

Making Money With Affiliate Marketing

DIFFERENT PATHS TO MAKE MONEY WITH AFFILIATE MARKETING

When people talk about making money with affiliate marketing, they think about signing up as a publisher and trying to get people to pay them for advertising on their sites. That's definitely one way to make money with affiliate marketing, but it's not the only way! You can make money with affiliate marketing as a publisher, an advertiser, or as an owner of an affiliate marketing network. You don't even have to limit the paths you take. You can try all three!

MAKING MONEY AS A PUBLISHER

This path is the most downtrodden, but very few people explore all the potential to make money, even here. That's because most people are creatures of habit. They find one way to do something, and they never venture from that path, even when they find that the income isn't what they had hoped it would be. The fact is that if you limit yourself to just one advertiser, like Google, you won't be able to really explore the potential for affiliate marketing models that might work better with your niche audience.

So, while we are going to tell you that you can make money using Google AdSense, it's not the only advertising network out there. You can spend a lot of time trying to publish content that gets search engines to serve up high-priced ads on your site, and researching keywords to make campaigns that target high-paying ones. Or you can explore a few other places like Adbrite.com or independent affiliates at different affiliate banks who might give you a bigger return on your investment of time.

The key is not to join the biggest network out there, it's to understand your niche and your audience. To make money as a publisher of other people's affiliate offerings, your job is to match up your audiences wants and needs to the offerings that best meet them. So, you don't necessarily have to know a thing about keywords to get started being a publisher of affiliate offerings, but you do have to know what your audience will buy.

So, let's assume you have a website about winter sports. You can sign up for different affiliate programs that offer everything from winter sports equipment to exciting vacations at mountain resorts. All you have to do is locate those offers and publish them on your site and collect a commission. For that, you'll have to

probably join an affiliate bank so that you can find offers within your category and get started fairly quickly. We'll go over those a little later in this report.

MAKING MONEY AS AN ADVERTISER

Okay, now why would advertisers pay you to publish, if there wasn't money in it for themselves? Obviously, the returns can be a whole lot higher for the advertiser than the publisher, but most people don't figure that out when they think about making money with affiliate advertising. They think that affiliate advertising means they are the publishing affiliate partner, not the advertising partner.

Well, it can pay very well to be an affiliate advertiser who has created an affiliate program for their products and services. For one, you aren't paying a team of sales people to market your products without getting some results, whether it is more online exposure, a lead, or a sale. The best ways right now to make money for advertisers is to use a "cost-per-action" affiliate program that only pays publishers if a lead or a sale is completed. That way, you can measure the return on your investment in a quantifiable way.

For that, you will have to have enough credibility to be accepted into a CPA network and also enough upfront cash to pay for any fees associated with the program. While the returns for setting up an affiliate program as an advertiser are more than as a publisher, it also takes more money to start. So, that's why many people don't realize that there is money in advertising, otherwise, people wouldn't be doing it, but it does cost more to get off the ground.

MAKING MONEY AS A NETWORK OWNER

Let's say you are very technically savvy, have quite a bit of money to invest, and want to make some good money? Why not develop your own affiliate network. You will have to get a site up and running, and hire people to maintain it and do customer service, but you will also get to charge advertisers a 20 to 30% transaction fee in some cases. Or, you can use a model that has them pay a setup and transaction fee. As long as you have the pull to bring in both advertisers and publishers, you can set up your own profitable network and just enroll people into your program. Set up tools to track the affiliates and reports to help optimize programs. Hire affiliate managers who can manage the accounts too. As long as your advertisers are making money, you'll make money from their enrollments too.

WHAT YOU NEED TO GET TO MAKE MONEY ON THE THREE PATHS

There are really only three things that are important, whether you are a publisher, an advertiser, or a network owner. The issue is how to successfully market some

product or service online and for that you need to get the three following things to happen:

- **High Level Of Traffic**

As a publisher, you will want high levels of traffic coming to your offerings and doing the action necessary to collect a commission. As an advertiser, you want high levels of traffic too, so that you can make leads and sales. As a network owner, the more traffic your members get, the better odds that they will succeed and you can keep charging enrollment fees.

- **Hot Niches**

It doesn't matter how much traffic you get, if what you are selling isn't interesting to a large number of people. You want to exploit the hot niches that interest a wide number of people and are profitable for you. It makes no difference whether you are an advertiser, a publisher, or a network owner. You have to start with a large amount of demand in the market to make it worthwhile to invest the time and effort to advertise products and services in that niche.

- **Matching Demographics**

So, now you know, you can't make money without traffic or a market demand. What if you have great traffic, a hot niche of products and services, and the people aren't buying? It's because the demographics of the traffic have to match the niche. Once you have a match, the formula of traffic plus demand plus interested buyer yields you a nice profit.

EXPLOITING HOT NICHES

Start brainstorming, even before you've chosen an affiliate offer. You have to make sure you are targeting an area with high demand, regardless of whether you are a publisher or an advertiser. If you get this step right, the likelihood of making money increases exponentially. To help you out, here are some great tools and services to get you off to a good start.

GOOGLE ADWORDS KEYWORD TOOL

This tool is so useful, it gets mentioned a lot. Google Adwords is the advertisers part of the Google affiliate program. But, even publishers can use this tool to figure out what keywords are being searched more on the Internet, which have better payouts, and which have too stiff a competition to be worth targeting.

Even if you aren't going to publish Google AdSense offerings, it's still a valuable way to do a little research, prior to devoting an enormous amount of time to an advertising campaign that is doomed to failure. It may take a bit of time to learn

the ins and outs of this tool, but it's worth it and can be used as a publisher or an advertiser to develop a strategy that makes money from the start.

The Google Keyword Tool is located here:

<https://adwords.google.com/select/KeywordToolExternal>.

WHAT ARE PEOPLE TALKING ABOUT?

Another way to identify good niches is to figure out what people are talking about and then research whether it is something that has lasting power or just a passing fad. If it is a controversial topic, it may be good for generating traffic in the short-term, but it can also fade out of the public consciousness fairly quickly.

There are so many great places to peek in online to see what is generating discussion all over the web. You can see what is capturing the attention of bloggers around the world by visiting Technorati.com. You can also find out what the latest buzz is at Yahoo! Buzz. Digg.com is a social networking site that lets you see news topics and stories that are voted on by the users of the site. The more thumbs up a story get, the more it is rated as a favorite and lands on the front page. Those are the topics being discussed the most.

CLASSIC HOT NICHES

Some niches never go out style, even if the topics themselves may change within them. For instance, a few years back, finance and making the most amount of money on your investments was HOT, HOT, HOT. Now, the recession has taken a toll on the finance niche, but not for those who are focusing on foreclosures, debt relief, and other services that can be helpful to people who are experiencing financial difficulties at this time. So, keep that in mind if you choose any of the following classic niches, and try to keep it tailored to the social environment around you at the time. Here are some great niches to explore:

- Health care,
- Beauty,
- Anti-aging,
- Debt services,
- Foreclosures,
- Credit,
- Green products,
- Social media,
- Pets,
- Education,
- Jobs,
- Mortgages.

FINDING MATCHING DEMOGRAPHICS

So, once you've decided on a niche, you want to make sure that the copy that you write for ads, for web content, for anything at all, is geared towards attracting the right demographics. For demographics, you will want to consider who is most interested in buying your products or those of your affiliates. If you don't know, then just check out some of your competitors online via a search engine called Quantacast.com. There you will find out who their main customers are and who you can expect to be catering too.

This is very important information, not only as an advertiser, but also as a publisher. The demographic characteristics won't just tell you the age, and gender, of a potential customer, but also the income level. That way, when you are debating which offers to place on your sites, you will know when something is way over-priced for your demographic, or whether you can get away with adding some really high value affiliate offers because that's the right demographic. The key is to spend as little time inserting ads into your website that are not going to yield good results. For that, you need to know what your customer wants, who they are, and what they have to spend.

GENERATE TRAFFIC TO YOUR OFFERS

This is where most of the work comes in because, odds are, you don't have the traffic you need to get the sales. You know you don't have it, if you're the advertiser, because they wouldn't be paying someone else a commission to sell their products if they had an exclusive lock on the market. And, we know the publisher doesn't have it for a specific niche, unless it's developed. That's part of the work a publisher has to do. As for a network owner, they're just hoping that by giving a nudge here and there, through training from their affiliate managers, that the publishers and advertisers optimize things so that everyone's happy.

So, where is all that traffic going to come from if not from you? It's got to come from somewhere else. And, that's why this can be the hardest part to get going, because people spend too much time trying to generate traffic in ways that just don't work. The key is to try to harvest as much traffic as you can from other well-known sites and to **automate** the process, if you can!

Before we get into that, however, let's check out one more Google tool that is going to give you a good idea whether the market niche you chose is going to work out for you in terms of the potential traffic that is out there for it. For that, you need to go and check out Google Traffic at:

<https://adwords.google.com/select/TrafficEstimatorSandbox>.

Here, like the Google Adwords Keyword Tool, you can add the niche keywords and find out how much traffic you can reasonably expect per day from these targeted keywords. If you find that the traffic is too low to generate sufficient income, either

as a publisher or an advertiser, you might want to try to get different keywords or niches that provide a better return on your investment.

Now, onto...

TRAFFIC DOMINATION!

What you are going to have to do to get traffic, as we said earlier, is learn how to harvest as much traffic as you can from other sites with a large number of eyeballs and direct them to your advertisements, sales pages, landing pages, or affiliate offers. The way to do that is to use the following techniques to get people from one area of the web to another:

- **Submit to search engines**

Use tools to help you submit to web search engines so that your pages get indexed and ranked quickly. A good tool for that is WebCEO, as it will also help you figure out keywords to use to get the targeted demographic you are looking for. Don't just assume submitting to Google is enough, you want a tool that automates multiple submissions, like WebCEO, found at <http://www.webceo.com>.

- **Publish articles**

Go to article directories, like www.ezinearticles.com, and submit free articles for acceptance. They are not the only free article directory, but they are a good start. Create articles that capture people's attention and use some good keyword methodology to capture search engine attention. Then, use the resource box to put links back to areas where your affiliate marketing offers can be accessed. You can't go directly to a sales page from your affiliate, in most cases, as it is against the terms of the agreement. But, there are ways for you to add these offers to a blog and link back to your blog, or something similar. To automate, sign up for article submission sites that will submit articles to multiple directories for a wider exposure in half the time. It does cost a little, but the extra bang for your buck can bring more people to your affiliate offers.

- **Set up press releases**

This is a similar strategy to the article submission, but instead of articles, you are submitting press releases. With press releases, you can be more commercial and no one is going to get bent out of shape. Press releases are for advertising new offerings, new companies, news about your business, so they can hardly be expected to take a soft sell approach. Just remember to put links back into the areas that will provide some revenue too. There are also services that will allow you to submit to multiple press release sites too.

- **Promote on social networks**

If you haven't joined Facebook, MySpace, LinkedIn, or Twitter, you should do so right now. Get an account set up and find ways to promote links back to your affiliates. This can take a bit of time to get used to the networks and

their rules, but once you figure out ways to do this, through status updates, cleverly embedded links, and applications, you will start to really start getting the hang of this.

- **Use social network tools for automation**

For instance, Twitter has Tweetlater and Tweetdeck tools that can be used to automate tweets, replies, and even some direct messages. Network your tools so that when you post on one site, it gets broadcasted to multiple sites at once.

- **Write free reports or ebooks**

Get promotional topics out there and embed links to your affiliate offers within them. If you use the reports or ebooks as freebies to get people to enroll in your own marketing programs, you can both create income from affiliate offers and have residual income from subscribers.

- **Get others to promote your offers**

Set up affiliate programs for your own ads or make partnerships where you each sell each others products. Include high commissions, quick payouts, and anything that will make your offer more appealing than the next one.

- **Give incentives to buy**

Offer to bribe someone for clicking on a link, signing up for a lead-based affiliate offer, or buying a product that you've advertised. You can even use infoproducts with more embedded affiliate offers to get people excited about buying a product or service. This way, if you can have repeat sales. Even if it's not your own product you are trying to sell, remember that you can give an incentive to buy that costs you little to deliver.

- **Set up email campaigns**

If you have numerous subscribers and/or members in a site, fans, or friends, you have the potential for creating email campaigns with affiliate offers in them. Remember to respect people's privacy as you can easily be labeled a spammer this way. Instead, always make sure they opt-in to such a list and then be careful to include relevant information in your emails. Just sending out affiliate ads is considered tacky and basically ignored, if not outright deleted.

These are just a few ways to start generating huge traffic to your site by getting links out to people within your market niche. There are so many different ways to do this, that you need to keep a fresh eye out for new and innovative techniques that can be implemented before the public becomes jaded about them. This has the best effect to generated traffic.

MAKING MONEY OFF REFERRALS

Another great way to make money off affiliate programs is to carefully select networks that have referral bonuses or tiered programs. A two-tier program is when you make money off the people that you refer, at a lower commission than your own. But, every little bit helps. The beauty of a multi-tiered program is that you don't do the work, other than make a referral. Once the referral is made, the affiliate network keeps track of the earnings and sends them to you.

Some limit the timeframe in which you can collect commissions off your sub-affiliates. So, keep in mind that you will want to replenish people on your rolls if that's one way you want to make some income. And, not everyone you refer will be a top earner, so the more people you refer, the better the likelihood that you will make some money. However, if the network also offers a bonus for signups (about \$10 or \$15 per sign up), then you can at least count on that money to sweeten the pot.

This is also a great way for network owners to expand their network and create a better business. They may be paying out some money for each sign up, but the value that person adds to their network is much higher than what they are paying out. And, many of the network owners also keep payouts at a basic level to encourage participation.

The most levels that are used is three. You can sign up sub-affiliates and earn and they can sign up sub-affiliates and you continue to earn. These types of programs are much rarer, but can offer a further opportunity to increase your income.

So, when looking to create income through referral bonuses, check the following:

- **Time period for sub-affiliate commissions** – If it's less than a year, and they offer no sign up bonus, don't exert too much time promoting something that isn't going to generate much income.
- **Sign up bonus**
This is a very good indicator that you can make some serious money. However, check to make sure that the payout limit on the accounts is less than or close to a single sign up bonus, so that you get that money in your hand, and not just merely as dollar signs on your screen.
- **Number of tiers**
Three tiered programs are the best, but you have to make sure that the rest of the factors, like time period, and sign up bonus are good too. You don't want to join a three tiered program that limits it to one month sub-affiliates commission, and offers no sign up bonus. It's just a waste of time then.

DO YOU KNOW YOUR AFFILIATE'S REPUTATION?

One word of caution here about affiliate programs. You have to carefully check out the network's reputation and the affiliate offers that you use. They are going to impact your online image and if they are fraudulent, you not only lose the money you made, but you can lose future opportunity for making money because your online reputation is shot via association too.

So, before you sign up to a network program, try to find out how long they have been in business and how carefully they vet their members. You may get some flash in the pan startups that offer outrageously good terms, incredible sign up bonuses, three tiered programs that last a lifetime, and then when you get on and work your butt off, they disappear off the Internet the next day. That is not the position you want to be in, either as an advertiser or a publisher.

So, go to different marketing and webmaster forums and check out the reputation of different offers and networks. You will find people are very helpful and will answer your questions or any misgivings you might have. Be careful to take these with a grain of salt too, however, as people do get paid to promote different affiliate programs. However, it's better than not doing a little background check on your own.

A couple of good places to find information on affiliate programs are:

- **Digital Point**

This is a webmaster forum, but it also offers an Internet marketing board where you can go and talk about all kinds of great online affiliate strategies. It is located at <http://forums.digitalpoint.com>.

- **Warrior Forum**

Another awesome resource to find information on all things about Internet marketing. In particular, they have a board on affiliate marketing where you can get the latest scoop on some of the hottest topics in affiliate marketing, like CPA networks. It is located at <http://www.warriorforum.com>.

If you start getting complaints from people who used your links to go get an affiliate offer that didn't deliver or committed fraud or theft, immediately remove that offer from your lineup and substitute with another one, while you investigate. This will save you multiple headaches down the road. Now, you may be wondering how the heck you're going to be able to do that when you might have inserted that link all over the web, in free infoproducts that were downloaded, or on social networking site walls and bulletin boards. Impossible, right?

With a little extra planning you can save your reputation and continue to add marketing offers that uphold your high standards and make good money for you. All you have to do is always use a re-direct URL instead of the actual affiliate URL to

send people to the offer. This way, should a problem occur, or even if the offer gets suspended, you can substitute, by simply reprogramming the re-direct URL located on your website in ONE location, rather than trying to grab all the links you sent out all over the web! Pretty nifty, huh? You'll be glad you did this, especially if it turns out your network didn't vet someone well enough and ended up hosting a fraud or online thief.

AFFILIATE BANKS

Where are you going to find the offers you want to promote? Well, the easiest way is to go to an affiliate network, also known as an affiliate bank, and sign up. They can help you as an advertiser to develop your own affiliate program, or as a publisher to locate and get into affiliate programs that suit your market niche. As we mentioned earlier, try to stick with well-established networks with a sound reputation, for your own sake as well as your customers.

Here are just a few of the networks out there that you can sign up for:

LARGE, WELL-ESTABLISHED, CPC NETWORKS

- **Commission Junction**

This is probably the oldest network and is very easy to join. It has a great search functionality and you can see various stats on the offers to help you make a good decision. As a publisher, it costs you nothing to join, but as an advertiser, it is the probably one of the most expensive networks to join because of its longevity and reputation for quality. It is located at <http://www.cj.com>.

HOT NEW CPA NETWORKS

These networks are lead-based networks, meaning you get paid as an affiliate to get a prospective customer to perform some action, like opt-in to a mailing list or buy a product. They are great for advertisers who can establish a return on their investment, instead of using a pay-per-click model. It can significantly reduce their expenses and help them manage the advertising budget better. It is much harder for publishers to get accepted, but well worth it, as the payouts can be much better during tough recessionary times when people part with information faster than money.

- **Azoogles.com**

It already has an estimated 38,000 publishers and growing fast. They offer freebies, ringtones, and hot topic affiliate offers that can help you to provide diversity and creativity to your affiliate marketing. It is located at <http://www.azoogles.com>.

- **ClickBooth.com**

Another great network that is highly popular with both advertisers and publishers. It offers a lifetime referral program, and a \$10 referral bonus. The minimum payout is \$50, so you will have to refer at least five people to make the payout. But, their offers are diverse and varied and can help you knock out that payout in no time flat.

- **NeverBlueAds**

Good for newbies. They don't allow adult or gambling sites, but, otherwise, they seem to be easier to infiltrate than other CPA networks. It has a very friendly user interface and are even willing to deal with International affiliate partners, in some cases.

The lists we've promoted here do not do justice to all of the possibilities available with affiliate marketing and the different types of networks out there. However, it's a good preview of all the wonderful ways to make money with affiliate marketing. Now, it's up to you, to put these strategies into action and to continue to explore the exciting world of online affiliate marketing.