

Affiliate Marketing Best Practices

1. **Assess your team to determine if outsourcing to an affiliate network is right for you.** Managing many affiliates and the complexity that entails (payments required, pricing tiers, reporting) can be more work than your team wants to undertake. Outsourcing your affiliate network has several benefits and should be considered.
2. **Create a realistic tiered commission structure to reward high sales affiliates.** Your affiliates will tend to raise the importance of your link if they receive higher commission rates as their sales referrals increase. Be careful, however, to make sure that the tiers are obtainable and add higher tiers to encourage affiliates to drive sales your way.
3. **Decide what payment structure is right for you.** There are PPS (pay per sale), PPL (pay per lead), PPC (pay per click) and CPA (cost per action) payment structures. For example, if you sell a subscription, or a professional service, pay per sale may never get you on the affiliate's radar screen.
4. **Build your team to support the affiliate program.** Depending upon your affiliate marketing goals and whether you join a network, you may need to hire a full-time affiliate manager. This person will work with affiliates to drive sales, sell them on the tiered structure, assist with commission issues, and manage payments.
5. **Allow affiliates to link deep into your site.** Encourage your affiliates to link directly to category or product pages. As you may sell many products that do not complement your affiliates, allowing them to link to your complementary products will help increase sales.
6. **Try to meet potential affiliates through networking or summits.** In selling to affiliates, the personal connection is always important. Meeting them at a summit, conference or through mutual contacts will help gain their trust and allow you to add them to your network.
7. **Give it time to work.** Starting an affiliate marketing program will take time (some take a few months) to show value, get affiliates, get traffic and enhance your program to perform at its best. This is a long-term plan to help increase sales.
8. **Research and plan your affiliate marketing strategy carefully.** Making a quick decision on which network to join or which software to purchase may be a big mistake that you will pay for in the end. Talk to your customers, find out where they shop online and see if it makes sense to add those sites to your network. There are niche publishers out there who likely have your current audience's eyeballs already.
9. **Network size may not matter.** Large networks may work well for some retailers but they may not work for you. They may have higher fees, may not give smaller retailers the level of support they need, and may not be the right fit. Smaller networks may be better solutions to start out with.
10. **Watch out for fraud.** Just because you made a sale, does not mean it is a good sale. Fraud is prevalent in eCommerce. Paying a commission on fraudulent sales only adds salt to the wound. Make sure you set ground rules with affiliates to guard against fraud. Some affiliates have implemented a payout period (30 days) to delay payment until a time when most fraud can be been caught.
11. **Don't change out offers too often.** Offers should be given at least 30 days to take effect and for publishers to pick them up.
12. **Work to find top affiliates and improve your top affiliates' performance.** Most affiliates may never send you a sale. Your top affiliates will grow with you and should be nurtured. The 80/20 rule almost always applies here. Finding new affiliates with potential, and discovering which to cultivate and which to forget, comes with experience.