Through your provider, you'll pay a commission to the affiliate publisher who helped initiate these sales.



Once you've developed an affiliate program, it's time to decide what types of affiliate sites you want to target and plan a marketing campaign to garner their attention. You'll also want to visit each applicant's site to determine if it is appropriate for inclusion in your network, and you'll need to be prepared to provide members with the necessary links and graphics to promote your associate program on their venue. Identifying potential affiliates can be done through a general online search but the best way is identifying your competitors' affiliates and engages these same companies for your affiliate marketing program.

Another excellent choice for affiliate marketing is to select another business that is closely related to your own business but does not compete with your business. This is a good idea because they may share your target audience and their website visitors will also likely be interested in visiting your website as well. For example if you sell exercise equipments you can select website which sells exercise books, videos. This website does not directly compete with your business but they are likely to attract an audience that would be interested in and have a need for your products or services.

Pay per impression means you pay for every 'view' that your advertisement receives on affiliate website. The rates pay per impression programs generally pay are on a CPM (Cost Per Thousand Impressions) basis.

Pay per click programs : Each time someone clicks into your site through a banner ad, text link, graphic or other access point from the affiliate's site, you pay the affiliate a fee between \$0.02 and \$1.00.

Pay per lead programs : The affiliate is paid a set amount for each visitor he send to your site that performs an action, such as joining your program, signing up for newsletter, filling out a

survey, etc..

Pay per sale programs : Also called a revenue sharing program, the affiliate is provided with a percentage of the profits when they make a sale – usually between 10 percent and 25 percent. Larger companies may pay more. Generally, Pay per sale programs have highest payouts than any other programs and the reason for this is that the merchant has actually brought in money from the sale so he gives you a cut.

There are a number of other arrangements as well. Basically, a company could set up an affiliate program based on any action that would benefit them, and then pay their affiliates based on the number of customers the affiliates send them who perform that action. There are a couple of very popular variations on these basic payment plans:

- **Two-tier programs:** These affiliate programs have a structure similar to **multilevel marketing** organizations (also known as "network marketing") such as Amway or Avon, which profit through commission sales and sales recruitment. In addition to receiving commissions based on sales, clicks or leads stemming from their own site, affiliates in these programs also receive a commission based on the activity of affiliate sites they refer to the merchant site.
- **Residual Programs:** Affiliates in these programs can keep making money off a visitor they send to the site if the visitor continues to purchase goods or services from the merchant site. Many online merchants who receive regular payments from their customers (such as monthly service fees) run this sort of affiliate program.

Now...in the end some tips for Merchants to make their Affiliate Programs reap them maximum sales of their products:

Let visitors know, Let your visitors know that you are running an affiliate program. Have a sign-up form on your website.

Pay Affiliates on time , by always paying your invoices in a timely manner, you can quickly establish a good reputation with Affiliates. Also, keep your payment amount consistent as decided at the time of agreement.

Validate sales quickly and often . To ensure you have a successful program prompt validation of sales is paramount. Delayed validation will substantially damage or destroy a program. This can be irreversible as bad news spreads quickly in the affiliate marketing community.

Share your data , if you have a data file of your products, allow your Affiliates access to it. Doing so means that you will get more of your products on more websites and, in turn, more pages with your products will be indexed by search engines. This will ultimately increase the number of products you sell.

Communication is key . Always try to inform Affiliates of changes to your service or products so they can adjust their campaigns. It is also good to keep them informed of up and coming downtime or site changes. Finding out after the event, that something major has changed, never goes down well with Affiliates. Remember this is your virtual sales force so keep them in the loop.

Reward your top performing Affiliates with prizes for meeting targets and so on. You can, for instance, let them know you are running a competition to win (decent) prizes for those who achieve a defined sales target.