

My lawyer made me do it. :)

#### DISCLAIMER AND TERMS OF USE AGREEMENT

The author and publisher of this course and the accompanying materials have used their best efforts in preparing this course. The author and publisher make no representation or warranties with respect to the accuracy, applicability, fitness, or completeness of the contents of this course. The information contained in this course is strictly for educational purposes. Therefore, if you wish to apply ideas contained in this course, you are taking full responsibility for your actions.

EVERY EFFORT HAS BEEN MADE TO ACCURATELY REPRESENT THIS PRODUCT AND IT'S POTENTIAL. EVEN THOUGH THIS INDUSTRY IS ONE OF THE FEW WHERE ONE CAN WRITE THEIR OWN CHECK IN TERMS OF EARNINGS, THERE IS NO GUARANTEE THAT YOU WILL EARN ANY MONEY USING THE TECHNIQUES AND IDEAS IN THESE MATERIALS. EXAMPLES IN THESE MATERIALS ARE NOT TO BE INTERPRETED AS A PROMISE OR GUARANTEE OF EARNINGS. EARNING POTENTIAL IS ENTIRELYDEPENDENT ON THE PERSON USING OUR PRODUCT, IDEAS AND TECHNIQUES. WE DO NOT PURPORT THIS AS A "GET RICH SCHEME."

ANY CLAIMS MADE OF ACTUAL EARNINGS OR EXAMPLES OF ACTUAL RESULTS CAN BE VERIFIED UPON REQUEST. YOUR LEVEL OF SUCCESS IN ATTAINING THE RESULTS CLAIMED IN OUR MATERIALS DEPENDS ON THE TIME YOU DEVOTE TO THE PROGRAM, IDEAS AND TECHNIQUES MENTIONED, YOUR FINANCES, KNOWLEDGE AND VARIOUS SKILLS. SINCE THESE FACTORS DIFFER ACCORDING TO INDIVIDUALS, WE CANNOT GUARANTEE YOUR SUCCESS OR INCOME LEVEL. NOR ARE WE RESPONSIBLE FOR ANY OF YOUR ACTIONS.

MATERIALS IN OUR PRODUCT AND OUR WEBSITE MAY CONTAIN INFORMATION THAT INCLUDES OR IS BASED UPON FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE SECURITIES LITIGATION REFORM ACT OF 1995. FORWARD-LOOKING STATEMENTS GIVE OUR EXPECTATIONS OR FORECASTS OF FUTURE EVENTS. YOU CAN IDENTIFY THESE STATEMENTS BY THE FACT THAT THEY DO NOT RELATE STRICTLY TO HISTORICAL OR CURRENT FACTS. THEY USE WORDS SUCH AS "ANTICIPATE," "ESTIMATE," "EXPECT," "PROJECT," "INTEND," "PLAN," "BELIEVE," AND OTHER WORDS AND TERMS OF SIMILAR MEANING IN CONNECTION WITH A DESCRIPTION OF POTENTIAL EARNINGS OR FINANCIAL PERFORMANCE.

ANY AND ALL FORWARD LOOKING STATEMENTS HERE OR ON ANY OF OUR SALES MATERIAL ARE INTENDED TO EXPRESS OUR OPINION OF EARNINGS POTENTIAL. MANY FACTORS WILL BE IMPORTANT IN DETERMINING YOUR ACTUAL RESULTS AND NO GUARANTEES ARE MADE THAT YOU WILL ACHIEVE RESULTS SIMILAR TO OURS OR ANYBODY ELSES, IN FACT NO GUARANTEES ARE MADE THAT YOU WILL ACHIEVE ANY RESULTS FROM OUR IDEAS AND TECHNIQUES IN OUR MATERIAL.

The author and publisher disclaim any warranties (express or implied), merchantability, or fitness for any particular purpose. The author and publisher shall in no event be held liable to any party for any direct, indirect, punitive, special, incidental or other consequential damages arising directly or indirectly from any use of this material, which is provided "as is", and without warranties.

As always, the advice of a competent legal, tax, accounting or other professional should be sought.

The author and publisher do not warrant the performance, effectiveness or applicability of any sites listed or linked to in this course.

All links are for information purposes only and are not warranted for content, accuracy or any other implied or explicit purpose.

This course is © copyrighted by Liz Tomey / <u>TomeyMarketing.com</u>. No part of this may be copied, or changed in any format, sold, or used in any way other than what is outlined within this course under any circumstances.

#### About the author...



#### **Liz Tomey**

Liz Tomey got her start in the marketing world at the age of 19 by starting her own direct mail/mail order business. Liz created several product and services to help others in the direct mail/mail order business build their businesses quickly and easily. She's successfully run this business since 1998.

In late 2004 Liz took the Internet marketing arena by storm by creating products and services especially for Internet marketers. These proven to work products are what have allowed Liz to become the well-known and liked Internet marketer that she is today.

The <u>Marketing For REAL People</u> newsletter is also published by Liz where she focuses more on teaching no BS marketing techniques rather than pushing the "product of the day". This newsletter allows her to help Internet marketers push their business to new levels.

Liz is also the owner and sole creator of some of the hottest sites in Internet marketing.

- <a href="http://www.TomeyMarketing.com">http://www.TomeyMarketing.com</a> This is Liz's main site. You can see exactly what she's about and any and all products and services she has created along with incredible free learning tools including video tutorials and many helpful articles.
- http://www.MyOriginalEProducts.com Limited resale rights offered each and every month. Don't compete with Tom, Dick, Harry, and the 10,000 other people who own the same old resale rights products. Make money by being one of the few to promote high quality resale rights products!
- <a href="http://www.JointVentureSeeker.com">http://www.JointVentureSeeker.com</a> Last year JV partners brought in over 85% of my sales. Now you can learn exactly how to get JV partners to put money in YOUR pocket!
- UndergroundMarketingStrategy.com Now you can get several marketing strategies that
  will show you how to make money online. This site is devoted to teaching you proven
  ways to make money online, so that you can create multiple streams of income.

Liz lives in Gates, TN with her husband and 5 (yes, F-I-V-E) kids. She runs her business along with her husband full time from her home.

She enjoys any sports her kids are in, playing outside with her kids, dates with her husband, traveling anywhere warm, and "playing" in her many flower gardens.

#### "Your Affiliate Force" Table Of Contents:

- Introduction To Affiliate Recruiting
- Easy Systems for Setting up Joint Ventures
- ❖ Affiliate Tools You'll Need
- **❖** Where The Super Affiliates Hide
- ❖ Making & Keeping Your Affiliates Happy
- Contests and How to Use Them to Your Advantage
- **❖** The Magic of Rewarding Affiliates for Performance
- Motivating Affiliates on a Regular Basis
- ❖ Two-tiers for Maximum Growth & Snowballing
- Creating a Living, Breathing Business
- Resources

#### **Introduction To Affiliate Recruiting**

Affiliate programs are the way the Internet is doing business. Affiliate networks are growing at an exponential rate as more website owners realize the potential for business growth and word of mouth publicity for their websites.

Affiliates use their site's traffic to increase their own revenue as well as increasing the sales for the site they are affiliated with. The affiliate's website will have a link or ad that can be clicked through to the website offering the items or services.

The affiliate is paid either per click through or by a percentage of the sales made by the people who clicked through. This **win-win situation** can be cultivated with the right affiliate recruiting methods. Recruiting is the process of finding quality affiliates who will bring traffic to your website and spread your company's name.

To find affiliates who have traffic of their own and will drive the right kind of traffic to your website, the key is the recruiting process used to find the affiliates.

Recruiting affiliates is not a simple matter of chance and it is not something that should be done in the simplest possible method to attract the maximum number of responses. Having a poor quality of affiliates can negatively affect your site's reputation, as well as wasting your time and energy.

An effective affiliate program vastly increases the amount of publicity the website receives, increasing page views and building a name for the site and its goods or services.

Affiliates will go on to recruit other affiliates, further spreading the word about the website and the items it sells. Affiliates who are recruited in a questionable manner may then recruit others in a questionable manner, rendering the publicity that the program generates a negative publicity.

And, negative recruiting methods can cause problems that go beyond just a matter of the site's reputation.

Affiliate recruiting is something that should be done legitimately, through legal means. This means avoiding spam, unlawful telemarketing, filling up irrelevant message boards with your information, etc.

There are many legitimate ways to recruit affiliates that will not be seen as harassment or as an annoyance and will garner a better reputation for your site. A site with a good reputation is more likely to attract quality affiliates.

Email is currently one of the most popular methods of recruiting affiliates. But, this can be both positive and negative both for the website and for the site's owner.

If the email is sent out in a random fashion, it may not be compliant with the recent CAN-SPAM laws, making the site's owner vulnerable to lawsuits and legal action.

In addition, because many site owners rely on their network of affiliates to further recruit affiliates, those affiliates may recruit through email that is not CAN-SPAM complaint, further causing potential trouble for the site owner.

The site owner is legally responsible for their affiliate network's recruiting tactics and can be prosecuted by the FTC for any violations that their affiliates commit. There are many other ways of recruiting affiliates than sending mass emails or allowing the affiliate network to do so.

Emails are a good way to recruit affiliates, but they must be used deliberately-targeting specific people with a legitimate offer to join the affiliate network. Contacting webmasters of websites that have a similar content to your site is a good first step to finding affiliates.

The emails should contain all of the information that an affiliate needs to make the decision to visit the site and join the network. Sketchy details in an email will read like spam and not the legitimate opportunity with your network that it really is.

When sending recruiting email, think about questions you would ask if you were learning about your network, and answer all of those questions. Include contact information to further separate yourself from the spammers.

Effective affiliate recruiting can also be done through targeted telephone calls. Directly calling those who may be interested in an affiliate relationship is likely to be just as effective as or even more so than mass emails, as they are not filtered out as spam and it is possible to speak directly to the potential affiliate.

A strong business relationship can be made from speaking directly over the phone in a way that is more difficult to establish through email alone. A business relationship that begins with phone contact is more akin to a business relationship in the real world, rather than something only conducted through email. People do respond to a personal touch.

Direct mail is currently not used by very many business owners to recruit affiliates, and its under use is cutting out a potentially effective way to attract and retain quality affiliates. Direct mail has the advantage of being a hard copy that

can be read anywhere, not just at the computer. It can also contain a lot of information in a small space. A postcard is a small piece of mail and is very inexpensive to send, but it will hold a good deal of ad copy for your network.

Having effective copy written for your direct mail will ensure that the information needed by a potential affiliate is included, and increases the chances that the terms will interest the potential affiliate. When writing direct mail, it may be a good idea to hire a copywriter to make the most of the potential of the medium.

**Online forums** are another good way to find interested affiliates. Online forums are so numerous that forums devoted to the retail niche being served will be easy to find. There are also many forums devoted to affiliate programs.

These sites will already have people there waiting for the right affiliate programs to come along. Prospective affiliates can be contacted directly on the forum and presented with information about the affiliate program.

A webmaster may also want to have a page on their site dedicated to their affiliate program, and post the page on several different forums that may have interested forum users, allowing forum members to read the details from your site at their leisure.

In addition to contacting potential affiliates and directing them to the site, it is possible through advertising to bring affiliates directly to the site and have them contact the webmaster to sign up to the program.

These include the ever-present banner ads, which can and do work. Banner ads are relatively inexpensive compared to other forms of advertising, and can be selectively paced on sites with the potential to be seen by those interested and experienced with affiliate programs.

Sites with content concerning affiliate sites are an obvious choice, but there are many other types that may serve the affiliate program just as well. Choosing sites that concern website building is a good choice for banner ad placement, as those building websites may be wondering how to make money using their new site.

Sites with content about your specific retail niche are very good prospects for banner ads or other advertising. Viewers come to the site with some knowledge and interest in the items, and some of them may have web sites devoted to something similar.

These sites will have a better click through rate than sites that have completely unrelated content, giving you a higher chance of making sales. Choosing a popular website with thousands or even millions of unique views per day will be more expensive than smaller sites, but it may be worth it for the exposure it

brings. A popular site's traffic can ensure that your ad gets the click-throughs it needs to make finding the right affiliates possible. It also brings attention to the site itself, bringing in potential customers as well as potential affiliates.

All of these methods can garner affiliate hopefuls for you, but the next step is **finding affiliates who are a good fit** and will continue to generate sales for you.

Affiliates who are responsible in their recruiting methods and generate sales are valuable business partners and must be treated fairly and with respect in order to keep them within your network.

Affiliates will expect a fair compensation for the business they bring in, and they should be paid honestly and on time. Keeping successful affiliates long term creates an income stream that can last years, if not for a lifetime, so it is worth the extra time needed to nurture the relationship.

Reliable and experienced potential affiliates will want to know more about the affiliate program you are offering than just the potential revenue share. They may want details about how the business is run, the company's reputation, about the quality of the items or services being sold, how accurate the tracking is, and to know that they can contact you with any questions or concerns they may have.

A potential affiliate wanting this type of information is a good sign and the information should be rendered with honesty. A seasoned affiliate will know if the revenue potential or the company's reputation is being dishonestly portrayed, and will want nothing to do with the network. Treat affiliates the way you would treat a business associate in real life and they will want to stay.

Another reason to keep affiliates long term is their potential for recruiting other affiliates. It is time saving and profitable to have your network do the bulk of the recruiting for you, as well as opening up new channels of advertising and word of mouth from the network.

Treating affiliates poorly may actually create the kind of reputation that makes it difficult to get anyone to join your network. Affiliates talk, so make sure it is what you want said about your business.

Because of the rapidly increasing rate of affiliate networks, there are now businesses that can be hired to recruit affiliates for you. Outsourcing the recruiting is relatively new and is not something that everyone is interested in.

Hiring a recruiter cuts the site owner out of the process and leaves them with affiliates that they themselves might not have chosen. It is a time saver, however, for businesses that are expanding and have little time to recruit. For websites that are just getting an affiliate network started, it may be an effective jump start to get

the word out about the affiliate opportunity. But the jump start must be weighed against the added expense that is incurred by outsourcing.

However you decide will be the most effective way for you to recruit affiliates, treating them well is the key to keeping the system a well-oiled machine that will be bringing in a steady stream of income.

To keep affiliates, they will have to have a steady stream as well. The amount you pay your affiliates is entirely up to you, and there is a wide variation in the amounts that affiliates receive. But, the best word of mouth publicity will be garnered with a high rate of pay as compared with similar sites. A higher than average rate will make the site desirable to affiliates and likely they will be more motivated to spread the word.

Second tier affiliate systems are the motivation behind the affiliates move to recruit more affiliates to the network. The first set of affiliates will earn a percentage of what their recruits are making.

This is an excellent incentive for expanding your network indefinitely and creating that passive income that most website owners so desire. While you are growing your business, your network will be hard at work selling your items for you, creating an unlimited income that can last a lifetime. Your business name and its reputation get out there too, bringing in more affiliates as well as more sales.

#### **Easy Systems For Setting Up Joint Ventures**

One way many website owners have discovered to set up an affiliate system quickly and very easily is to use the services offered by <u>Clickbank</u>. Clickbank offers several tools to assist vendors with increasing their affiliate network, as well as tools to help them keep track of sales provided by their affiliates.

One of the best ways of putting a network to work for you is to develop a joint venture with another company. Joint venture marketing utilizes the customer lists of another site and endorses your products to that customer list. The company giving the endorsement gets a commission percentage from the sales they generate for you.

**Joint ventures** can be **very powerful** for publicizing a website or product, garnering a much wider potential customer base. The endorser is already a company that the customer trusts, as they have already bought from that company or contacted them for information about their product.

That trust is then passed on to you through their endorsement of your product.

A potential endorser should possess a large customer list, with a high percentage of them being customers who have paid for items versus customers who have simply expressed interest.

The endorser should also be someone who is well known, with a name that will be recognized by those customers. And using customer lists is much more effective than endorsing the product to people who may have no interest in that type of product.

**Cold lists**, or random lists of names and contact information, simply cannot provide the same kind of sales leads that **a hot list** of real customers can. For this reason, a good joint venture partner should be offered a high commission rate for the potential sales they will bring in.

Joint venture commission rates are generally a lot higher than those paid to regular affiliates, as an effective joint venture partner will be putting your product in front of many customers who are already known to be your target sales audience.

Some vendors offer joint venture partners a higher amount than they themselves will receive for the product because of the much higher number of sales that will be generated.

Clickbank is by far the best place on the internet to put together a joint venture system. They have the largest directory available of products that have affiliate programs.

Finding joint venture partners using Clickbank is much less time consuming and is much more targeted toward your niche than sending cold emails or direct mail to these companies. Because Clickbank has so many potential joint venture partners available, there will be many available that fit with your particular niche.

To find potential partners, Clickbank's marketing and business forums are full of business people who are waiting for the right joint venture to come along. There are also list services concerning joint ventures that vendors can join in order to find the right partners.

When approaching a potential joint venture partner, it is important to tell the potential partner about your product and what makes it a unique item. Let the partner know what you can offer them and why they should work with you.

**Be honest in your pitch** - play up the product without making unrealistic claims. The JV partner should be impressed by your product. Make sure they know what they can get out of the deal in terms of sales and commissions.

You may be rejected by a few candidates, but if this happens, simply contact another one. There is a joint venture partner out there for every product.

It can take some time to find the right joint venture partners, and once you have one, the business relationship has to be nurtured so that trust can be established. Once you have one successful joint venture deal in place, it will be easier to find and establish others.

Remember: There is no limit to how many joint ventures you can launch if you are honest in your business dealings and offer fair business terms.

Managing your affiliate system is one step to getting a profitable joint venture started. By becoming a Clickbank vendor, an easy way is provided in the convenient back office to you for keeping track of all of your affiliates.

First, sign up as a vendor with Clickbank. Then your product or products must be submitted to Clickbank's affiliate program. A digital product must be on its own "pitch page" that you make with your own domain. Clickbank will not accept pages made on free sites- you must own the domain.

The pitch page will be full of sales copy describing and promoting your product. The page will also have a payment link that routes the payment through Clickbank. The page is also required to disclose how long the digital delivery of

the item will take. Also, the format used for the product must be disclosed to ensure compatibility with the customer's system. Clickbank's return policy must also be listed. Clickbank will replace defective items for eight weeks after purchase, after which time all sales are final.

There are also some items that are prohibited from being sold through Clickbank. Adult items, MLM items, and email lists are just a few of the prohibited items. Make sure to **check the list** to make sure your item is not among those that are prohibited by the company.

After you are registered with Clickbank and your product is picked up by affiliates to market it, Clickbank provides a place to manage your affiliate network. The affiliates can even be paid through this control panel.

Clickbank offers an easy and free system of tracking and paying affiliates. Your entire affiliate network can be managed from this control panel. Once you have an effective affiliate network in place, you can begin to set up joint ventures.

Once you find a joint venture partner, you can keep track of your joint ventures through Clickbank as well. Once you have your account in place, you have to seek out and find a joint venture partner.

When negotiating with the partner, you will decide upon a commission percentage that will go to the partner. Your Clickbank control panel will have a place to input the commission rate that was agreed on for each sale made through them.

Then, sign up the partner as an affiliate for your product. They may also sign up themselves as your affiliate. Either partner can do this, but if you are seeking out the joint venture, you may want to do the sign up simply to make it easier for your partner.

The joint venture partner will then be assigned a link for the item you are selling. You will come up with an ad, and place that link on the ad as the order link that customers will use. You will then submit the ad to your joint venture partner who will send the ad out to the customers on the company's customer list.

Clickbank makes the accounting for all of your joint ventures simple and easy to track. They will even do the accounting and pay the joint venture partners for you. Clickbank sends checks out to all of the vendors, affiliates and joint venture partners who make sales through the links they provide.

Clickbank sends the appropriate commission to affiliates and partners, and sends the vendor's check to the one selling the product. Checks are sent out every two weeks.

Joint ventures are a profitable and powerful way to market a product, but affiliate networks are very profitable as well. **Clickbank has 100,000 affiliates** waiting for products to promote and sell, making it the ideal place to go if you have a product to sell. The system in place makes it easy for vendors with an account and a product to connect with affiliates.

Affiliates can sign on to sell a product without your having to pitch it to them or convince them to sell it. All of the sales made through affiliates are tracked and accessible through your control panel.

It will even take care of the banking hassles that small businesses have to deal with when selling items. Clickbank processes the orders for the product and approves the customers' payment. It also takes care of the bank inquiries that may be necessary, as well as questions from customers.

Opening an account with Clickbank is free, but there are other fees. Contact information must be given to the site by the vendor so that checks can be sent from Clickbank. When the time comes to sell a product, there is an activation fee required – it will cost you a one-time \$49.95 to become a vendor.

This one-time fee **opens the door to a lifetime of sales**. When an item is sold, Clickbank also charges a fee based on the selling price. There is a \$1 charge plus an additional 1.5 percent of the sale. This is deducted directly from the sale and the vendor and the affiliate are sent the rest of the sales price.

When signing on to sell a product through Clickbank, you must specify the price that will be charged for your product. Then, decide what your commission rate for affiliates will be, with the maximum amount of commission allowed being 75 percent.

Clickbank will then show the vendor a page where potential customers can find out how to purchase the product. A customer will click on an order link to buy the product, and is then shown a window with the price. Customers enter their credit card information which must be approved by Clickbank before the sale goes through.

Upon the approval, the commission is deducted from the price and sent to the affiliate and the rest of the price, minus Clickbank's fees, is sent to the vendor. The entire system is automated and the vendor has to do very little besides signing up and deciding a price and commission rate. The rest of the time may be spent looking for profitable joint venture partners.

There are more than 10,000 web businesses using Clickbank for its ease and effectiveness, which draws more affiliates than any other site of its kind. Clickbank works only with digital products, such as software and ebooks.

These are items that are simple to sell online and don't need a complicated shipping process.

And by using Clickbank to set up your joint ventures, potential partners know that with the automated system they will be paid their commission as agreed. This takes a great deal of the risk out of a joint venture enterprise and may help garner the trust of potential partners.

The sheer number of affiliates and potential partners also means that there is a very good chance that some of them will have products similar to your niche item, no matter how specialized it may be. Make sure to find a partner with a very similar item to use their customer list to its full advantage.

One downside to the Clickbank affiliate system is that you do not personally choose your affiliates. Affiliates are free to sign up with products they want to promote, so your influence is minimal.

But, vendors do choose their joint venture partners, which gives an element of control over the businesses that will be endorsing your product. Joint ventures tend to be slightly more personal deals, with more interaction between the vendor and the partner than a vendor with an affiliate.

With joint ventures, getting your product out in the virtual marketplace and in front of interested customers has never been easier. Affiliate networks and joint ventures have the potential to make your product something that will earn you a steady income with very little effort on your part.

#### **Affiliate Tools You'll Definitely Be Needing**

Though the affiliates are the ones who go out and promote your product, **you still have a significant part to play in that promotion**. In order to keep affiliates willing and able to promote the product, it is important to make that as easy as possible for those affiliates.

This means providing them with the proper tools they need for the successful promotion of sales. And the quicker the sales come for an affiliate, the more the affiliate will be willing to promote your product, creating more profit for both of you.

There are many tools that can be provided to affiliates in order to make their task easier. There are many things that a vendor can create themselves, taking relatively little time, but will be welcomed by an affiliate.

One way to assist affiliates is by creating specific email ads that cater to your prospective clientele, and sending them to the affiliates as a promotional tool. This is a quick way to offer affiliates an easy way to promote the product.

And, even if an affiliate is an excellent affiliate with effective promotional skills, the affiliate may not have a talent for ad creation, graphics or for copywriting. Giving them this tool not only saves them time, but makes them feel like a valued part of your network.

An affiliate who has not yet sold a product for a vendor may have a problem in knowing how to getting started, and perhaps even sees little hope of making sales with this limited knowledge.

Giving the affiliate ready-made tools to make sales may just tip the scales toward the affiliate being a much more active marketer for the product.

Tools that can be provided to an affiliate **may include classified ads** that a vendor can write and offer to affiliates for their own use. There are many different ways this can be utilized by affiliates, including the many free sites that post classified ads.

Compiling a list of free sites, as well as low-cost effective sites, on which the ads can be posted is an extra service that would give the affiliates an added arsenal of advertising opportunities, making it much easier to get the product sold and their commission earned.

Some instructions on how to submit classified ads and how to retool the ad copy for their own use to target specific markets are all ways to make using the ads even easier for an affiliate.

Ads to be used by the affiliate for pay per click advertising are another useful tool. PPC ads are one of the biggest ways that affiliates use to advertise, but having the ads may not be enough for beginning affiliates.

**Providing some training** on how to use pay per click services, as well as information about the major sites to use the ads with are extremely helpful with getting affiliates to use all of the resources that the web has to offer.

One of the problems that affiliates run into, even if they are excited about the product and want to promote it to their best ability, is not having the knowledge to know where effective promotion can be found and how to use it.

Training given to affiliates may include overviews about how affiliates can earn higher revenues through effective advertising, as well as how to navigate Google Adwords and Yahoo Overture. Understanding the systems will not only make an affiliate more inclined to use the resources that are now available to him, but may also garner some loyalty to the vendor who taught him the ropes. You!

<u>Banner ads</u> are a popular tool used by affiliates, but they can be complicated to create and to utilize, especially for newbie affiliates. Creating pre-made banner ads that affiliates can use on their own websites is an easy way to provide something helpful for affiliates.

The banner ads can simply be copied from a page on your site and pasted onto the affiliates' site. Make sure to provide some instruction about to how to set up the banner ad and how banner ads can bring in targeted traffic for the product.

Banner ads can of course be placed on other sites, and instruction on how to go about using them as paid advertising should be offered. You might also offer customized tools to affiliates that ask for them such as different banner sizes.

One way that is even easier for an affiliate to interest people in your product is to use **simple signature files**. Putting a signature file in all outgoing emails increases the amount of people who will see information about the product.

A signature file can even be a variation of the email ads or classified ads that you have already provided. There will be affiliates who are already well-versed in signature files for promotion, but there will also be some who have never thought of it as a promotional tool as well as those who simply don't know how to set one up.

Offering the information about how to set up an email signature file makes it even easier for an affiliate to utilize this as an advertising source. This information should of course be **provided with a warning about using it for illegal spam**, but there are many, many ways that it can be used legitimately and still be sent to hundreds of potential customers, if not more.

Most people send email daily, so as simply a numbers game there is a possibility that some of the people receiving legitimate emails from the affiliate will then purchase the product. This may even be a fun way for an affiliate to market the product, as it is easy to set up and is a simple way to get the promotion started.

Once an affiliate is underway in their promotion of the product, it is helpful to have some content that they can put on their website, blog, or in email or direct mail to promote the product. One type of content that will be welcomed by affiliates is **positive reviews of the product**.

Getting <u>a glowing third party review</u> is a powerful selling point for any product, and if there are reviews available, providing them to affiliates for their use is a great way to give them something that you already know will be an effective promotional tool.

**Supplying interviews** are another way to do the same thing- provide some content that will be useful to affiliates, and garner a little control over the quality of the promotion. This may be interviews conducted with you, providing the vendor's perspective of the product. This may also be interviews with people who have used, or read in the case of ebooks, the product.

In the case of ebooks, it is also a good idea for affiliates to have access to an interview with the author. Interviews are easy to read and are useful in web promotions. Having interviews available is slightly different from testimonials, and provides quotations that are useful in many types of promotions.

Anyone writing a **press release about your product** would be interested in having the interview format to provide the needed quotations. Interviews, reviews and testimonials are all effective ad staples, and will give affiliates a way to advertise right away instead of enduring a wait time to come up with their own copy.

In addition to the training provided for the affiliate to use web tools such as pay per click sites, providing training in the use of the other promotional materials may be just as helpful.

Putting together some materials about **ad copy**, how to use it, where to use it, etc., will make it more likely that an affiliate actually will use it. It may also cut down on the use of spam by affiliates, as they will see other avenues in which the

provided materials can be used. Providing training is going the extra mileshowing the affiliates that they are part of your network and truly work with you, not just for you.

Providing the **tools and training** for an affiliate to get started should be done in conjunction with giving the affiliate the **information about the product** that they will need to market it. Every affiliate should be familiar with the product or products.

Give them all of the information they need in order to find their own ways of marketing, to write their own ad copy if they want to, and to answer questions that people may have about the product.

If the affiliate is familiar with the product, it may open up new promotion venues to them that they would not otherwise know were relevant. For example, if the product is an ebook, knowing the intimate details about the book's contents will suggest to the affiliate other markets besides simply ebook sites.

Is there a chapter about alternative health? There are countless alternative health forums and groups that may be interested in reading about it. Are there examples in the book about the income of fishermen?

Fishermen gather around virtual water coolers just as other groups do, and may be interested in reading an ebook that outwardly shows no signs of being of interest to fishermen. The same can be said about software and the various applications in which it can be used.

An affiliate that is familiar with the product can also add something to their marketing that they otherwise would not - **their personal endorsement**. A positive personal endorsement, based on the real product and their opinion on it, feels genuine and is a better marketing tool than a more hollow "it's great- buy it."

This is not something that can be handed to an affiliate - they must know enough about the product to be able to add their own words about the product, and to tailor their endorsement to the different promotional venues they use.

Ad copy mixing several of these components- the personal endorsement, the third party review, and the testimonials make for some seriously persuading copy.

Providing tools and training doesn't have to be time consuming, and it doesn't have to be done on a one-on-one basis. If you have a large affiliate network, consider a newsletter that gives the information to everyone in the network.

This can also be done on a subscription basis so that the affiliates who don't want it will not feel like they are being spammed. Also consider having one or more pages on your website, or having a second site for this purpose, that details these tools and how to use them.

If affiliates have problems using the tools provided to them, or don't understand some of them, be available through email to answer questions. Not promoting the product may come down to simply one or two questions that the affiliate had about either the promotional tools or the product itself. Being available for questions goes a long way toward building a network that affiliates want to be a part of.

It seems like everyone with a product is using affiliates these days, and let's face it, most of them are. **Make your product stand out to affiliates and potential affiliates** by not simply telling them a little bit about the product and hoping they sell it, but by <u>offering them the tools that will give them an easier time of promoting it</u>.

This extra effort on your part will make affiliates more prepared to carry out your promotions, and more willing to actually do it. **This can only result in more sales** for you <u>and</u> more cash for the affiliates you've amassed.

Being an affiliate and finding new ways to promote sales can be fun when the right tools and training have been provided and the affiliate sees the cash rolling in.

#### Where The Super Affiliates Hide

Every vendor with a product and an affiliate network looks for super affiliatesthose **affiliates who are high profile and will promote your product well**, resulting in high sales and profits. The real task is finding the affiliates who will end up being super affiliates for your product.

Everyone with a product wants super affiliates, so how does a vendor find them?

There is no one perfect way of finding super affiliates. There is a lot of searching that may go into finding them, and then there is the recruitment process to convince them to join the affiliate network for the product. But, for the most part, the super affiliates are **hiding in plain sight**.

The reason that super affiliates are so super is that they market themselves. They use high profile sites, having websites that rank high in search engines. They also have plenty of ads and links that lead to their sites.

They go to related forums to keep updated on new developments in the field and to find new sites that have promising affiliate networks to join. The super affiliates are all around you, you just need to know how to find the ones who will be right for your product and who will be willing to join your network.

Because super affiliates stay in touch with the industry, one way to find them is by looking through relevant forums for users who are already seasoned affiliates and are seem to know how to effectively promote products and bring in sales.

Suitable forums may include those related to business and marketing topics, and forums that are specifically for affiliate discussions. Suitable affiliates may not even be posting in forums, but reading them regularly.

For this reason, it is more effective to actually post in forums and speak to potential affiliates than to simply read posts and try to find one who sounds like a super affiliate. Get the word out- you need effective, loyal affiliates who are interested in high profits to join you in promoting your product.

Joint venture networks may also have successful affiliates who are waiting for a new opportunity to join a network. Because the sites involved in joint networks as the endorser are generally high-profile sites with a wide audience and a wide network of customers, they are idea potential super affiliates as well as joint venture partners.

Among the many ways to find affiliates, some businesses have found that hiring others to recruit their affiliates for them is more practical for them than spending the time to hunt for affiliates on their own.

There are now companies that will do the affiliate hunting for you, freeing you up to complete other tasks to build your business. Outsourcing recruiting is of course more expensive than hunting on your own, but it may make financial sense if you are having difficulty finding affiliates and your time could better be spent elsewhere. And, affiliate recruiters may have better luck in finding the super affiliates than you would on your own.

There are several companies such as <u>Syntryx</u>, <u>AMWSO</u>, and <u>Commission</u> <u>Junction</u>, which now offer affiliate recruiting as well as affiliate management services. Outsourced recruiting includes an analysis of the relevant markets, searching for sites that contain relevant material and high traffic areas in which to place your products.

AWSO also has some real good articles and tips for affiliates, too.

A recruiter will also contact potential affiliates about your product for you, providing marketing materials to potential affiliates to interest them in promoting the product. For interested affiliates, a recruiter will then enroll them into the network, making it easier for the affiliate and for the vendor.

And, outsourcing your recruiting tasks no longer has to involve simply recruiting. Some affiliate recruiting companies also take an authentic management role, helping to analyze your affiliate network and determine how to get more affiliates interested in selling your product.

This may include adjusting the commission price that you are willing to pay affiliates, if the research shows that your commission rate is significantly lower than that of other similar companies. This may also include tweaking your marketing or your website to better attract and keep affiliates.

Outsourcing the recruiting is one way of finding super affiliates, as the higher the number of affiliates in the network, the better chance there is of landing one or more super affiliates. Also, many affiliate recruiting companies specialize in identifying the most effective affiliates.

Syntryx, in addition to their recruiting services, also **offers tools for the vender to find super affiliates**. These include ways to identify top affiliates in different markets, as well as providing the appropriate contact information. There are even tools to identify affiliates for competing products and to contact them to promote your product.

To decide whether outsourcing your recruiting is a viable option for your business, keep a log of the time spent recruiting affiliates, and how many affiliates were signed up during that time.

It is also helpful to keep records of how well the affiliates that you recruited have been selling. Having effective affiliates to promote the product can make or break a company. If a vendor spends most of their time looking for affiliates, and then the affiliates recruited have not been selling well, it may be time to hire someone else to do the recruiting.

If a vendor has signed many, many affiliates, but the other aspects of the business have been suffering from the time spent recruiting, this may also be a sign that the recruiting should be outsourced.

Even if a vendor has had success in recruiting and already has an effective affiliate network, the vendor may simply be curious as to how much better a professional recruiter will be at finding high selling affiliates.

Having an effective network does not always mean that there are super affiliates in it. But, finding these high sellers is the goal of most recruiting companies. If you are actively recruiting affiliates and still the product is simply not selling, a recruiting company may be the only option to keeping the business afloat.

If the company budget does not allow outsourcing, or if you are just more interested in trying to find super affiliates for yourself, there are many tools available to help you hunt them down.

By using simple search engines it is possible to discover where the super affiliates are hiding. To **quickly find high-profile sites that are related to your product**, simply use Google to look up similar product marketing. The first page or two of results are the ones ranked the most highly for the keywords that you searched.

It may take a few searches of related keywords to find the top spots for different words related to your product. The top results are sites that generally understand the search engines and how to get the best placement. They are also the ones who will be getting the highest traffic, and the chances are good that they are run by super affiliates.

After discovering the top sites, take a good look at them. Note the site's counters if they are available, what the content looks like, and what products are being sold there.

If a highly-ranked site looks relevant to your product and seems like it would be effective at marketing your product, it would be a good idea to contact the webmaster and pitch your product and its affiliate program.

There are other search engines that you may want to try in addition to Google, though Google is the one that the vast majority of people use regularly. There are also search engines that compile results from several different search engines.

<u>Ixquick</u> is one of the compilers, bringing in search results from many of the larger search engines other than Google, which it does not compile from. Ixquick is a quick way to search rather than searching five or more search engines yourself. Finding the results from this search work in the same was as a Google search, and it may come up with different sites to contact.

Google's appeal in the hunting of super affiliates is not limited to just searching for the top sites, however. There are other uses for Google that will make finding even more top-ranking sites possible in less time.

By using **Google Adwords**, many potential keywords used for the product can be revealed. Google Adwords has a specialized keyword tool that finds the best keywords related to the product, and reports, free of charge, several different statistics related to those search words.

The analysis provided includes the seasonal trends related to the searches as well as the general search performance of the words globally. Entering keywords and phrases into the keyword tool will generate search volume results for the words.

Changing the words and finding more popular variations will aid you in finding keywords that are the most popular for your niche. Then, try these words and phrases in the main Google search to find sites that you may not have found otherwise, and find even more potential super affiliates.

If you are not certain about what related keywords would be the most effective for your page, <u>Google Adwords has a remedy</u>. The external keyword tool can be used to find the words for you.

First, enter the specific URL into the <u>keyword tool's search box</u>.

This will actually find keywords for you that are related to the page that was typed in. These keywords will then be analyzed for the same statistics for search performance and seasonality. And, using these tools is not just helpful in finding super affiliates.

Finding the **appropriate keywords** for your site is a helpful thing to provide to affiliates as an extra tool to help them with promoting. The most effective words can be added into the pre-made ads given to affiliates as well as listed separately for affiliates who want to write their own ads.

Once a high-profile affiliate is found, it is a matter of convincing them to promote the product. Super affiliates are used to high profits, and they may not be willing to take on products with a lower profit margin than the ones that they are already selling.

To snag one of the big players, it may be necessary to negotiate your terms, and perhaps to **offer them a higher commission rate** than you would ordinarily offer.

When approaching a potential super affiliate, be sure to make it clear to him what will be in the deal for him. Offering extra affiliate tools, training, and support may not be necessary for a super affiliate, but it will demonstrate your level of commitment and your availability.

And, even super affiliates can benefit from the time savings of pre-made tools such as the pre-written ads you offer. Make the process easy and offer good terms and support, and a super affiliate may just be yours for the asking.

A super affiliate doesn't just bring in sales for you and commissions for himselfhe also publicizes your product, bringing it increased recognition that can translate into higher sales for all of the affiliates.

Having one or two heavy hitters in the network is also a powerful selling point when recruiting other affiliates for your network. The higher profile your product is, the more likely it is that potential affiliates have heard of it, and the more profit will be found in selling the product.

With one or more effective, high-profile super affiliates in your network, you may not have to recruit affiliates for long - they may start coming to you and asking to join in your network.

#### **Making & Keeping Your Affiliates Happy**

Those with effective affiliate networks know that in order to keep the network running smoothly and the sales coming in, it is important to keep the affiliates happy and willing to promote the product and make sales.

They should be made to feel that the product is worth promoting, as well as feeling that they are valued for the work they do to bring in those sales. There are many different ways that an affiliate can be made to feel positive about the work they are doing and the network they have joined.

Affiliate **loyalty is important** if you want to continue making sales through your network. An effective affiliate can easily be recruited by competing product owners with similar products, so keep yours happy so that they stay loyal.

These competitors may make generous offers to an affiliate who knows how to sell. If the affiliate has no loyalty to the network they are currently selling for, there is no reason to stay when the profit potential of a competing product is similar.

Make sure that your affiliates feel valued in order to garner their loyalty. One way to do this is to make your network feel like an exclusive club they have joined.

Members of a club are more loyal than members of a potential opportunity that can be cast aside if it doesn't pay right away. Even if the sales do not come immediately, a loyal affiliate will stick it out until they do.

Think about what a club provides - a club always has exclusive benefits available to its members, so make sure they get them. There are several ways to offer benefits to affiliates that they would not otherwise be able to get.

One way to do this is to give affiliates a link where they can buy the product with an affiliates' only discount. This is useful not only for garnering that much needed loyalty, but it also lets affiliates get better acquainted with the product, making it easier to find new markets for promotion.

An affiliate who already owns the product can then write the first-hand testimonials that are such a powerful part of affiliate advertising. Also, by providing affiliates with the special link, you may actually end up with people who join your affiliate network simply to get the discount on the product.

If you choose to advertise this special reward, you will likely get new affiliates based on this alone. This not only adds affiliates to your network, but brings in a

few sales you would not otherwise have had. And, once they have joined, they may just start generating other sales and decide to stay.

There are also **bonuses that can be given to affiliates** that will promote the "club" feel of your network. These can include offering affiliate only consulting services to network members.

This is especially useful with digital goods that can be updated with more information through the consulting. This is a free service that will be appreciated by most affiliates.

Another way to offer this is to **offer affiliates-only teleseminars**. These can be useful for both getting free information to the affiliates and for creating a team atmosphere that generates loyalty. Teleseminars also personalize the vendor's company in a way that emails can not.

Teleseminars offer a face to virtual face meeting that may be the affiliate's first look at a human being in charge of the product. If time is of the essence in your business, outsourcing this set up may be worth looking into.

If you do not otherwise have a way of setting up a teleseminar or don't have the time, there are several websites that provide this service and make it quick and easy to set up. <u>Gotomeeting.com</u> and <u>greatteleseminars.com</u> are just two of the sites that specialize in these types of meetings.

Sending out reports as bonuses may also be appreciated by affiliates. These bonus reports should be full of information that will be useful to the vendor. This may include reports that are related to the product, such as updated or revised information.

They can also be reports that pertain to affiliate tools that will help the affiliate to make more frequent sales. Anything that you don't have to send out, but will be helpful to the affiliate, is a bonus. To come up with new bonuses, take some time to think about what kind of information you would want if you were affiliate.

One of the simplest, but perhaps most time consuming, ways to keep affiliates happy is to respond to their questions, comments and complaints. Have affiliate emails answered as quickly as possible, with personable and encouraging responses.

Sometimes an affiliate will have a complaint, but try to take it as constructive criticism and it may just help to make your business stronger. If several affiliates are having similar complaints, you might consider making some changes. An affiliate just wants to make money, and what makes them money makes you money, so pay attention to their needs.

When complaints come in, remember that you and the affiliate are working toward a common goal. Answering countless affiliate emails does take time away from other aspects of the business, but looking for affiliates to replace the ones you loose through complacency will doubtless take more time than the correspondence.

You have a lot invested in your affiliate network, so make sure that you aren't losing members by neglecting something as simple as emails. It is also helpful to be available by phone for those affiliates who prefer to do business that way. An 800 number will make that contact easy for those affiliates.

**Be available** to affiliates and they will come to you for help when they have a problem instead of leaving the network for greener pastures.

Affiliates will appreciate the **guidance**, **support** and **tools** that you have to **offer**, but in the end, let the affiliate find his own way to promote the product. Micromanaging can result in a decreased enthusiasm that can result in decreased sales.

If affiliates are left to their own creativity in promotion, they may come up with ways to make sales that will surprise you. Let them be their own boss, while you simply offer the tools to make that happen.

Being available for support is also a selling point for getting more affiliates to join your network. Many affiliate programs now advertise their availability to network members as a reason to join. And, to affiliates who are just beginning, that may be one of the best selling points available to you.

Part of the communication between you and the affiliates is to let them know when something goes wrong. If your site is down or the affiliate software has a glitch, let the affiliates know up front. The affiliates will be much more forgiving if the affiliate manager lets them know right away and apologizes for the inconvenience.

Discovering glitches on their own and being left to wonder whether their sales are being tracked will do anything but build loyalty. Letting your affiliates know up front when there's a problem, means they know you are aware of the problem and will be rectifying it.

Another thing that the majority of affiliates are looking for in a program is one that **pays on time and within a reasonable amount of time**. To keep affiliates happy, be very clear on when you pay and how often, and then make sure to meet that timetable each and every time.

Offering the affiliates **a way to track their sales on an ongoing basis** is also a good way to garner loyalty and enthusiasm. Seeing the results only every two weeks or even every month is not the best way for them to see the immediate results of their sales techniques.

Having a way to track the results daily will allow them to change the techniques that are not working and add on things that will. This also ends credibility to the vendor, allowing the affiliate to see the numbers and not simply to trust that they will be there when the payments are made.

Of course **the most important way** to keep affiliates happy is to offer a quality product and a high commission rate. If no one seems to want to join in the network to promote a certain product, it may be time to look at the product and its pitch page and decide whether either one need some work.

And if there are plenty of affiliates signed up and yet few sales are being made, that's another sign that something may be wrong. If the materials to promote a product are lacking, or if the commission rates are simply not high enough, sales will suffer. If sales suffer for long enough, consider revamping your commission structure.

There are many affiliates who will simply not consider selling for very low commission rates. Raise them and see if the entire network doesn't become more energized toward making sales. Keep the affiliates enthusiastic and the sales will be too.

To make sure that you are not losing affiliates due to having an inferior commission structure, it pays to **do research on the competitors' rates**. Their affiliate pages should mention the commission rates, so take note. Also notice what other rates are in the same industry. If you have an ebook with a rate of 20 percent, look at other ebooks in your niche, but also look at ebooks as a whole.

Other ebooks with similar themes may have similar commission rates, but if ebooks about a different topic are paying 50 percent, you will still lose affiliates. If the rate in your niche is below other niches, it will pay for affiliates simply to find a new niche.

To make affiliates even happier, **offer several different methods of payment**. An affiliate may be uncomfortable with an online payment, as with PayPal, and want a physical check instead.

There are some affiliates who want direct deposit into their bank accounts. Some affiliates prefer alternative payments, such as wire transfers. The more ways you offer payment, the more likely it is that you will make the individual affiliates happy.

If you are using Clickbank to manage the affiliate network and relying on them to send the payments, there is no alternative to the checks that are sent out directly to affiliates through their system.

It may be a good idea to have some affiliates outside of the Clickbank system for those who do not want to be paid by check. International affiliates in particular may not want to wait for a check to be mailed and then have a lengthy wait for an international check to clear.

In Europe, wire transfers are common and affiliates may be seeking out networks that will pay through a transfer. Affiliates will also appreciate a low commission payout.

If your payout is set to \$100 or more, for example, an affiliate may feel that it is too risky to set their time and money toward selling a product when they may not get a payment anytime soon.

Any payment, even a small one, will show the affiliate the rewards of being in your network. A payout of \$25 is on par with the most network payouts, and should not be too difficult for most affiliates to meet.

You might even decide to <u>distinguish yourself</u> with a super low payout to attract new affiliates, such as \$10. This also establishes your company as a legitimate one that really pays like it says it does.

Above all, **let your affiliates know you appreciate them**. Affiliates are there to make money for themselves, but they are also there to provide a service to you. They are the ones rowing the boat, and a captain who doesn't appreciate that may have to row it himself.

Even if an affiliate is not emailing with questions or complaints, **email every once in a while just to touch base and make sure the affiliate isn't having any problems with promotions**. The occasional unsolicited contact will be appreciated by most affiliates, but make sure not to email too often.

A weekly email could get bothersome, so simply stay in communication often enough that the affiliate knows he has not been forgotten.

An affiliate manager who does not stay in contact with the affiliates will not stay on the mind of those affiliates. Those neglected affiliates may not even remember the company after a while. Stay in contact with your support and encouragement in order to keep affiliates happy.

# Contests and How to Use Them to Your Advantage

Affiliates, even ones making regular sales, can get complacent about their sales techniques. If the sales are coming in steadily, an affiliate can get comfortable with the status quo and stop seeking other ways to bring in sales.

But, there are several ways to get affiliates excited about promotion and sales. One of the **best ways to stir up excitement** is to arrange a contest for the affiliate network.

The one thing that always gets people moving toward a goal is a deadline.

Create a deadline and the affiliates will be scrambling to come up with new sales routes in order to meet it. A contest doesn't have to cost a lot, and it will likely pay for itself with the new sales that are generated by the affiliates trying to win.

Affiliates are there to make money, and many will already have money coming in steadily from your network, so a cash prize may not be as interesting as a more creative prize.

When deciding on a prize, it is a good idea to offer something related to the industry that the affiliates are already promoting. This means that the prize will automatically be of interest to them.

When thinking of a prize, try to imagine one that will be <u>of interest to the greatest number of affiliates</u>. If you are promoting cable subscriptions, try offering a free year of cable. If the product is website building software, try offering five years of domain hosting. When the product is related, the affiliates will already understand the value of the prize and how it will work for them.

There are also quite a few **unrelated prizes** that are universally appreciated. Some affiliate networks give away flat screen TVs, iPods, and computer accessories such as wireless keyboards. Knowing that the affiliates use the computer a lot, nice computer related items, or even a new computer, are sure to be appreciated.

Other small electronics are perennially popular, such as MP3 players and game systems. If you are unsure as to what prize will capture the imagination of your affiliates, it can be helpful to ask them what type of prize they would be most interested in. If there are many similar answers, that prize should be considered.

If one expensive prize doesn't seem to motivate the affiliates enough, consider offering several less expensive prizes. A contest with many prizes may create more enthusiasm in the belief that there is a better chance of winning. A contest with 10 or 20 prizes doesn't have to cost more than a contest with only one- the prizes just have to be smaller.

**Gift certificates** are a universal prize that everyone can use, and these would make nice prizes that the affiliate could use to buy whatever he wants. A gift certificate that can be used online is a quick and easy way to reward affiliatesthe gift certificates can even be emailed and arrive right after the winner has been decided.

When setting up a contest, there are several parameters that can be created. The contest can be based strictly on the sales number of a given period of time. It may also be a contest based on the affiliate with the largest sales increase within a given time period.

**Performance based contests** will be of interest to most of the affiliates, but different criteria will appeal to different types of affiliates. Those high performing affiliates may not feel they have a chance at winning a sales increase contest, but may increase their sales with an overall revenue contest.

A beginning affiliate with few sales may be interested in a contest that rewards the greatest sales increase. For this reason, having a few contests throughout the year with different criteria will motivate the different segments of the affiliate network.

If you are looking for a contest in which every affiliate, the super affiliate and the newbie alike, has an equal chance of winning, then the criteria may not be about sales at all. A contest for designing a new banner ad would appeal to creative affiliates, and will also result in ads that that content entrants can then use in their sales.

A contest based on suggestions that are made concerning the product, the marketing or the affiliate network would be a way to interest all affiliates, no matter what their sales level. The suggestions garnered would result in the active generation of ideas to improve the program, resulting in a boost of enthusiasm for the network.

Affiliates who are thinking about improvements may also come up with ideas to improve their won sales. And, the suggestions may just be ones that it would be helpful to implement.

Once you have decided on the criteria and prizes of the contest, it is time to come up with a specific time frame. The time frame should be short enough to

garner some enthusiasm, and long enough so that the affiliate has time to plan some sort of action, whether it be increasing sales or brainstorming for suggestions.

A **time frame of one month is fairly standard** for affiliate contests. A month gives the affiliates enough time to find out about the contest and then enough time to act on it.

A well-publicized contest may also bring in new affiliates who want a chance at the prize. Make every attempt to publicize the contest for both the affiliates and for potential affiliates. The contest can be added to newsletters for affiliates, posted on forums, and described in emails sent to your affiliates.

It is also worth considering a shorter contest time, to rev up sales and enthusiasm. A contest that takes place over one week will fire up sales minded affiliates to push their sales even higher in order to win.

Some affiliates who do not have confidence in winning a month long contest may do better with a shorter time frame. Some affiliates will not feel that the time period is long enough to figure out how to increase sales, but some will be inspired by it.

By holding **contests with varying time periods**, as well as contests with different winning criteria, different segments of the network will be inspired.

When the criteria and time frame are decided, the contest should be presented to the affiliates with very clear rules. The rules should be accessible and should spell out exactly who is eligible, how the winner will be decided, how the winner will be notified, and how the prize will be awarded.

The rules should be as clear as possible to prevent any trouble with misunderstandings later.

To keep affiliates interested, you might consider making the contests a regular event. There are some affiliate networks that hold monthly contests, so affiliates know that if they did not win this month, there are many more chances.

This <u>cuts</u> down on the level of <u>discouragement</u> and <u>disappointment</u> in the affiliates who do not win. There are also some contests in which all of the participating affiliates win something. This may be something very small, such as a subscription to a website, a small gift card, or anything else of value that might be of interest to the vast majority of your affiliates.

The point in holding an affiliate contest, of course, is to drive up sales volume and profits.

If a contest is held and sales are stagnant, take a look at the contest and make some changes to get the affiliates more motivated.

- Were the prizes not coveted?
- Did the goals seem too high or not well enough defined?

If affiliates just don't seem to want to be motivated to win, a huge prize might just capture their imaginations.

If it is within the contest's budget, the flat screen TV mentioned earlier would be sure to be a big motivator as a grand prize. There are contests that offer huge prizes, such as thousands of dollars.

But, cash does not enter the imagination the way a big prize will. If you have a great prize, or even a relatively small one, have a picture of it on the site for affiliates to see. Seeing what is possible if hard work is put in may just be the way to get more interest in participation.

There is some question as to whether to publicize the winner or winners of the contest. Some affiliates don't like to hear about the winner and may feel slighted. Or, you may feel that sending out information about the winning affiliate will motivate the other affiliates for the next contest.

Another twist on the contest idea is to give everyone motivation to make sales during one month by increasing the commission rate. The commission would be raised only for the month, and all sales during that month would qualify, and then the commission rate would go back down to the regular rate.

This is a motivator for everyone involved, and takes very little work on the part of the vendor other than promotion. If the rate is raised high enough, every affiliate in the network will be looking for ways to get new sales in for that month. And, affiliates who may have been thinking of straying might stay in the hopes of another month of sky high commissions.

Advertising a contest that features commission rates through the roof can also bring in new affiliates, looking to cash in on the high commission. Once they have implemented ways to make sales, after the promotional rate is over, those affiliates may still be making sales. This is a great way to increase the size of your network, achieve a level of affiliate loyalty, and to publicize your program.

Still another contest idea is **to reward the affiliate who recruits the most affiliates during a set time period.** If affiliates had not already been actively recruiting, this type of contest will motivate them to start. More recruiting means more affiliates, more sales, and more publicity for the product.

This works especially well if you have a second tier commission rate to reward affiliates for the sales brought in by their recruits.

Even if a contest is held that has little impact on sales, it still may make a difference. If you can take just one inactive affiliate and turn them into an effective sales machine through a contest, then you have a sales channel that will more than make up for the cost of a contest prize.

Remember that getting affiliates motivated to sell during the contest does not pay off only during the length of the contest. If affiliates learn to make higher sales during the contest time frame, they will not want to stop making money after it is over.

#### Whatever type of contest you decide to have, make it a fair one.

Make sure that the affiliates are aware of what they need to do in order to win, and be there to communicate in case they have questions about it. When the contest ends, be sure the affiliates know that <u>someone has won</u> and that a prize has been awarded.

Even if you decide not to publicize a name and picture of the affiliate, as a lot of business owners do, the affiliates still need to know that it was an honest contest that someone did win.

This lets everyone know that the site, and the contest, is legitimate and fair. And if the site is fair with the contests, it will likely be fair with the sales numbers and commissions.

**Everyone loves contests**. This is true especially when a contest has a good chance to award them cash or prizes. If you can get regular contests with interesting and exciting prizes integrated into your promotions, affiliates will be looking forward eagerly to the next contest.

And, your company will stay on their minds in between those contests.

# The Magic Of Rewarding Affiliates For Performance

And now with happy affiliates who are working hard to promote the product, bringing in sales, and recruiting other affiliates, you may want to **do something extra to thank them** for their hard work.

Even if an affiliate is happy and is making money, you don't want to lose them to greener pastures. Building a real relationship with high-performing affiliates means they will not be as apt to leave for other opportunities.

To begin rewarding affiliates for their participation and sales, begin at the very beginning. Instead of a cut and paste email that welcomes them into the program, use a call. During this call, offer the new affiliate a phone call and talk them through the tools that will be made available to him.

Ask if there are any other tools that can be made available that would be helpful. This will assist the affiliate in getting started with their promotions, and will show the affiliate that there really is a person there behind the website - a person who will be helpful to him and who wants him to succeed.

**Answer any questions** the affiliate has, and offer your availability for any questions. Make sure the affiliate knows how to contact you, with specific email addresses and a phone number if you offer it to affiliates.

Once the new affiliate has all the tools he needs to get started with promotions, you may start to see sales coming in from him. The first month that a new affiliate makes sales, think about a second phone call congratulating him on his first sales.

During this time you might also offer some small reward for those sales to keep him motivated to continue marketing. At that point, also mention any contests or bonuses that you offer in order to keep his interest high.

If you have an efficiently run affiliate network, and have a control panel such as the one available through Clickbank, the sales data is right there in front of you. If you are not using Clickbank, there are several other sites that offer affiliate management services that include the analysis of sales data.

You might also consider buying software that makes the computations and analysis quick and easy. One Affiliate Solution that I highly recommend is here. It is a total business management solution all in one.

However you get the information, make sure that you have it and take a look at it often. This is important not just in rewarding affiliates, but for making sure that your sales and affiliate strategies are working effectively.

By analyzing the sales data of affiliates, a vendor can see who the highest earners are, and how their earnings have changed over the months. If an affiliate who had a slow start is suddenly one of your top affiliates, rewarding this new found sales success will go a long way toward keeping that affiliate using their most effective techniques.

If the sales go without being noticed by the vendor, an affiliate may feel no real loyalty and may just decide to apply those techniques elsewhere and see what profits can be made.

One way to let effective affiliates know you appreciate them is by giving them a phone call after a particularly good sales month to congratulate them.

Consistent high sales by an affiliate should be met with **monthly congratulatory calls**. By doing this, affiliates know that not only are their sales being noticed, but that they are appreciated for the work they are doing.

Even small-time affiliates who do not garner as many sales can be given small gifts as <u>a thank you and a motivation</u>. Anything free is always appreciated, and it will be remembered by the affiliate.

One thing that can be done inexpensively is to send out items such as small gift certificates, or fun gifts like candy or a book that is relevant to the industry being promoted. These not only motivate affiliates, but can also help to achieve that much needed loyalty from them.

There are many vendors who reward affiliates that are bringing in a lot of sales by **increasing their commission level**. Even if the increase is not much, by 2 to 5 percent, increasing the level will show the affiliate that they are appreciated and that their work has been noticed.

A small commission rate increase can also work to motivate the affiliate to increase sales, thereby increasing your own profit. There may also be affiliates to whom a small cash bonus could be given as a reward.

If you have some high selling affiliates, find a way to make them feel appreciated. A contest is a good motivator, but **a bonus out of the blue goes a long way** toward maintaining affiliate loyalty.

If you choose to make a phone call to congratulate them on their success, consider asking them what they would like as a bonus. Offering a few choices of

items makes the choice not as open ended, but still gives the affiliate room to choose their own reward.

Rewarding high selling affiliates with something that arrives over a long period of time will keep the reward in the affiliate's mind for longer than a small one-time reward. Examples of this are **magazine subscriptions**, which will <u>remind</u> the affiliate of their reward every month for a year or more. And, they are very inexpensive to buy.

Other possible rewards include gift of the month clubs, which encompass anything from a monthly book to a monthly can of soup. There are enough of these clubs that you may be able to find one that is relevant to the industry that you and the affiliate are promoting, and there are programs like this at many different price ranges.

There are also affiliate programs that have a set reward for different levels of sales. This may be set at several different levels, such as a bonus at \$5K in sales, another at \$10K, and so on. You may even want to set the **bonus levels** lower to encourage more of the small time affiliates to increase their sales.

If you have lagging sales, or a small affiliate network, it might pay to have monthly rewards for all of the affiliates who increase their sales over the previous month. This may work with larger affiliate networks as well, but it would take considerable time to analyze each affiliate's data in a large network.

Sending rewards or bonuses for the affiliates who are increasing their sales motivates them to continue increasing their sales, as well as showing them that their work has been noticed and is appreciated.

Another way to offer bonuses is to offer a small dollar amount for the affiliates they sign up, or for the members who join a membership program that is being offered. This would be in addition to the commission rate being offered. This is often a strong motivator and can open up new sales channels for the affiliate.

The real point of offering rewards to your affiliates is not just to boost sales, but mainly **to build a solid business relationship**. Boosting sales for a sort period of time is simply a short term effect.

Building a relationship built on trust and appreciation with your affiliates means long term growth of both the affiliate network and of the company itself as sales grow.

To build relationships with affiliates that last, try to <u>think of how you can make</u> <u>their lives easier</u>. A super affiliate, especially, is making your life easier and making your business grow. How can you make *their* lives easier?

Would offering free web hosting help them, or perhaps some software to create new banner ads and logos? Any of these things would help an affiliate in their business, and therefore, in your business as well.

Rewarding affiliates for their sales success not only builds relationships with those affiliates, but **also builds good word of mouth** for your affiliate network. Affiliates talk, and networks that offer stellar encouragement, rewards and bonuses are likely to get excellent word of mouth to other affiliates. Even people who have not joined affiliate networks before may be interested in receiving the types of incentives that you offer.

When rewarding affiliates with high sales, keep in mind that affiliates often join a dozen or more networks, and therefore many affiliates may not be giving yours the attention it deserves. This means that by getting attention for your network through **rewards and friendly encouragement**, some of the time affiliates spend on the other affiliate programs may be diverted to yours.

With affiliates who have never made sales for you, it may even be that they have forgotten they joined in the first place. Offering some type of encouragement, along with selling tools and your guidance with make them remember. For inactive affiliates, it might pay to offer them a small reward to make their first sale or to put up a few links to your product.

Because so many vendors now have affiliate networks, affiliates are becoming much savvier about what affiliate programs have to offer. Potential affiliates will be looking for programs with high commissions, excellent tools, and an available affiliate manager.

If you place these tools and reward systems in action, rewarding the affiliates for a job well done is a way to **push your business ahead of the competition** in finding and retaining effective affiliates.

The job of any affiliate manager is to help the affiliates as much as possible. If the affiliates are happy with their level of commissions and the tools available, go one step further to help them achieve their goals.

If you take a look at the websites of an affiliate, you may see ways that the sites can be improved in order to garner more sales. You may know of better graphics, better software, or better web design.

You may find broken links or typos in the sales copy. This may be appreciated by affiliates who are looking for any way to improve their business. This also shows that you as an affiliate manager will genuinely take the time to find ways to help them and care about their success.

If you are running the entire business yourself, as many vendors do, and do not have the time to spend to help affiliates grow their sales and to feel valued, you might consider hiring an experienced affiliate manager who can get the best out of affiliates. This is an extra cost, but can be made up for many times over in increased sales.

Affiliates who enjoy what they do will do it more often - and will end up with higher sales. Take the time to think of ways to make your affiliates enjoy what they are doing. Will they look forward to **a newsletter** full of tips and info? Would they enjoy **occasional surprise gifts**? If you believe they would, then <u>make it happen</u>.

Above all, when offering rewards and bonuses always keep the promises you have made to affiliates. All of the loyalty and trust you have achieved thus far will be gone if a promised bonus cannot be paid or if your promised availability is not there.

Only promise what you know is achievable in order to keep building loyalty.

There will be some affiliates in your network who simply do not respond to rewards or other incentives. But for the most part, affiliate rewards can work for every type of affiliate you have. For the inactive affiliate, it can push them to start selling your product. For the average affiliate, it can motivate them to increase their sales.

And, for a super affiliate, it can demonstrate the level of appreciation you have for the work they do. And once you have that motivating push and acknowledgement in action, you will then have affiliates who are willing to work harder and make more sales.

Reward your affiliates for a job well done, and morale and loyalty will stay high.

<u>Neglecting affiliates leads to less affiliates</u>. They will just leave you for some other company that DOES give them the support they desire and need.

**Make your company stand out** as one who recognizes and appreciates its affiliates' and their successes.

#### **Motivating Your Affiliates on a Regular Basis**

Keeping affiliates motivated is not simply a matter of the occasional reward, bonus, or contest. **Making sure affiliates are motivated means coming up with ways to keep them actively pursuing sales at all times**. This will mean changing tactics occasionally, and tweaking your promotions when you do not see any changes in sales.

One of the easiest ways to get affiliates motivated, believe it or not, is <u>simply with your words</u>. **Your words** to the affiliate in emails, the words on the sales materials, the pitch page, and in your newsletters **should have a dynamic voice** that makes the affiliates excited to promote the product. If you don't have affiliates coming to you and asking to join, it may be time to redo your sales copy.

When writing your sales and ad copy, choose your words carefully, so that they are the most dynamic words possible to fit your meaning. Avoid using the passive voice, which is not nearly as motivating as an active voice can be.

For example: "it is believed that this product will have your affiliates selling more soon," is <u>an example of passive</u>, <u>drab writing</u>.

To change this, analyze your voice. The word "have" is passive, and "it is believed" is an indirect way of saying what you want to say. Instead, try a more direct approach.

The sentence "I believe your affiliates will sell more if they have this product." This is an example of <u>direct</u>, <u>active voice writing</u> and is **a much better motivator** than the more passive sentence.

Go through your copy line by line and decide how it can be improved. If a sentence is taking up space but is really saying nothing, either take it out or rework the sentence entirely.

Like your sales copy, your newsletter can be improved by more active voice writing. If your newsletter is long and boring, there's a good chance that few affiliates will really take the time to read it.

If this sounds like your newsletter, your content doesn't have to change, but the writing should. An effective affiliate manager communicates often with the affiliates, so make sure that your content is maximized by making the copy as motivating as possible.

Motivating writing calls people to action, and will get the affiliates excited about making sales for you.

In your emails, paying some extra attention to formatting and organization will also increase the amount of affiliates reading it.

Whenever you have a lot of information to convey, <u>break it up into smaller text blocks</u> that are easier on the eyes. When the text doesn't seem as overwhelming, a lot more people will then ultimately read it.

Also consider **breaking newsletters down into sections** labeled with an enticing headline. If an affiliate doesn't want to read the entire newsletter, he isn't going to. But you can make some of the sections appeal to him through their headlines.

Label the sections with more **dynamic text**, such as "Increase Sales Today" or "Mistakes That Can Keep You From Making Sales." If the headlines are about something that the affiliate is interested in, he will be more inclined to read those sections.

Along with being motivating, anything you write should be truthful and believable. If the writing, though written well and in an active style, makes promises that the affiliate doesn't believe, it has still failed.

To motivate affiliates, **make them excited as well as getting them to trust both you and the product**. Seasoned affiliates will not believe unfounded hype, so keep the content down to earth.

The contact you have with affiliates should be regular, throughout the year to make sure they don't forget about your network. There are several ways to set up automated emails that can go out to affiliates on a predetermined basis, such as once every month. This will free up your time for the individual emails concerning the affiliate's specific achievement to be sent.

**Newsletters are also a great motivating force** that should be packed with motivational text. This can include positive sales figures, news about bonuses and contests, or updates to the product that will excite affiliates and give them new sales directions.

One good feature to have in a newsletter is to include reasons why the affiliates should be promoting your product. This can be done in a fun, "top 10" format to make it interesting to read.

In addition to regular emails and newsletters, there are many **promotions** that can keep affiliates motivated on a regular basis. These include holiday promotions that can motivate affiliates during the high sales times of the years.

Promotions may also pertain to the product in ways that will help the affiliates to sell more of it.

Offering customers free shipping is one promotion that affiliates will get excited about promoting. Offering new upgrades, free specialized newsletters, and new revised editions are all promotions that can benefit affiliate sales.

**Another great motivator** for affiliates, of course, is a "sale" on the product itself. If you couple this with a temporary rise in commission rates so that the commission does not decrease, this can be a hefty motivator.

Affiliates can always market a sale, as thousands of people troll the internet daily in search of sale prices. Sale prices may also encourage new affiliates to sign up to the network. Other promotions can include offering extra bonuses for getting larger orders or for getting customers to sign up for your newsletter.

If you have accurate data that is giving you regular updates about affiliates and their sales that is one of the best ways to show which affiliates need which type of motivation. A super affiliate will need different motivation than a beginning affiliate. An affiliate with steady, modest sales would do well with a different type of motivation than one whose sales have been increasing steadily.

Introducing **new tools** for them to use can motivate all affiliates. These may include new banner ads, which may spark some creativity. Other new tools can include new ad copy so that affiliates don't have to keep reworking their old ads.

One excellent motivator is to have **new, dynamic testimonials** for affiliates to use. Testimonials are always a good thing for affiliates to have at their disposal, but having the same few testimonials year after year does little to bring in new sales. New testimonials can motivate affiliates to create new websites to use in promotion, using the new tools.

Another updated tool to offer is periodically offering **new interviews**. These can be interviews with the business owner, with a software developer who worked on the product, the author of an ebook, etc. interviews provide something that testimonials fall short on.

Interviews can actually be used as web content for affiliates who regularly seek new content to add to their sites. Interviews are essentially free content, and also serve to help sell the product. An affiliate might be motivated to add a new page just for interviews, which in turn can bring in people searching for items mentioned during the interview.

Having several different interviews to offer throughout the year, filled with information about both the product and the industry can be a good motivator

toward updating their sites and finding new customers. A long interview can be integrated into the overall content of an affiliate's website. While affiliates who only want it as sales copy can cut out the parts that are not about the product.

If it is possible for your business to do, **adding one or more new products** to your business is a great motivator for existing affiliates and for encouraging new affiliates to sign up. A new product means new sales potentials, new promotions routes and new customers who may be interested.

If a new product is to be unveiled, motivate affiliates ahead of time, before the product is even available by sending out notices in active, dynamic language. This can even begin months in advance of the new product's availability.

Send out regular updates about its progress and the affiliates may begin coming up with new ideas for promotion before the product is even ready. A new product launch can be a very exciting thing for an affiliate, so play it up and watch the affiliates' excitement.

When you have decided on the promotions that you will run and then implemented them, the work is not done yet. After a promotion, it is important to analyze the data again to see just how effective it was at bringing in new sales.

Notice whether it brought in a higher number of click throughs, and whether it brought in new affiliates. This data must be measured against the data from the pre-promotion period to be sure that the numbers are due to the promotion.

Aside from promotions and email contact, one of the best motivators is for affiliates to quickly and accurately be able to see the results of their work in terms of sales. Many vendors now have software that allows affiliates to see right away when a sale has occurred through an automatic notification.

Having this **instant barometer of success motivates affiliates** by allowing them to know every day whether or not their promotions have been working. Seeing sales notifications regularly motivates affiliates to do more of what they are doing to make sales. Waiting day after day for a notification and rarely getting one lets those affiliates know that what they are doing is ineffective and may motivate them to make changes.

When seeking to motivate your affiliates, **remember to stay visible**. Don't allow affiliates to forget about you or the sales they could be making. Regular contact will remind affiliates about the company and its product and keep them in mind when they are ready to start promoting.

If you make your regular contact with the affiliate through emails and newsletters exciting enough, they will be left looking forward to the next time they hear from

you. And, they will feel more comfortable coming to you with any questions or problems they have. An affiliate who feels that level of comfort with their vendor or affiliate manager is one who will be loyal and will make the effort to make sales.

If you are seeking to keep your business in the affiliates' minds in between emails, **consider sending small**, **branded gifts** to affiliates who are producing sales. These small gifts may be a pen with your product name on it, a small notepad, or a magnet with your logo.

These small items are recognized by many industries as being effective at keeping the brand name on the customers mind as they use the product. Getting these items made is inexpensive if bought in bulk and can be a nice gift as well as a motivator. Along with brand recognition, branded gifts are also that- gifts. They show the affiliate that you appreciate him and that they are a valued member of the network.

All of these motivating methods can be used in conjunction with each other at different times of the year. This creates a little mystery as to what the next promotion, new product, or gift for the affiliates will be.

This **creates a little buzz for the newsletter and the regular emails**, which affiliates will be eager to check for new promotions. And, affiliates who eagerly read the emails and newsletters from a vendor are more likely to remember that vendor on a day to day basis.

Even an affiliate who belongs to many networks will remember your network as being different and exciting- and that is the best motivator of all.

An affiliate network doesn't just rely on its affiliates - it relies on you to keep them happy and motivated all of the time. Do what works for your affiliates to stay motivated and you can count on ever increasing sales all year round.

#### **Two-tiers for Maximum Growth & Snowballing**

Among the many types of affiliate programs out there, **one popular type is the two-tier affiliate program**. This program consists of two levels, or tiers, of affiliates for the product.

The first tier is the regular affiliate, who makes the normal commission rate. The second tier is affiliates who have been referred by the first affiliate.

The second tier affiliates then make sales, garnering the regular affiliate commission rate. The first tier affiliate then earns a second commission rate on the sales generated by the second tier. So, the first tier is collecting two commission rates when both tiers are making sales.

The tiers within an affiliate program could go further than that, with a third tier, and a fourth. However, having multi-layered tier rates beyond the second tier actually works against the affiliate program. With several tiers, affiliates are less interested in sales and more interested in simply recruiting new affiliates who will make the sales for them.

Those affiliates in turn may sign up to do the same thing. So, it is possible for an affiliate program with many layers to have many affiliates signed up with no one actually selling anything.

But, there are **several good reasons to set up a two-tiered network** program over setting up a standard one tier network. A two-tiered system is a definite draw to bring in new affiliates. There are affiliates out there who are good at working the two-tiered system and don't wish to go back to a one tier commission network.

Experienced affiliates recognize the potential for both their own active sales and the passive ones generated by their second tier affiliates. And, a two-tier system is beneficial to the vendor, as the affiliate will have a motivation to attract new affiliates, bringing in new sales that otherwise may not have existed. Two-tiered systems are the very reasons that many affiliate networks have gotten so large.

Having an affiliate network of this type is **also a good advertising platform**. There are many sites that put together links to affiliate programs that have two-tiers. Not only does this advertise your affiliate network, but those looking into the network also see the product. And if they don't sign up for the network, you might just get a few new sales.

In addition to the two-tiered commission structure, another way to pay referring affiliates is to pay them a flat fee for each affiliate they refer who makes a sale. This type of payment would be in lieu of paying an extra commission percentage to the first tier affiliate. There are pros and cons of this form of payment. The affiliate still has an incentive to recruit new affiliates, and will see the expected flat rate when their referral makes a sale.

Giving the first tier a flat rate still gives them incentive to motivate their referral to makes sales, and is less costly and complicated for the vendor. But, the payout for the first tier affiliate may be much less than if they got a commission for an efficient affiliate.

This type of payment may not motivate some high-selling affiliates since the payout is small. But, for a beginning affiliate, knowing that they can make this flat fee may be a lot of motivation to recruit as many affiliates as they can.

Even if your network does implement a two-tiered system, the emphasis of the affiliate network should not be on referring other affiliates. If that is where the emphasis lies, there may be very few actual sales going on.

The referral commission or fee should be **an extra incentive** instead of a way to replace making sales. One way to make the second tier referrals a sideline for affiliates is to offer either a small flat fee or a small commission rate. This creates some income potential, but not an incentive to abandon making sales all together.

Another reason that an affiliate network should never go beyond a second tier is that a three or four (or more) tiered system is really multi-level marketing. MLM systems are widely regarded as being fraudulent and riddled with problems and abuse of the system.

The bad reputation of MLMs is so widespread; both on the web and off, that gaining the reputation of being an MLM will be extremely bad for the business. If a business gets to the MLM stage, it attracts affiliates who want nothing more than to recruit other affiliates, and may use deceitful tactics to do so.

The word will also spread that your business is nothing more than an MLM scheme and not something to use to actually make sales. For the sake of your reputation, avoid anything beyond a second tier of affiliates.

A two-tier affiliate program run the right way, as a sideline for affiliates, can grow at an exponential rate. This growth brings brand and product recognition to new heights.

Having a second tier of affiliates means that that tier will also want to bring in more affiliates in order to have extra income. And the network grows from there, as more and more affiliates are recruited by your affiliates.

Affiliates who sign up other affiliates will want to motivate their affiliates in order to profit from the sales of their referrals. This creates **mini-networks within your network**, as the second tier affiliates are motivated both by the affiliate manager and by the first tier affiliate that referred them.

This creates a system that grows by itself, without your extra effort to recruit new affiliates.

If you have a system where the first tier gets a continuing commission from the second tier's sales, this is even more motivating for the first tier to push the second tier to make sales.

If the first tier is paid a flat fee for the first sales by the second tier, there will be an initial push to get the second tier affiliate started, and then the motivation by the first tier affiliate will likely stop.

If you want your affiliates to act as mentors or as quasi affiliate managers to their referrals, the second tier commission plan is the best way to set up the network.

Whichever pay scale you decide on, the extra incentive that is given to recruit other affiliates who will make sales also means that your affiliate network itself will be promoted.

With no extra promotion on the part of the vendor, the affiliate network will be publicized all over the web, with the affiliates doing the recruiting and answering questions for potential affiliates. Not only are the affiliates advertising and promoting your product, but they are advertising and promoting your affiliate network as well.

Before deciding on a two-tiered system, it is important to analyze the current state of your business and decide if the referral reward is in the budget. The commission rate of the first tier should not be lowered in anticipation of the referral commission rate they will receive.

Lowering commission rates is a quick way to get affiliates to abandon your program. In the beginning it may be a strain on the budget to add a new commission structure, but if the second tier commissions are coming in, that means that sales are expanding too. And, the extra sales and new customers are certainly worth an extra commission cost.

So how does one set up a two-tiered affiliate network?

There are several ways to get a two-tiered system up and running. One way is to contract out the job of setting it up. There are several companies now who will set up a two-tiered system. Commission Junction sets up affiliate systems and takes a percentage of the money coming in. they also have a set up fee to get the system started.

Commission Junction then takes control of your network, tracking sales and sending out the commission checks. There are other companies that work on this same principle of set up fees and commission percentages.

Outsourcing may be a good choice for a vendor who does not have a programmer available to set up the system, or who lacks the time to set it up himself.

There are also a few less expensive ways to set up these networks. For the computer-savvy vendor, writing the code yourself might be an option. The code must be reliable, however, and accurately reflect the sales of all of the affiliates. For merchants who are less computer-savvy, **hiring a programmer** to install software to track affiliates is one option.

Installing the programs yourself is certainly less expensive than hiring a company to handle the entire set up. Affiliate software will track the sales made by affiliates, and also serves to keep affiliates informed about their sales. This is done automatically, with little effort on your part.

But, this also means that you are running the affiliate network yourself. You will be the one who processes payments, keeps track of affiliate commissions, and send the checks. This is a lot of extra work on the part of the merchant, but it may be worth the cost savings when the business is small.

When the business gets larger, hiring a service that manages the network for you may be a better idea. **Outsourcing the network management** frees up your time for all of the personal things that an affiliate manager should do for affiliates to keep them motivated.

<u>Another inexpensive solution</u> is to join a system that uses **web-based affiliate tracking software**. Having <u>a web-based system</u> means it is accessible at all times, and is not likely to have down time due to glitches. This is a good, reliable way to track sales. Joining in this type of system does require a monthly, fee, however.

When you have set up a two-tier system, there will be a few advantages to having so many affiliates signed up. If you have instituted the affiliate link through which the affiliate gets a special discount, this can be given to all of the new affiliates.

Once your affiliate network has grown due to the referral reward, there will be a large pool of affiliates available. Many of these new affiliates will not sell for you, but they might just buy from you, especially when they get a special discount. So, even if the new, second tier affiliates don't sell, you can still make sales through them as customers.

### Having a large pool of available affiliates also increases the chances of your getting a super affiliate to sign up.

A super affiliate signed up to a two-tiered system can not only fiercely promote your product and bring in a constant stream of sales, but can also sign up many, many affiliates for you. It can be expensive to try and find super affiliates on your own. With this program, you may just end up with a few that were recruited by your network.

Whatever system you choose to get the system going, a two-tiered network is one of the best ways to make sure the network keeps growing. When you have a good affiliate base, the affiliates promoting the network make a viral network that grows exponentially.

This is one reason that the two-tiered system is now one of the most popular ways to run an affiliate network. Affiliates seek out these programs, and the extra advertising buzz surrounding your network will also get the product some extra notice.

This makes the two-tiered system a win-win situation in which everybody profits.

# <u>Creating A Living, Breathing Business For Yourself</u>

Having an affiliate network is like **having your own small army of promoters** at your fingertips. The benefits of having an affiliate network are so numerous that every vendor out there these days is setting up an affiliate network to promote their product. For this reason, the competition has gotten fierce and it can be difficult to get started with attracting and signing up a healthy pool of affiliates.

When you are just starting out in recruiting your affiliates, the recruitment process will be slow so don't get discouraged. Without word of mouth and without affiliates who are already out there promoting your product and affiliate program, there will be some time needed to introduce your program.

Though affiliate programs usually take off slowly, once they reach a certain size they will take off for themselves, growing in new directions daily. For a merchant, getting that first 200 or so affiliates is the hardest part of the recruitment process.

Just make sure to get the word out there and **distinguish yourself** by having a good product and a good, fair affiliate program. Getting those first 200 affiliates may take a long time and be an expensive and time-consuming process. But, if the promotion of the affiliate program is effective, eventually people will want to sign up.

To get those first few affiliates, make sure that **your writing excites** the potential affiliates. The promotions that you do should get the reader to want to sign up right away for your program. It also should not make false promises to potential affiliates.

Experienced affiliates have likely had bad experiences before with false promises and dashed hopes from unscrupulous merchants making outlandish claims. The claims should be reasonable and honest, and written in a down to earth manner that speaks to the reader.

Make sure the product sounds like a solid one, and present the company as one that can be trusted. The affiliate needs to know what is in the deal for him, so spell out the terms clearly. The writing should be down to earth, but at the same time should also be persuasive, active, and call for immediate action.

Once the 200-affiliate threshold has been reached, the affiliate network you have created **will take on a life of its own**. As affiliates spread their promotions far and wide, the business gets all of the promotion and publicity that the affiliates

come up with. And, if you can sign up a few super affiliates, that publicity and brand recognition will go through the roof.

If a business does not have an affiliate network, the marketing possibilities are extremely limited. For a merchant, even with a solid product and good sales copy, there are only so many venues that one person can get to promote that product.

Trying AdSense ads, other ad promotion of the website, and a few redirect pages that send people to the site are good places to start. Then there is posting information about the product on forums and actively getting other people to review the product on their sites.

All of these can be effective sales techniques, but after awhile, the business may become a little stagnant. Imagine all of these sales techniques, plus more, being used by 200 or more people, with those people constantly seeking new and better ways to publicize the product. That is the power of affiliate marketing.

If the merchant decides to set up a two-tier affiliate network, this affiliate power goes viral. Not only is the product marketed like never before, but the affiliate program is marketed as well. This creates many levels of promotion that bring in sales.

This also **creates more brand recognition** that in turn **brings in more sales**. An effective two tiered affiliate network can take a small time business and turn it into a large, thriving business bringing in money like never before.

To keep the business as a living, breathing entity, it is important to treat the affiliates well. This means going that extra mile for affiliates. Have more than one payment method available, and rewarding your effective affiliates for their sales.

If you notice that an affiliate has sales that are slipping, call them up and offer some support and encouragement. Bring out new sales tools that the affiliate can use to get his sales back up. All of these methods go a long way toward branding your affiliate program as unique and different from the run of the mill programs.

Once your affiliate network is actively bringing in sales, and are happy to be doing your promotions for you, you have a lot of power over the network. Coming up with new motivations and new ways to excite the affiliates is as easy as sending out an email to your network. When you come up with a new idea, the affiliates promote it and you make money.

In many businesses, a slow sales month is just a fact of life. There are few ways for one merchant to increase their sales all by themselves enough to make a difference. But with an affiliate network at your fingertips, just coming up with a

few ideas is enough to get the affiliates finding new markets and bringing in higher sales for you.

The affiliate manager simply arranging a contest for sales growth can remedy a slow sales month. This places the need for sales growth on the affiliates' shoulders, and gets results.

In order to keep this network active and happy, it is necessary to find new ways to keep them motivated. If the affiliates aren't motivated, they aren't making sales.

Make sure to analyze the sales data regularly to detect any patterns both from the network as a whole and from the individual affiliates. This in itself will suggest new ways to motivate affiliates.

If the overall sales are down across the board, you will know that the affiliates aren't excited enough, and it may be time to raise the commission rate. If there are a few affiliates taking their sales into the stratosphere, it may be time to reward those affiliates with a bonus or a gift.

And in any affiliate network, there will be affiliates who sign up and then never get around to putting together any promotions. Or, they have signed up and simply forgotten about the program. People are busy and on overload these days so it's up to you to keep them motivated.

These are potential sales that are not happening. One way to get new affiliates is to motivate the old affiliates who have never made sales. This is an easier way to spark new sales than recruiting new affiliates.

Motivating an existing affiliate can entail simply sending a few emails and making a phone call to offer support. It may also entail offering some type of reward for making a first sale. And, after that first sale is garnered, an affiliate will be motivated to keep making them to keep the money coming in.

If you have many affiliates who have not made sales, consider tailoring a contest toward them. Affiliates making their first sales during a set period of time may gain entry to a drawing.

The contest can also be about getting the most sales during a given month. Contests can be motivating events for both the affiliates who are already signed up, and for new affiliates who will hear about the contest and sign up.

In order to have the time to motivate your affiliates on a regular basis, consider automating some part of the business to free up that time. Using affiliate management services or other paid services will take a piece of the profits, but

can make up for them by allowing you time to manage your affiliates more effectively.

**Stay in contact with your network**. The affiliates are an extension of your own promotional work, and can extend that work for you if they are happy in what they are doing. By <u>remaining available to your affiliates</u>, you provide a way for them to get help with their promotions, and to come to you with any problems that they may have.

Imagine that you have an affiliate who is having some small problem that could be easily sorted out by simply sending him an instructional email. This may be a problem with the banner coding, or a question about the product itself.

Helping this affiliate would be relatively easy to do if you are available to answer questions through email contact and perhaps even phone contact. By not answering this affiliate's question, you are throwing away any potential sales that this affiliate could be making if his question was answered.

Being available is a very easy way to keep the affiliates motivated and comfortable with the network. It also builds trust, which is the cornerstone of any business relationship both in real life and on the web.

The promotional power of an affiliate network is largely related to how many affiliates you have. For this reason, it is important to come up with ideas on a regular basis as to how to recruit more affiliates.

Even the power of a large affiliate pool can be improved by having more affiliates on board. And, if you do have a two tiered affiliate system or some type of reward for referring more affiliates, this power is magnified.

If you do not have a two tier affiliate network in place, an affiliate network can still benefit from the word of mouth of other affiliates. There are countless forums and discussion boards for affiliates to discuss their programs and how each is working for them.

By making your affiliate program stand out as unique and motivating, that word of mouth will be positive. Positive word of mouth brings in more affiliates, which in turn brings you more money.

Having an affiliate network is a lot like having a large pool of employees to do your work for you, but the difference here is that these sales people don't get paid unless they bring in sales.

For this reason, you can have as many affiliates as you can sign up without ever having to pay them a dime until they start making you money. There are few

businesses in which this is true and even fewer where there is the real potential for these sales people to make a lot of money.

A business that utilizes affiliate marketing is not just benefiting itself; it is benefiting the affiliates as well. For this reason, the merchant-affiliate relationship is a real business relationship - one that can be mutually beneficial to both parties.

Take the time to <u>nurture and encourage this relationship</u> and to generate affiliate loyalty. Put a human face on the company. One way to do this is by putting together teleseminars or other materials that show that there really is a person on the other end of that newsletter.

#### Loyalty will bring in more sales than apathy every time.

A business with effective affiliate marketing, and especially an effective two-tier affiliate program, will be everywhere. It will be discussed in forums; there will be countless web pages devotes to it, etc. Advertising like that can only be found through implementing an affiliate network, and nurturing it to make it grow.

When you take a business with a good affiliate network that has made the company a name for itself, it may be time to take it to the next level. Finding a joint venture partner can take a company that was doing moderately well and turn it into a global brand name.

By utilizing both joint ventures and affiliate marketing, your business can grow so fast that it reaches heights you never expected.

Once there you have harnessed the power of a successful affiliate network, you will find that a business that utilizes affiliate marketing effectively really is a living, breathing business. It is something that grows and changes.

It is a business that is made up of more than just the product, but of a team of people all on a mission to get that product out there.

So get that affiliate network in place, keep your affiliates motivated, and sit back and watch your business grow.

#### To your success!

Liz Tomey

http://www.marketingforrealpeople.com/ http://www.TomeyMarketing.com

#### **Resources:**

Besides the links throughout the course, there are a few other favorite resources I'd like to share with you. I've used them myself and so I can confidently recommend them to you for your business.

#### **Marketing & Business Tools You'll Need:**

#### **Payment Processor:**

<u>CheckOut</u> is my favorite
<u>ClickBank</u> is only for digital products but is good, too
<u>PayPal</u> is a good free alternative to get started out

#### Hosting:

Hostgator is a place for hosting multiple domains very affordably

#### Domain Name Registrar:

<u>DomainCondo</u> offers excellent service & pricing plus some other extras you may need besides your domain names

Autoresponders Are A Necessity: All of these are good solid products...

Aweber
GetResponse
ListMailPro
FollowUpExpert
MyAutoresponderPro

Later on, when you grow a bit, membership sites are very lucrative.

#### Membership Site Script:

Amember works great for an affordable get started script!

And content is always a necessity, as are product creating resources, and that's where **PLR** shines...

I'll be honest with you... I'm a 'private label junkie'. I buy anything I can get my hands on that I have private label rights to. :) Since I belong to so many of these sites that offer private label content, I thought I'd share my favorite ones with you. I sincerely hope that they will be helpful to you because you need quality content and you need to have your own products.

Private Label Rights give you all of that and more! You can rewrite these products, put your own name on them and be the author of something that might take you a day instead of several weeks to create. It's truly the answer for those who are super-busy or don't yet feel confident enough to create their own products.

#### These are my 'top picks' for getting private label content:

FREE: PLR Tips

http://tomeymarketing.com/is-crazy-about/plrtips.htm

**FREE: Private Rights Profits** 

http://tomeymarketing.com/is-crazy-about/plrprofits.htm

**FREE: Secret Article Source** 

http://tomeymarketing.com/likes/secretarticlesource.htm

**Niche Audio Articles** 

http://tomeymarketing.com/is-crazy-about/audioarticles.htm

**Niche Audio Club** 

http://www.nicheaudioclub.com/liztomey

**Niche Health Articles** 

http://tomeymarketing.com/niche-health-articles.htm

**Niche Health Products** 

http://tomeymarketing.com/niche-health-products.htm

Info Go Round

http://tomeymarketing.com/infogoround.htm

PLRights.com

http://tomeymarketing.com/is-crazy-about/plrights.htm

**Your Own Articles** 

http://tomeymarketing.com/your-articles.htm

#### **Ready Made Content**

http://tomeymarketing.com/likes/readymadecontent.htm

#### **All Mom Content**

http://tomeymarketing.com/is-crazy-about/allmomcontent.htm

#### **Automatic Niche Profits**

http://tomeymarketing.com/is-crazy-about/anp.html