

AFFILIATE MARKETING 101



Your Guide To Understanding
The Basics of Affiliate Marketing

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Exclusive Report

Affiliate marketing is one of those much misunderstood phrases that are circulated over the internet. Given the uncertain economy and a high level of job insecurity we have, the idea of working for yourself through an online business focused on Affiliate Marketing is becoming more and more attractive.



Who wouldn't be excited about the prospect of working only a few hours every week and while hanging out at the beach or waking up late at home in your pajamas, you log in to your online affiliate account and see how much money you made for that day.

While that is a reality for very small and select group of people, the vast majority who engage in Affiliate Marketing actually have to put in a ton of work. That is the true reality, not the pipe

dream that is being pushed by people that want to either “train you” or “sell you” eBooks on how to market affiliate products online.

It is a business just like any other and requires things like:

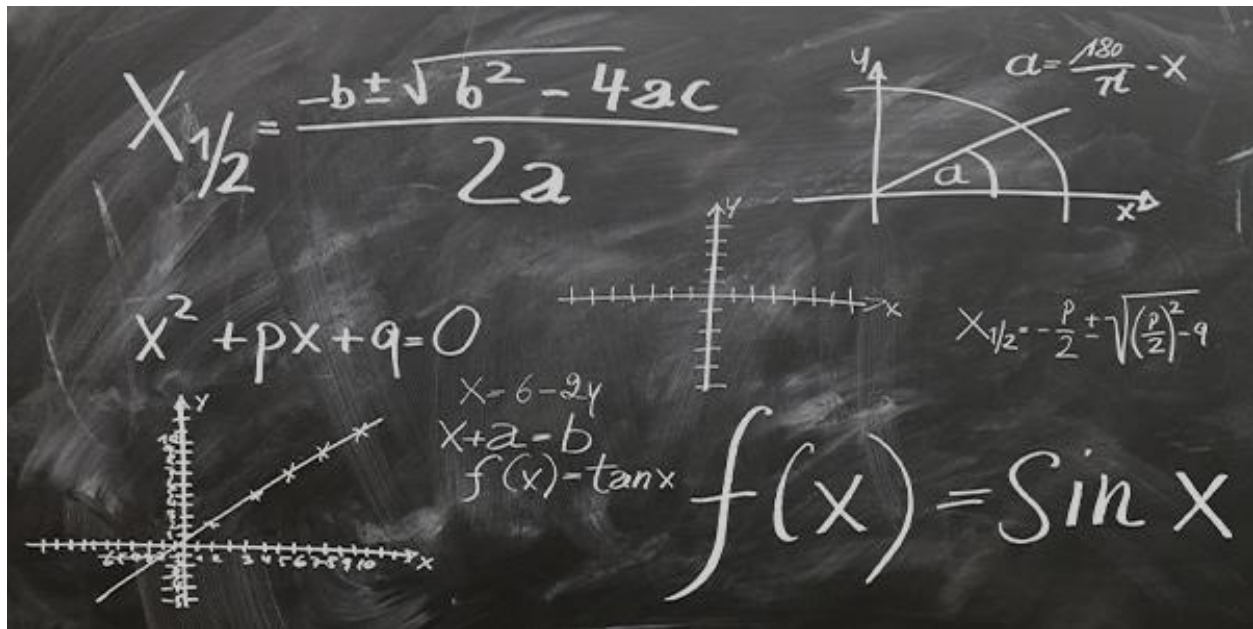
- Discipline
- Diligence
- Consistent effort
- Constant learning

In essence, it really is a lot more work than people entering the space realize.

Sadly, so many scammers, spammers, and hucksters pushed Affiliate Marketing in a negative way that has really polluted its image. They have made it seem like a lazy man’s way of making money.

The truth is that there’s nothing easy about it and people who are lazy and unwilling to work should think twice about going this route, or else they might just be setting themselves up for disappointment. Simply put, Affiliate Marketing is a job and a business, and if you come in with a right mindset, you can become very successful at it.

How does Affiliate Marketing work?



There are four parties involved in the classic Affiliate Marketing model: the advertiser, you (the promoter), the affiliate system, and the consumer or buyer.

The advertiser would contact the affiliate system and put in money and marketing materials for the marketers who are members of that affiliate system, to use.

You then join the affiliate system because they include you in the opportunity offered. They tell you how much they are willing to pay and other crucial information that you need to make an informed decision.

You join the affiliate system and you get their marketing materials and you also get an affiliate link. You then promote that affiliate link, the consumer sees the link, clicks it, goes to the website that has the offer, and the consumer either leaves an email or buys something or just click.

Depending on the type of affiliate system that you join, you can get paid in any of those particular actions.



There are 3 major types of affiliate systems.

One is the Pay-per-sale which pays you for every sale that you make off their link.

Pay Per Sale

If somebody clicks the link and reads the page but doesn't buy it, you don't get paid. However, if they click the link and decide to buy, you get paid based on that sale.

Payouts could be based on the percentage of the amount paid by the customer, or it could also be a fixed amount. It really depends how the program is set up.

If you go to platforms like Jvzoo or Warrior plus there are hundreds of vendors who offer 100% commissions to affiliates on their digital info-products.

Usually they have some sort of sales funnel in place that will also pay substantial commissions on backend sales so it can be very lucrative for affiliate marketers to promote their products.

Pay Per Click

The next major class of Affiliate Marketing arrangement is the Pay-per-click model. In this situation, you get paid whenever a unique customer clicks on your specific affiliate link. They don't have to pay anything or leave their information.

All they have to do is click the link and go to the website that is being advertised. This form of Affiliate Marketing is obviously prone to fraud.

Many unscrupulous affiliate marketers who would use a software or a proxy bank which are like digital fingerprints of computers that scammers use to mask each click coming from differing IP addresses but are actually just proxies from a proxy bank.



So it looks like different IP addresses and different identities however it is just really coming from one computer. As you can imagine, Pay-per-click programs like Google AdSense and similar programs have gotten really quite sophisticated in detecting click fraud.

While fraud still exists, there are very robust mechanisms that protect advertisers from losing money due to affiliate fraud of Pay-per-click systems.

Pay Per Lead

Finally, that brings us to the Pay-per-lead system. Here, the affiliate system pays the promoter a set amount of money based on leads that the promoters have collected. The promoter puts the link on websites for consumers to click on it and when they click it then leads them to the advertiser's page.

When the user or customer leaves their email in an email collection section of that page, the promoter gets paid.

There are other less frequently used variations of the affiliate model and this includes Pay-per-install and Pay-per-survey. We are discussing them here although they are relatively less common, just so you can get a full understanding of the differing variations.

Pay-per-install is when a promoter puts a link on their website and somebody clicks the link which installs a piece of software. The promoter gets paid per installation. The advertiser makes money because these little pieces of software will show ads to whoever installed it on their computer.

Another less common affiliate model is the Pay-per-survey.



This type of program involves the promoter putting up a link, the user clicks it, and a survey will appear. Normally, what the promoter would do is offer a free piece of content and the user must participate in the survey first in order to get the free content.

For every survey unique consumers fill out, the promoter gets paid. This is really a variation of the pay per lead collection model because email address is collected along with other pieces of information. Now that we've covered the most common types of affiliate programs you have to ask yourself one simple question... Is affiliate marketing right for you?