

*A Start-Up
Guide for
the Serious
Netpreneur*



Affiliate Marketing 101

Wayne and Kim L.T. Porter

Copyright and Legal Stuff

Copyright © 2001, Intellectua.com, LLC.

Okay, here's the deal. This electronic publication may be distributed only for FREE, and only in WHOLE, without alteration of any kind. Reproduction or translation of any part of this work beyond that permitted by Section 107 or 108 of the 1976 United States Copyright Act without the permission of the copyright owner is against the law.

For information about quantity discounts or special licensing of this material, please contact the publisher's rights department at the following email address:

- rights@intellectua.com



Contents

[The Intellectual.com eBook: What It Is and How to Use It](#)

1 [What is Online Affiliate Marketing?](#)

- [Online affiliate marketing](#)
- [What type of merchandise can I sell through affiliate marketing?](#)
- [Where do I get the merchandise? Where do I store it?](#)
- [What are my responsibilities as an affiliate?](#)
- [Who are affiliates?](#)
- [Why should I be an affiliate?](#)

2 [Affiliate Marketing and What it is NOT](#)

- [Affiliate marketing vs. multi-level marketing](#)
- [Affiliate marketing vs. pyramid schemes](#)
- [Affiliate marketing vs. pay-to-surf](#)

3 [Can I Be an Affiliate?](#)

- [Can I be an affiliate?](#)
- [Personality profile of a successful affiliate](#)
- [Factors necessary for success in affiliate marketing](#)



4 [Where Can I Deploy Affiliate Marketing?](#)

- [Places to deploy affiliate marketing](#)
- [Content Sites](#)
- [Ezines or newsletters](#)
- [Autoresponders](#)
- [Search-engine marketing](#)
- [Software authors](#)
- [Application service providers](#)

5 [How Do I Choose a Merchant?](#)

- [Stand-alone affiliate programs](#)
- [Solution providers](#)
- [Points to check when choosing a merchant](#)
- [Qualities of a good affiliate program](#)
- [What do I do if a merchant breaches my contract?](#)
- [What is the Affiliate Union?](#)
- [Checklist for choosing a merchant](#)

6 [Setting Up Your Affiliation](#)

- [How do I sign up with a merchant?](#)
- [How do I add this merchant's links to my site?](#)
- [What must a visitor do so that I earn a commission?](#)
- [How do merchants track visitors?](#)
- [How do I read my statistics?](#)

7 [Strategies for Success](#)

- [Overcoming common obstacles](#)
- [Power techniques](#)

APPENDIX A

[Advice from Industry Experts](#)

- [What are the advantages to affiliate marketing?](#)
- [What advice would you give a beginning affiliate?](#)
- [What do you look for in a program?](#)
- [What mistakes do you see affiliates making?](#)
- [What are the biggest hurdles affiliates must overcome?](#)
- [Why are you in the industry? What do you enjoy most about the industry?](#)

APPENDIX B

[Affiliate Directories and Places to Find Programs](#)

APPENDIX C

[Glossary of Affiliate-Related Terms](#)

[Reader Feedback](#)

[About the Authors](#)

[Related Intellectua.com Publications](#)

The Intellectua.com eBook: What It Is and How to Use It

Unlike ebooks from other publishers that are nothing more than offline books digitized primarily for cheap distribution, Intellectua.com's eBooks are *optimized* for reading on-screen. They look, feel, and behave just like webpages, in fact, effectively eliminating the need for you to learn how to use them!



Links look and work like they do on the Web, for example, and clicking on them lets you navigate through the book. Some links are actual Web links; if you're online, clicking on one launches your browser and takes you straight to that website. And the same thing goes for email addresses. One click, and your email client program pops up, with the address entered for you automatically... just like on the Web!

Our eBooks are still books at heart, however, and are therefore equally suited for printing and offline reading if you prefer. Either way, you'll get the information you need just the way you want it!

That's really all there is to it. Have fun!

What is Online Affiliate Marketing?

Vocabulary

Affiliate: An individual who contracts with a merchant in order to help sell that merchant's product. The product may be anything someone will pay for, whether tangible (such as clothing), virtual (such as electronic books or downloadable software), or information (such as expert advice).

Associate: Another word for an affiliate.

Merchant: An individual or business who has a product and, in this case, uses affiliate programs to sell this product. Usually, the merchant takes all responsibility for recording leads and orders, and for storing and delivering the product to the customer.

Power Affiliate: A term used to loosely define a successful affiliate. Often, people have a monetary figure in their heads (usually less than what they are making themselves) to determine "power affiliate" status. Power is relative and can be equated in terms of revenue, influence, and good will.

Testimonial: A written statement of support, preferably from a respected individual or company. Use of testimonials in advertising can greatly enhance sales.

Traffic: The number of times your webpage is visited. This may be from several "unique" visitors, or from a few loyal fans.



Online affiliate marketing

An online affiliate program is a contractual agreement you make with a merchant to acquire targeted traffic, generate a sales lead, or sell a product. This product may be physical (such as books), virtual (such as electronic books or downloadable software), or information (such as expert advice).

Online affiliate marketing began as a natural outgrowth of the popularity of "linking" to other sites. Webmasters would incorporate electronic links into their site, which would take the reader directly to a point of interest. Merchants then saw the potential to reach more customers and began to offer incentives, usually money, in order to encourage webmasters to link to the merchant's site. Online affiliate programs began in the mid-1990's and are currently a popular way to earn money online. In fact, research shows that affiliate marketing is the most cost-effective way to generate online sales.

Please see the following sites for general information and education about affiliates:

- AffiliateHelp.com
www.AffiliateHelp.com
- ReveNews
www.ReveNews.com
- AffiliateAdvisor.com
www.AffiliateAdvisor.com



What type of merchandise can I sell through affiliate marketing?

The types of merchandise you can move through affiliate marketing include manufactured goods, free samples or trials, interpersonal

contact opportunities such as employment and companionship, and education. Just about any product or service imaginable can be sold through affiliate marketing.

Manufactured goods

Programs that market manufactured goods include affiliate programs of brick and mortar stores, such as Barnes and Noble (www.bn.com), online giants such as Amazon.com, and bargain/discount stores such as 1Bookstreet.com.

Another interesting venue for merchandise is one-of-a-kind, handcrafted items, such as hand-made stained glass, hand-knit sweaters, and original art. For instance, the Enchanted World of Boxes (www.worldofboxes.com) offers artistically designed wooden boxes for every occasion.

Free Samples and Trials

Several affiliate programs offer "freebie" opportunities, where the merchants compensate you for giving away free samples or merchandise. Freebie sites are popular because they require no investment by the consumer. Please refer to the following sites for information about free products:

- 2000Freebies.com
www.2000freebies.com
- Freebies2try.com
www.freebies2try.com

Interpersonal contact

Facilitating interpersonal contact is another interesting affiliate opportunity. The Internet is a global communication medium, where people reach out to contact each other. Businesses

understand this dynamic, and capitalize on it. As an affiliate, you can help bring people together. This communication is changing the face of job hunting, and many programs help people find employment. For example, the English Nanny & Governess School (www.nanny-governess.com) helps connect parents with nannies. Another employment site that helps people in the job search is CollegeRecruiter.com.

Another popular interpersonal contact area is *personals*. One such program, the Russian Brides Cyber Guide (www.womenrussia.com), sends personal ads to Russia to help men find prospective wives.

Education

Programs offer educational resources to parents and educators. These products may include curriculum, manipulative learning tools, and educational media. One example is the *Hooked on Phonics* program, provided through the following organization:

- Dynamic Trade
www.dynamictrade.com/clients/clients.html

Educational recruitment is also popular. Merchants pay affiliates to recruit potential students. Please refer to the following online education sites for examples:

- The Kaplan Colleges
www.kaplancollege.com
- Robert Kennedy University
www.kennedyuniversity.edu



*Where do I get the merchandise?
Where do I store it?*

In most cases, the merchant handles the merchandise, actual purchase, packing, and shipping, so you usually never see the actual merchandise. In fact, you don't need to have anything except reliable access to a computer and an Internet connection.

What are my responsibilities as an affiliate?

1. Represent a product or service.

Represent the merchant's product or service on your site through the use of links. These links may take the form of a banner, a text link, a search box, or even a JAVA applet.

2. Drive traffic (get visitors) to your site.

Establish a steady flow of targeted traffic to your site in order to increase your potential to earn commissions. Once a customer uses your links to connect to the merchant, the merchant should pay you. Different merchants specify what constitutes an action worthy of compensation, and these can range from a customer just seeing the ad to actually purchasing the product. How much you get paid will also differ from merchant to merchant.

3. Read the contract.

Information should be stated clearly in a contract. It is your responsibility to *read* the contract, even if it is long, convoluted, or boring. If you are unclear about the merchant's policies, either contact the merchant for clarification, or look elsewhere for a more satisfactory agreement. Numerous affiliate programs exist. If

you are interested in promoting a particular type of product or service, a little research should help you find a reliable program that meets your needs. Here are two directories of affiliate programs to get you started (we'll be telling you about many more later):

- AssociatePrograms.com
www.associateprograms.com
- 2-Tier Affiliate Program Directory
www.2-tier.com



4. Monitor your site and links.

You must check your site and links regularly to make sure everything works properly. Merchants will contact you if changes should be made. For example, if a merchant changes its linking code, you should get an email specifying how this is done.

5. Monitor your statistics.

The merchant should provide you with statistics. You need to monitor your statistics to make sure you are being credited properly. Your statistics reflect the success of your merchandising plan and allow you to tweak your selling process to increase your profit.

Who are affiliates?

Affiliates fall into three types. For clarity, we have excluded powerhouse shopping properties and large corporate sites. We will call the three types power, mid-range, and non-productive affiliates.

1. Power affiliates

Power affiliates, who make a living wage, are a

minority of those using affiliate marketing programs. They usually have a network of sites, and spend several hours daily maintaining traffic to these sites. Power affiliates create a large revenue stream for the merchants. Therefore, they enjoy several perks; for instance, power affiliates often have the influence to bargain with merchants for more advantageous deals. Power affiliates often work from home. Many power affiliates are also merchants to vendors who want to expand their revenue base. Power affiliates account for roughly 10 percent of all affiliates. Of course, *power* is a relative term. For example, a highly influential site with a small amount of traffic can command high rates because of its market impact.

2. Mid-Range Affiliates

The second type of affiliates makes some supplemental income. These people often maintain full-time "dirt world" occupations. These affiliates may have one popular site or a network of small sites, but they either control significantly less traffic, or less targeted traffic than the power affiliates, or have difficulty converting page views to clicks, actions, or sales. These affiliates comprise about 10 percent of all affiliates. Merchants like to cultivate these relationships because many mid-range affiliates can go on to be power affiliates.

3. Non-Productive Affiliates

So what about the other 80 percent of affiliates? Unfortunately, they make little or no money. Many of these sign up for a program, intending to use it, but never even put up paying links. Others put up the links, but don't control enough traffic to support sales. Few just don't have the

knack. The majority of non-profitable affiliation results from ignorance or apathy. Affiliate marketing is a competitive business environment, and, as in any industry, many who attempt the business will fail to perform.

Why should I be an affiliate?

The three main reasons to become involved with affiliate marketing are money, dreams, and freedom.

1. Money

You already have a concept. Why not make your knowledge work for you? Strategically placed paying links can bring in extra income. The amount you earn, of course, depends on a number of factors but, if you have visitors, you can harvest this traffic and convert it to revenue.

2. Dreams

Money and dreams are not mutually exclusive, and online affiliate marketing allows you to have both. Here's how it works. If you always wanted to sell fine jewelry, books, cookware, or other tangible items, now you can. Unfortunately, you don't get to fondle the merchandise, but you also don't have to worry about buying, storing, or shipping it.

3. Freedom

Online affiliate marketing allows you the freedom to choose your own schedule, and to work from home, from the road, in the middle of the park, or on the beach.

Summary

1. An online affiliate program is a contractual agreement you make with a merchant to bring in potential customers, generate leads, or sell a product.
2. Merchants (not affiliates) handle the inventory and shipping.
3. Your responsibilities as an affiliate include representing a merchant, driving traffic, reading the contract, monitoring your site and links, and monitoring your statistics.
4. Affiliate marketers can be divided into three types: power affiliates, mid-range affiliates, and non-productive affiliates.
5. The three main reasons to affiliate are money, dreams, and freedom.

How Do I Choose a Merchant?

Vocabulary

Stand-Alone Affiliate Program

(independent): An affiliate program run "in house" by a particular merchant. This merchant handles the contracting, sale, record keeping, and payment process.

Solution Provider: A company, such as Commission Junction or BeFree, that assists merchants in the affiliate marketing process. Usually, the solution provider acts as an intermediary between the merchant and affiliate, and handles most business matters such as regulating contracts and cutting checks.



Stand-alone affiliate programs

A stand-alone, or independent, affiliate program, is one run "in house" by a particular merchant. This merchant handles the contracting, sale, record keeping, and the payment process. You may refer to the following affiliate program directories for details on independent programs:

- 2-Tier Affiliate Program Directory
www.2-tier.com
- TOADS: The Online Affiliates Directory Service
www.affiliates-directory.com
- Associate-it
www.associate-it.com
- AssociatePrograms.com
www.associateprograms.com

- CashPile
www.cashpile.com
- Webmaster-Programs
www.webmaster-programs.com

Reasons to use a stand-alone affiliate program

There are several good reasons to consider using a stand-alone affiliate program. Here we will focus on the most important considerations:

1. Access to unique items.

Artists and craftspeople frequently cannot generate the volume of product to support a large affiliate program. However, these merchants can benefit from highly targeted affiliate sales made by a select group of affiliates. If you have a site dedicated to Shaker craftsmanship, for example, and want to sell hand-made Shaker-style chairs, then you should consider finding a quality artisan with a highly selective group of affiliates.

2. Access to non-traditional items.

Some items, while mass-produced, do not always appeal to the majority of Web surfers. However, if your highly targeted niche site focuses on a sub-culture, such as role playing gamers, then you should work with a merchant who caters to this community.

3. Ability to work more closely with a merchant.

Independent merchants, especially those with highly selective affiliate programs, work with fewer affiliates, and are therefore often more accessible than the large solution providers.

Reasons to avoid independent merchants

1. *Time management.*

As an affiliate, your time is valuable. Working with a number of independent merchants takes longer than working with many merchants combined under a solution provider.

2. *Reliability.*

Independent merchants vary in their experience level and reliability. Be certain to read and understand the contract when signing on with an independent merchant. Independent merchants work without the guidelines put forth by solution providers and, therefore, may have holes and inconsistencies in their program even they don't recognize.

3. *Grievance and Mediation.*

When working with an independent merchant, be certain to understand the process for grievance and mediation. Often, the merchant acts as his own mediator in these situations, which may be unfair to the affiliate.

Solution providers

If you don't use a stand-alone program, then you will want to consider solution providers. Companies such as Commission Junction (<http://www.cj.com>), and Linkshare (<http://www.linkshare.com>) assist you in the affiliate marketing process. Usually, the solution provider acts as intermediary between the merchant and affiliate, and handles most business matters such as regulating contracts and cutting checks. If you're interested in this approach, you should also refer to the following companies:

- Be Free, Inc.
www.befree.com

- Cyberbounty
www.cyberbounty.com

Reasons to choose a solution provider

1. Variety

Solution providers offer access to a wide range of programs and an extensive array of products.

2. Time management

Solution providers consolidate the tracking and payment for a number of merchants, making tracking a one-stop experience for the affiliate.

3. Reliability

Reputable solution providers have the experience and funding to reliably serve their affiliates.

4. Grievance and mediation

Solution providers sometimes act as mediators between merchants and affiliates, providing a more impartial way to settle grievances.

Reasons to avoid solution providers

1. All of your eggs are in one basket.

In the unlikely event that your solution provider would shut down, your entire affiliate marketing framework will crumble.

2. Merchants are less accessible.

In a large solution provider organization, the individual merchants and affiliates can remain at a distance.

Points to check when choosing a merchant

1. Policies

Can you easily find the merchant's sales and

leads policies? Are they explained clearly?

2. FAQ (Frequently Asked Questions) section

Do they have an extensive FAQ section that anticipates your questions and needs?

3. Contact information

Is a system in place to answer your questions? Can you contact a live person, and will this individual contact you in return? How soon can you expect a response?

4. Affiliate handbook

Does the merchant provide an "Affiliate Handbook" by email or on their site? This handbook should explain the program, provide tips, and indicate past or expected performance.

5. Testimonials

Check for testimonials. Do the individuals testifying to the quality of the program actually use the program?

6. Time frames

Is the merchant clear about sales or leads time frames? For example, you'll want to know the difference between the date of the actual sale and how long it takes for that sale to appear in an earnings report.

7. Merchant links

Does the merchant link to the product or offer you are selling, or simply to its main website? If a merchant is not aggressively trying to close a sale or lead, affiliates will note this as traffic tapping, where a merchant uses affiliates primarily as a source of traffic.

8. Sales support

Do you have latitude to pre-sell your products?

Does the merchant provide sales materials and press releases? Can you customize content to match your site's tone? Some merchants even build complete "mini-sites" for affiliates to deploy. Refer to the following for an example:

Loansharp Financial Center
loansharp.financialcircuit.com

9. Customer service

Can customers make express purchases, or are they forced to open an account each time they come to your site? Is the purchasing process customer friendly?

Qualities of a good affiliate program

A good affiliate program, above all, will inform the prospective affiliate of:

1. The affiliate's responsibilities.

A clear description of what you, the affiliate, must do and what you are prohibited from doing. These are the *program rules* and will dictate what you'll have to live with during your relationship with this merchant.

2. What designates an action worthy of compensation.

As an affiliate, you must understand what must happen in order for you to get a commission: whether you must deliver impressions, clicks, leads, or sales.

3. How the compensation will be rendered.

As an affiliate, you must understand the merchant's plan for compensation. Make sure that the merchant will pay you in money, and that you can use the particular currency in your country of residence. In fact, you should make

sure they even pay affiliates in your country of residence. Sometimes, merchants try to use scrip that give you points you can use to purchase its own products yourself. Other times, the merchant might promise you entry into a sweepstakes or a drawing. Also, check out how much you will be paid for each commissionable event. Is the amount you will receive enough compensation for your time and traffic? For instance, you may receive \$100 commission for each life-sized alabaster pig you can sell, but the market for these is probably limited.

4. When will you be paid?

Merchants payment schedules vary. A few merchants pay every two weeks, many pay every month, and a few pay quarterly. Others only pay when you reach a minimum amount. If you have not reached that amount, then the payment is rolled over into the next pay period. Also, be aware that a significant lag time for processing will almost always delay your payment.

A good affiliate program sees the affiliation agreement as a serious contract between businesspeople, with the goal being mutual benefit through the disbursement of a product. The guidelines below will help you understand the more esoteric criteria that comprise an honest affiliate program.

a. Merchant logos.

As an affiliate, you should not be required to display a merchant's logo on your site. Merchants who force affiliates to display their logo often use that logo as branding or free advertising. These merchants increase their sphere of influence at the affiliate's expense, and often use these logos as a means of siphoning off traffic.

b. *Sign-up fees.*

As an affiliate, you should never have to pay a fee to join an affiliate program. You should recognize that merchants who require you to pay any kind of start-up fees operate on the edge of the legal definition of pyramid schemes. Merchants are well within their rights to request that you share in the cost of any extraneous marketing materials, provided that the charge does not exceed the production cost of the materials. Also, merchants may offer a *preferred* status for a fee. Above all keep in mind that you should never have to pay to play.

c. *Confidentiality.*

As an affiliate, you must ensure your customers' confidentiality. Make certain that the merchant has a privacy policy in place that will sufficiently protect both you and your customers.

5. Affiliate agreement.

As an affiliate, you need to be able to access a merchant's affiliate agreement easily. The full agreement must be posted on the merchant's site, and you should have access to it, for free, and without having to give out personal information. Be suspicious of sites that require all of your vital statistics before they will let you see an agreement. A good merchant should have enough confidence in its agreement to display it publicly and proudly. Parts of a good contract include:

a. *How the merchant will approach contract changes.*

Even a very good merchant may have to

make changes to its contract, but it should have a statement ensuring that it will do this "in good faith" with the affiliate. A merchant should not make changes with the intention of exploiting its affiliates. Moreover, a good merchant should inform the affiliate of any upcoming changes, both on the site and by email.

b. *Legality.*

You should be assured that the merchant operates within the law, is permitted to sell its product, and does not violate the pyramid scheme laws.

c. *Contact information.*

A good merchant will provide multiple, reliable methods by which it can be reached. These include email, postal address, and telephone numbers, and they should be displayed on the merchant's website.

d. *Contact permission.*

A good merchant will ask your permission to contact you via email with promotional messages, newsletters, and the like, on an opt-in basis. The merchant should provide you with an opportunity to decide not to receive these messages.

6. Grievance policy

As an affiliate, you need to be clear on a merchant's grievance policy. The merchant must clearly state how grievances and disputes are to be handled. This disclosure includes:

- a. Who is tracking your results? Many merchants use third-party companies to track performance. You, the affiliate, must be clear on this issue.

- b. Who handles disputes? Merchants must inform affiliates how to register a complaint, and how this dispute will be arbitrated.

7. Termination

As an affiliate, you need to understand the program rules, and recognize that violation of these rules could lead to termination of the contract. A good merchant will spell out all the reasons that you can be terminated *for cause*. Usually, these reasons have to do with illegal activity or with cheating to improve your statistics. If you are terminated for cause, a good merchant should inform you of the reason for termination. However, this merchant need not pay you anything. If you are in a two-tier program, and you are terminated for cause, the individuals in your second tier should remain in the program, and should maintain all revenues earned. However, you will no longer receive compensation for their activities. If the merchant must terminate you without cause, then the merchant must pay you any compensation owed.

8. Tracking statistics

A good contract will provide you, the affiliate, with information regarding how your account will be tracked, as well as how you can access your statistics. This contract should also explain how frequently the statistics will be updated.

9. Clarity

A good contract should be written clearly and with limited *legalese*, in order to facilitate communication between you and the merchant. Please refer to the following sites for more information about affiliate agreements.

- AffiliateAdvisor.com
www.affiliateadvisor.com
- AffiliateHelp.com
www.affiliatehelp.com
- Affiliate Tips
www.affiliatetips.com
- Affiliate Union
www.affiliateunion.com
- Affiliate Wire
www.affiliatewire.com
- ReveNews
www.revenews.com

What do I do if a merchant breaches my contract?

You have been waiting patiently by your mailbox, and your check has not come. You have carefully reviewed your affiliate contract, and are certain that your merchant has breached the contract. This fact can be hard to establish, as many contracts are sufficiently vague to allow a merchant much latitude and an affiliate little information.

Therefore, you must determine if the contract remains valid. If a merchant has declared bankruptcy or otherwise gone out of business, your contract may be rendered obsolete. These circumstances notwithstanding, there are still cases where affiliates are owed money, and the merchant is withholding it.

Here are some suggestions you can try if you find yourself in this situation.

1. Contact the merchant.

Email the merchant, advise him of the problem, and request an immediate answer. Perhaps you

have a simple issue like an incorrect address on your account. Such matters are easily resolved with a minimum of heartache.

2. Repeat contact.

If you don't receive an immediate answer, then write back, demanding a response in a reasonable time frame.

3. Plead your case.

If you receive a response from the merchant that you believe to be incorrect, then state your case, in writing, to the merchant.

4. Certified mail.

If you still receive no satisfaction, send the merchant's CEO a certified letter explaining your situation. State that you need a satisfactory solution, or you will involve the Better Business Bureau (www.bbb.org), and the State Attorney General of the merchant company's home state (www.naag.org).

5. File a formal complaint.

File a complaint with the Better Business Bureau and the State Attorney General's office. Both organizations have online complaint submission forms.

Perhaps one complaint won't raise much of a stir. However, if affiliates make such reporting standard practice, then the attorney general would receive several complaints on a company that behaves unlawfully. Moreover, if a merchant knew that affiliates would report unfair practices to the BBB and the attorney general, that merchant might think twice before acting reprehensibly in the first place.

What is the Affiliate Union?

The Affiliate Union (www.affiliateunion.com) is an organization of affiliates and merchants dedicated to promoting communication and disclosure in the affiliate industry. The movement arose out of a need for standards in a burgeoning industry. Union members have drafted standards and criteria for certification of merchants. As any perceived gold rush, the opening of the online affiliate market attracted both legitimate businesspeople and its share of charlatans and snake oil salesmen. Predictably, people, merchants, affiliates, and customers began to get burned by unclear, poorly planned, or outright unscrupulous transactions.



Fortunately, the Internet is an information medium and this allows legitimate business people to compare notes quickly. Merchants and affiliates work together to create a set of standards based on disclosure. Keep in mind that disclosure is based on honesty, not on quality. The AU plans to examine and certify merchant programs that honestly outline to their affiliates the responsibilities of both parties, and tell affiliates what, when, and how to expect compensation. At this point, the AU does not presume to evaluate what a "good" or "fair" program is, and the affiliate is still responsible for reading and understanding a contract before signing it.

The AU is a mutually beneficial, cooperative effort between merchants and affiliates designed to facilitate communication and disclosure. Moreover, the AU will decrease the amount of fraud and abuse, lessen the victimization of affiliates, and lend dignity to the industry.

Checklist for choosing a merchant

- ☐ Sales and leads policy is explained clearly
- ☐ Program has an extensive Frequently-Asked-Questions section
- ☐ Access to live affiliate support personnel
- ☐ Affiliate handbook
- ☐ Valid testimonials
- ☐ Direct links to the product or offer you are selling
- ☐ Merchant provides sales materials
- ☐ Merchant provides opportunities for affiliates to customize their sites
- ☐ Clearly defines affiliate responsibility
- ☐ Clearly defines commissionable acts
- ☐ Clearly defines how payment will be rendered
- ☐ Clearly defines when payment will be rendered
- ☐ Merchant does not require you to display its logo
- ☐ No fees required to join a merchant's program
- ☐ Security and privacy policy
- ☐ Grievance policy
- ☐ Guidelines governing termination for cause

Summary

1. Stand-alone (independent) merchants and solution provider programs both have advantages and disadvantages for the affiliate.
2. When choosing a merchant, take the time to educate yourself on the program.
3. Ensure that your merchant discloses all contract terms.
4. Use our checklist to evaluate a program before joining.

Reader Feedback

Psst. Want to share a secret? Or have a beef? If you have a resource that you believe belongs in our book, or if you think we've made a mistake, we sure would like to hear from you.

To get in touch with us, simply send email to:

- feedback@intellectua.com



About the Authors

Wayne Porter is the CEO and chief editor of AffiliateHelp.com, an affiliate marketing and consulting firm. A successful affiliate marketer himself, Wayne has over five years of online marketing experience. He is also a founding member of the Affiliate Union, where he currently serves on the Board of Directors. Wayne dedicates himself to the development of the online affiliate marketing industry.

Kim Porter writes for AffiliateHelp.com, and is the originator of its "beginner's series." Kim has over 10 years of online experience. She earned her BA in English from Oberlin College, and her MA in Education from Marshall University. She has taught English and writing on the elementary, secondary, and college levels.



Other Intellectua.com Publications

[.COMstruction: The Basics](#)

Packed with gritty, real world advice, with Internet small business and publishing industry veteran, [Eldon Sarte](#), giving the neophyte solo netpreneur a *mentor's insight* into getting a pro website self-built quickly and intelligently, *.COMstruction: The Basics* focuses entirely within the scope of the only thing that matters in its world: *business*.



[Werner's Links to Free Publicity on the Internet](#)

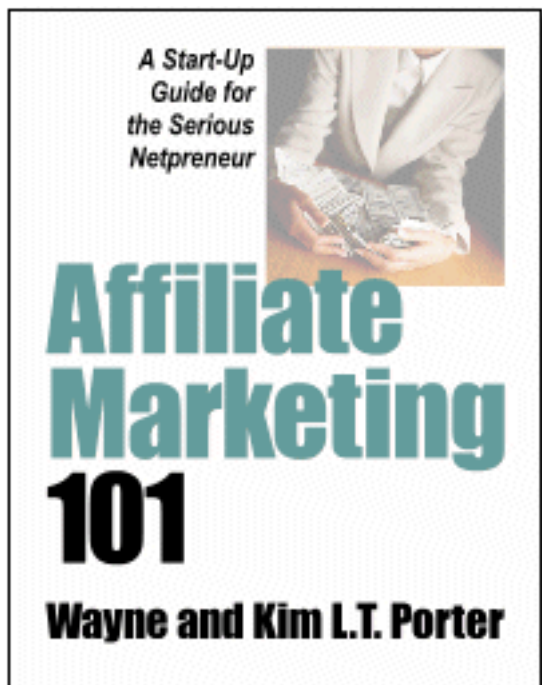
Intellectua.com CEO (and founder of a two-time *Inc. 500* company) Michael Werner's *personal* collection of great links to free publicity resources on the Internet *that he uses himself*.



[The Dirtsmart Netpreneur](#)

A **free** ezine, featuring bottom line brilliant resources for do-it-yourself netpreneurs and home-based business webmasters, each free issue offers a number of "Dirtsmart Finds" — including downloadable software, CGI scripts, free Net services, sensible affiliate programs, etc. — and more for the serious online businessperson.





This is an abridged version of Affiliate Marketing 101

This is only a small portion of Wayne and Kim Porter's *Affiliate Marketing 101: A Start-Up Guide for the Serious Netpreneur*. If you like what you see here, we hope you'll pass this sample along to your friends and co-workers. To find out more or to order the entire book,

CLICK HERE