

Making Money With Affiliate Programs

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Affiliate programs are a great way to generate income if you don't have a product of your own to promote yet. You know that already. But it's NOT, despite what you've heard, just a simple matter of signing up for this or that affiliate program and placing free and paid classified ads all over the place to generate traffic to the website they give you or to get people to click on your autoresponder link. There's more to it than that. Much more.

When I started out in this business in May 1999, I signed up for Cookie Cutter. Like many of you I thought that I could simply absorb the information provided and then resell it to others. I followed all the advice about advertising in other people's ezines and all of that. I looked forward to some very round numbers. Well, I got one alright. A big fat ZERO. And that's how it stayed until I realized the truth. That if I was going to make any money in this business I had to start from scratch.

In saying that, I don't want to take anything away from Cookie Cutter. It was a marvellous product in terms of what it could teach you in a very short period of time if you were, like me, starting from ground zero. (Its merits as a business opportunity were debatable but that's another story.)

In this article, I tell you what worked for me. It's nothing earth-shattering or particularly profound. It's simply reality and common sense. Here's what you need to do to make any significant income from promoting other people's products. You Need A Website

Sorry, but yes, you do. A lot of people pushing their affiliate program will tell you, if you ask the question "Do I need my own website?", "No, you get this beautiful 25 page website for free!" Great. How are you going to get people to visit it? And how are you going to get people to visit YOUR YouBeaut.com website in preference to everyone else's YouBeaut.com website (all 50,000 of them)?

Well, let me tell you, the time, effort and expense you would have to spend would be MUCH better invested in your OWN unique and interesting website that will attract traffic simply because it is unique and interesting.

That said, you pick your affiliate programs to fit in with and complement your website. Not the other way around. You do NOT create your website to fit in with and complement your affiliate programs. So, start with what you know, what interests you, what you're passionate about. THAT should be the subject matter of your website. Then, and only then, should you start researching which affiliate programs out there fit in with the website you have created. More about that later. You Need An Ezine

You should support your website by publishing an ezine at least on a monthly basis but preferably weekly. Why? A few reasons:

- First, it reminds your readers that your site exists (assuming they signed up at your site in the first place) and hopefully prompts them to visit again.
- Second, you develop a targeted mailing list of subscribers interested in the subject matter of your ezine and subscribers that you can direct mail to (judiciously, of course).
- Third, you can accept paid advertising in your ezine once it hits 1000 subscribers or so and
- fourth, you can use it to advertise your affiliate programs.

In addition, assuming you take your ezine publishing duties seriously and it's not a mere regurgitation of other people's articles without any purpose other than to keep your name in front of an audience (and an ever-decreasing one it will be if that's all you do), you can use it to develop your reputation as an expert in your field by making the original articles you write for your ezine available to a wider audience by submitting them to other ezine publishers. Believe me, there's no shortage of ezine publishers out there who rely exclusively on other people's work!

Establishing your own website and ezine takes serious time and work. You can't build either in a weekend. It will take you several weeks of effort to get it into good enough shape to take it public (and even then you won't be satisfied but you have to start at some point). And it will take several more weeks of time and effort publicizing the fact that your website and ezine exist and to start seeing some traffic trickling in. Selecting Affiliate Programs

Once you have an established website and ezine, you can start using them to promote your affiliate programs in a serious way. You can, of course, start promoting affiliate programs from day one, it's just that you won't see any results until you reach what I think of as the "established" stage. By this I mean you have a few hundred subscribers to your ezine and maybe a hundred unique daily visitors to your website. These numbers are on the very low end and your sales

will reflect that but you'll at least be on your way by this point.

Once you reach the "established" stage, you need to be very selective about the affiliate programs you choose because you are only going to select a very few of them and they need to be good performers. Some internet marketing so-called experts will tell you to pick one or two programs and market them exclusively for big returns. That's good advice on one level - it keeps you focused, and that's important - but on the other hand you're at the mercy of the owner of the affiliate program. If they go out of business so do you.

So, pick a small handful of programs to promote but make sure they complement each other (so that someone who is interested in one program is likely to be equally interested in the others). It should be obvious but it bears stating - don't pick programs that have no relevance to the subject matter of your site! Your chances of selling to your website visitors are much higher if what you sell is closely related to the subject matter of your site. It was the subject matter of your site that attracted them in the first place. They are already a qualified prospect if what you sell from your site is relevant to that subject matter.

Commission Structures

If you have a mega traffic site, then you can make up for in volume what a particular program's commission structure may lack in terms of straight dollars.

But if you have a lower traffic site, then you need to make sure your traffic is very targeted, but go for higher commission programs.

In other words, if you're a mega traffic site, by all means sign up with Amazon.com and make maybe three bucks a sale. If you make a hundred sales this week you've got three hundred bucks you didn't have before. But if you're a lower traffic site, focus on making just three sales a week of a product that pays a hundred bucks a pop and you're even with your mega traffic brethren in the commission stakes.

Contrary to what many believe, it is no harder to sell a \$247 product than it is to sell a \$50 product. Don't prejudge your audience. Make sure you offer programs that are relevant to their interests (and which you're proud to promote - that should go without saying but just in case ...) and the mere fact that you're bringing targeted buyers and highly relevant products together will do the rest, statistically speaking. Never, never forget - making money in an online business is a numbers game, pure and simple. Generate enough traffic and you'll generate sales. But if you generate traffic that doesn't match your product line, forget about it.

Miscellaneous Considerations

To finish off, here are a few miscellaneous considerations to take into account when selecting your affiliate programs.

- How Long Do the Cookies Last?

Only go for programs that will credit you with the sale even if the customer doesn't buy on the first visit. In most cases, 90% of your sales will come from the follow-up messages sent by the owner of the program once you give them the lead.

You've heard that it takes an average of seven exposures to a message before a prospect will buy, right? Well, what happens to your commissions if you only get paid for direct sales (i.e. where the customer buys on the first visit following a direct link from your site)? Right. You get maybe 10% of the commissions you would have earned from the program if the customer was tagged as yours for a period of time (and preferably for life).

Always read the terms and conditions of the affiliate program carefully before investing your time and effort. If it says anything like "if customer later makes a purchase on a repeat visit that does not originate from your link, you will not qualify for a commission on such sale" keep looking.

Some programs will place a cookie on the customer's hard disk for 45 days or so which means that if that customer returns in three weeks to eventually make a purchase, that customer will be identified as "yours" and you will get the commission. Some programs even offer "lifetime customers", that is, the customer is yours for life even if they come back in three years time and buy a completely different product.

- Stats Reporting

Look for real-time reporting of statistics including hits and sales. Then check to make sure that the hits the affiliate program records are in line with your own stats tracking. This is easy to do. I use Roibot to track all clicks I'm interested in monitoring whether it's a program I'm promoting or whether I'm just interested in how many people click on a particular link to an article, for example. (To check out the Roibot suite of marketing tools, click this (Roibot) link:

<http://www.roibot.com/w..cgi?R5469>).

- Frequency (and Amount) of Payments

Some programs will only pay once you accumulate a certain amount of commission dollars. That's OK ... it keeps admin costs down and therefore makes more of the profit available for payment of generous commissions ... but if it's disproportionately high compared to the amount of the base commission, consider another program.

If it takes you a year to accumulate \$50 in commissions, ask yourself how likely is it that this particular company will still be around in one year? Even if you have no concerns on that score, if it's taking you a year to accumulate \$50 worth of commissions, this is not a program that's giving a particularly good return on your investment of time and effort. Look for something more productive.

- How Long Established?

Related to the previous discussion, think twice before investing too much time and effort on newly established programs. Add these to your portfolio by all means, but make your staple programs the tried and trues.

- What is Their Policy on Spam?

Very few things irritate me more than to receive spam from someone promoting one of the programs that I promote. Not because I get into a tizz about spam per se (yes, it's a nuisance but unlike apparently 98% of the internet population I actually do have more important things to worry about), but such tactics bring the program into disrepute because it suggests that the owner of the program condones spam and if the owner of the program condones it, how much value does he or she place on the program? Not much.

So look for programs with strict anti-spam policies. Slow And Steady Wins The Race

Finally, a word about patience. This is a slow and steady wins the race game as well as a numbers game. Don't spit the dummy just because you don't make a single sale in your first month with a new program.

By all means take a closer look at how well the product fits in with the demographics of your audience (website and ezine) but if it's a good fit, don't throw in the towel, instead, refine your marketing approach, tweak your ads, brainstorm for more creative ways of promoting the program.

Don't write the program off as bad until you're sure it's not going to work for you. There may be some peculiar demographic factor common to your group that you're not aware of but until you've given it a good try, don't assume that's the case.

As a general rule, so long as you're sure that the product is a good fit, work with it for a year to give it a real chance of performing for you. The internet landscape is strewn with the carcasses of would-be successful entrepreneurs whose only mistake was giving up too soon. Don't be one of them.

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