

# e-Wealth Secrets

By

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**Lesson Eight**

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## **Make Money from...E-Commerce Without the Effort!**

### **How To Make £££ in E-Commerce Without Capital, Time, or Even Any Skill**

If you want to make really good money on the Internet the most obvious way is to set up your own e-commerce business. Companies like eBay, Lastminute and Amazon are world leaders in e-commerce, turning over many millions (or billions) of pounds a year from their famous websites.

Of course, setting up a complete e-commerce business of your own is easier to say than to do. It usually involves a significant amount of capital and time, to say nothing of technical know-how. As such, it is perhaps not the easiest choice if you want to make 'just' an extra £100,000 a year, part time from home.

Fortunately, thanks to the magic of the Internet, there is a way in which you can have your own successful e-commerce business, and stand to make a substantial yearly profit from it, but without needing to set up a business of eBay proportions. This is to take advantage of one of the tens of thousands of affiliate and reseller programme opportunities that are now widely available.

Affiliate and reseller programmes allow you to effectively set up and run your own e-commerce business in cyberspace – and make real money from it too – but without all the capital, time and technical know-how ...and of course the hassle ...that it normally involves.

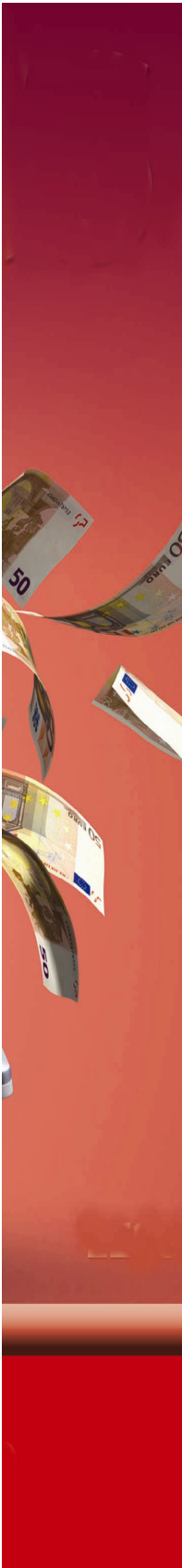
In many ways affiliate programmes are a short-cut to cyber-profits. But they certainly won't leave you feeling short-changed. Consider this example: One of the most developed affiliate programmes is run by the famous eBay Internet auction site, and is a system where entrepreneurs get paid for referring customers to eBay, often just by doing something as simple as mentioning eBay on their websites. Several eBay affiliates in the USA earn over US\$100,000 (approximately £50,000) per month ...well over US\$1,000,000 (approximately £500,000) each year! And their top 100 affiliates average nearly US\$25,000 (approximately £13,000) each month!

In this lesson we will study how to successfully find, set up and take advantage of affiliate and reseller programmes.

### **What Are Affiliate & Reseller Programmes...and How Do They Work?**

Do you want to make some money on the Internet ...but you don't have a product or service to sell? If the answer to this question is 'yes', consider becoming an affiliate or reseller for one or more of the many existing, already-successful, Internet businesses.

Affiliate and reseller programmes (sometimes spelled 'programs' following



American English) are used by Internet businesses to encourage people to promote their product or service to others effectively, and to reward them for doing it.

There is probably no easier way to make money today from selling goods and services online. Currently affiliate programmes are still relatively small scale in the UK but are predicted to grow massively in future. In the USA, affiliate programmes are already massive. They are estimated to account for 20% of all Internet sales or around US\$53 billion of business over the next year. Affiliate programmes offer the newcomer, amateur or small scale business a chance to tap into that massive turnover relatively easily.

One important point to note is that when you get involved with this type of opportunity you are promoting someone else's website, products, or services rather than your own, which isn't always the best long term moneymaking strategy. But it does mean that all you'll need to concentrate on is advertising – because whoever you're working with normally handles everything else – and you can start making money on the Internet almost immediately.

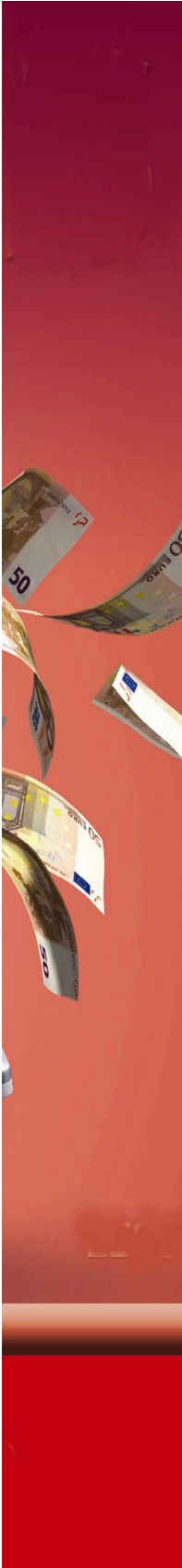
If you just want to make a 'few extra thousand' in your spare time, or you don't have much time to devote to an online business, plugging into an existing, up-and-running Internet business in this way may be the best way to get started. There are thousands, if not tens of thousands, of businesses on the Internet which will pay you to help promote and sell their goods and services online.

Affiliate or reseller programmes are everywhere these days. Each programme is different and the range of products and services offered is huge – you can earn some decent money in various ways, selling everything from art to travel, clothes to property, computer equipment to IT services, chocolate or loans!

Of course, selling someone else's products and services as your primary source of Internet income has its pros and cons. For many people the advantages outweigh the disadvantages and it's a great way to start building a nice extra income. It all depends on you and your goals.

One very good thing about affiliate and reseller opportunities is that you can use them as either as a sideline to other profitable projects in cyberspace, as well as a standalone opportunity in their own right. Some marketeers, for example, use affiliate and reseller programmes only as a 'back end' to their own products or services, to generate additional income without doing much extra work. So, for example, if you want to sell goods on eBay, import-export, sell e-books or publish a blog, an affiliate or reseller programme can be a very good add-on to make it even more profitable.

When you exploit this type of opportunity all you really need to get started is a 'good idea' for a website – one that you think will be interesting and attract a



lot of attention and a lot of visits. Then you simply set up a website in the usual way. (In fact, many opportunities actually provide you with a website, so you don't even need to do that. And many opportunities don't even need you to set up a website!)

Next, you sign up with one (or more) of the affiliate programmes that are on offer. When you do this you will receive special coding, to copy and paste into your website (or into your newsletters, e-zines or e-mails as well).

When someone visits your website, clicks through your specially coded link to enquire about the products or services you are an affiliate for, and then makes a purchase – you are credited with a sales commission from that sale. You might also be credited with a commission just for directing a visitor. The programme owners (or merchants as they are often called) have tracking software in place that monitors your sales and commissions. At the end of a specified period, the merchant or merchants you are affiliated to automatically send you a payment.

### **Can I Really Make Money From Affiliate Programmes?**

Yes! But, and this is very important – you must be committed and work at it to build high traffic for your affiliations. Normally, you will make more money from selling a product or service. Affiliations only generate a fairly modest commission per sale. The compensation with these programmes is that they are relatively easy and cheap to set up, and because you can focus on marketing you should be able to attract a higher volume of sales than with an ordinary Internet business.

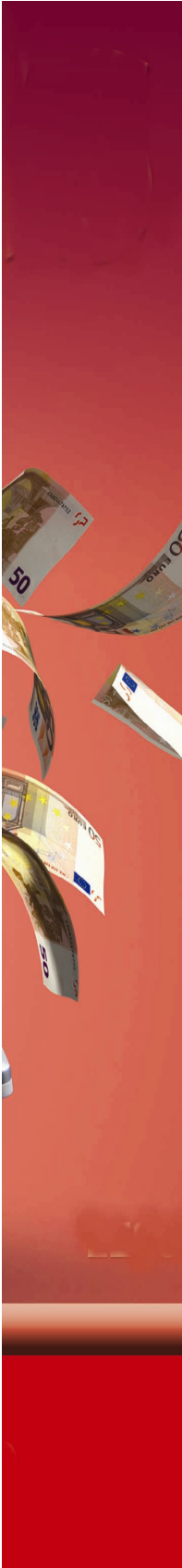
Some people are making tens of thousands of pounds with affiliate programmes alone. However, £100-£200 a month is common even for a fairly small programme. The people who are making thousands of pounds a month from affiliate and reseller programmes have two things in common: They work hard to promote their sites, and they generate a lot of traffic for their affiliations.

### **What Do I Need to Get Started?**

You don't need many technical skills. Most affiliate programmes only need a very simple website – and some don't need a website at all. All you'll need to know is how to create and use links and possibly how to use bulk e-mailing too. If the programme owner provides you with a ready made website, the necessary technical skills are fewer. Normally reseller programmes require you to create and maintain your own website, so the technical skills needed are higher.

Since content is what attracts and maximises traffic through an affiliate or reseller website, you'll need an eye for spotting, creating (or sourcing) good website content like news, views, articles, surveys and reviews etc.

If you are already publishing e-mail newsletters, e-zines or a blog (see the previous lesson), affiliations make a great profitable bolt-on to the information



business.

## **Advantages & Disadvantages of Affiliate & Reseller Programmes**

### **Advantages**

- You don't need your own product or service – you can use someone else's.
- You don't need to buy or store any stock, process transactions or provide customer service – the programme owner does it all.
- You can focus on promotion and marketing – the most important part of any business.
- You can start immediately and be earning money within a matter of days. Once up and running you should be able to rely on a regular income.
- No staff, no stock, few overheads, no premises.

### **Disadvantages**

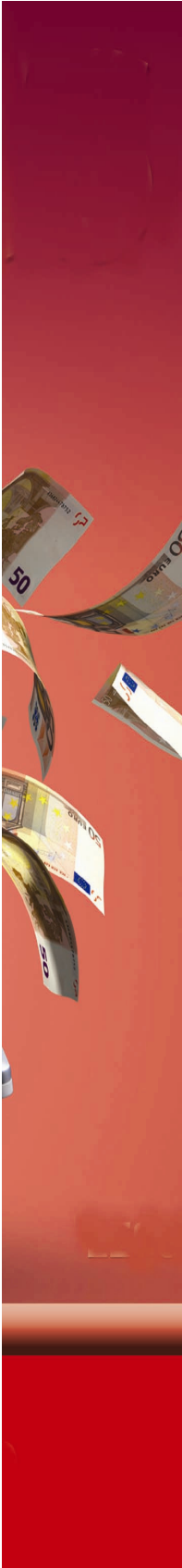
- You'll make less money ....probably ....than if you were buying and selling a product or service in the usual way.
- You don't own the business as such. If the programme owner closes down (or cancels the programme) your business (and your income) could vanish. Be aware: Some programmes are here today-gone tomorrow.
- You will face competition from other affiliates and resellers selling exactly the same thing.
- You have little control over anything. You can't control the product specification, service, price (resellers can control price in a limited way), or supply.

## **What's the Difference Between an Affiliate and a Reseller Programme?**

Affiliate programmes and reseller programmes (also sometimes known as associate programmes) are essentially one and the same thing, and the terms are often interchanged. There are a few differences, but these can and do vary from programme to programme. Here are some guidelines:

### **Affiliate Programmes**

When a customer clicks on your affiliate link they normally go outside your own site and are automatically forwarded to the programme owner's site. So,



‘your’ customers are actually doing business with them, not you. (Normally when your customer is forwarded to the merchant’s site they are marked with a cookie. This identifies you as the referrer for the commission.)

With affiliations the merchant, not the affiliate, processes the payment and sends the order. They also provide customer service and any technical support needed.

With most affiliate programmes you create and design your own website (or generate traffic using other methods, such as newsletters and e-mails). Most affiliate programmes do not include hosting for your website, though some provide help with design and also provide some content.

Affiliate programmes are (or should be) completely free to join and participate in.

### **Reseller Programmes**

Resellers are essentially wholesalers. They buy the goods or services from the programme owner at trade price and resell them to the customer at retail price. (Very often the goods go directly to the customer, so you do not have to handle them. This is called ‘drop shipping’.)

With reseller programmes the customer is your customer. You process the transaction (resellers will normally need to have their own merchant accounts to accept credit cards). Resellers normally provide customer service, technical support etc. to the customer.

Resellers design, operate and maintain their own website (although support is usually provided). They also often have the opportunity to set their own prices, perhaps increasing them to increase their profits or reducing them to increase the volume of sales, and terms of business.

Resellers normally make a higher commission or profit per sale than affiliates.

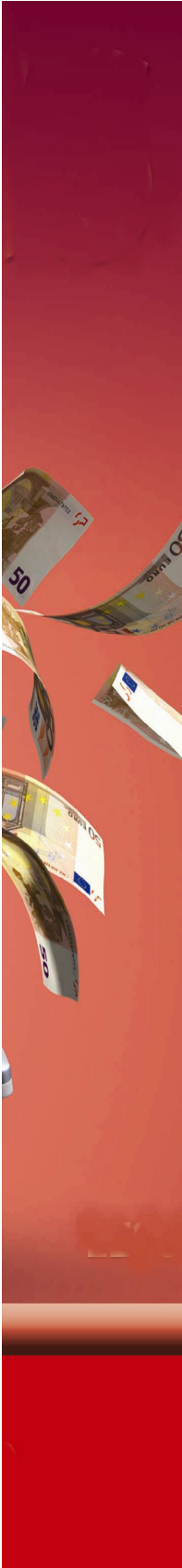
There may be charges including a signing-up fee and a regular service fee for becoming a reseller.

Resellers may usually appoint affiliates, as well as refer them, and receive a commission for doing this plus a commission on all their sales.

### **Finding & Choosing the Best Products & Services**

The first step to success with affiliations and reseller programmes is to decide what products and services you would like to be an affiliate or reseller for. This is generally a more successful approach than finding a programme and then trying to decide if it is a good thing or not!





As you'll already know, the Internet is a huge jungle of companies each trying to sell their particular product or service online. Fortunately for us many of these companies also make use of affiliate or reseller programmes. For these companies (or merchants) appointing affiliates and resellers is a way to attract more online sales, or visits to their website, for no extra effort and at relatively little cost. Companies offering schemes include both very small and very large organisations – from farmers selling cheese or artists selling their art right up to IT companies and electronics manufacturers. Even Internet auction site eBay have a comprehensive affiliate programme.

You can find programmes offering almost any product or service imaginable – ranging from books to computer hardware to gift baskets and marketing courses or even Viagra!

It's usually best to choose a product or service area that you are interested in or knowledgeable about. This makes it easy to produce and maintain a lively, interesting website. Traffic and sales will always be higher if you're enthusiastic or passionate about the product or service you are promoting.

For example, if you're passionate about jazz you might write a blog for jazz lovers, with affiliations to sites selling music, books, memorabilia and concert tickets. If you love fishing you might publish a website for anglers. Then you could become an affiliate (or reseller) for companies selling fishing gear, outdoor clothing, books or even fishing-related holidays.

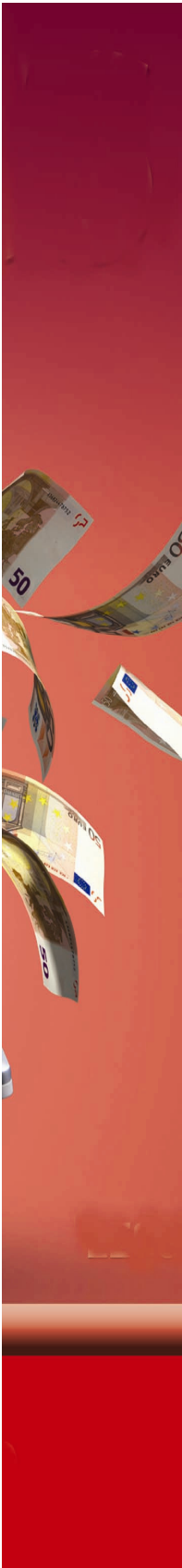
It's usually best to sell products which are in high demand, not very specialised niche products. For example:

- Information products are good to sell because that's mainly what people use the Internet for – to seek information.
- Digital products have high profit margins and often have high commissions.
- Bargain priced products are always in demand.
- New products, fads and trends can also reap rewards if you move quickly.

A study by international accountants Ernst & Young found that the most popular products bought on the Internet are:

- Computer related products (40%)
- Books (20%)
- Travel (16%)
- Clothing (10%)
- Recorded music and subscriptions (6%)



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- Gifts (4%)
  - Investment products (4%)

Another important guideline is to go with the market. Anything that is currently popular offline will normally be popular on the Internet as well. A hot spot in the market is easily recognised. For example, the mobile phone ringtone business has been one of the biggest market-driven trends in recent years. During the early stages of the ringtone boom affiliate programmes relating to them were worth their virtual weight in gold.

If you are not too sure about what is hot and what is not there is always the option of going with affiliate programmes for popular brand names. There are a surprising number of well-known companies that offer affiliate programmes allowing them to increase their sales online, and you don't need to be a big name to sign up for them. The slight disadvantage with these programmes is that lots of other people want to be involved with them too and this can create excessive competition. Reseller programmes can be better in this regard, because there is more that you can control to give you a competitive edge.

Try and focus on what you know people look for online – by using the popular search and research tools to find what is most commonly searched for. See the Appendix for more information. Once you know what people look for online it becomes easy to find affiliate programmes that will cater to that demand and attract lots of business.

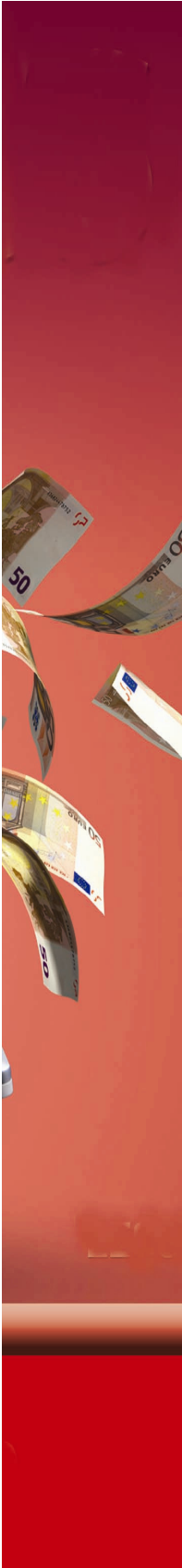
Would you actually use the products yourself? The answer to this question can actually determine how successful you might be with any given affiliate programme. If you actually use something yourself and/or really like it there's every chance lots of other people will too. You'll also find yourself writing articles, reviews or testimonials to use on your website, and your enthusiasm will be infectious. On the other hand, if you wouldn't ever use the product (and don't know anyone else who would) then you need to ask yourself why anyone else should be expected to either.

### **Researching the Competition**

Before you choose any product to sell using an affiliate or reseller programme (or indeed before selling anything on the Internet) it is sensible to research the existing market. Find out:

- Who are your competitors?
- How many of them are there?
- How busy are they?
- Which keywords are they targeting in searches?
- How many links do they have?

Alexa and Overture (see Appendix for details) are invaluable online research



tools that can help you find out a great deal about the product, service or market you are thinking about getting involved in.

Also, once you are up and running with a programme make sure you get access to the ‘traffic stats.’ from your web hosting company. These will allow you to monitor who is visiting your site, which pages they are viewing and how many of them there are. By checking to see how these compare with the market as a whole you can see how successful you are being, and how you could improve.

## **Finding & Choosing the Right Affiliate or Reseller Programme**

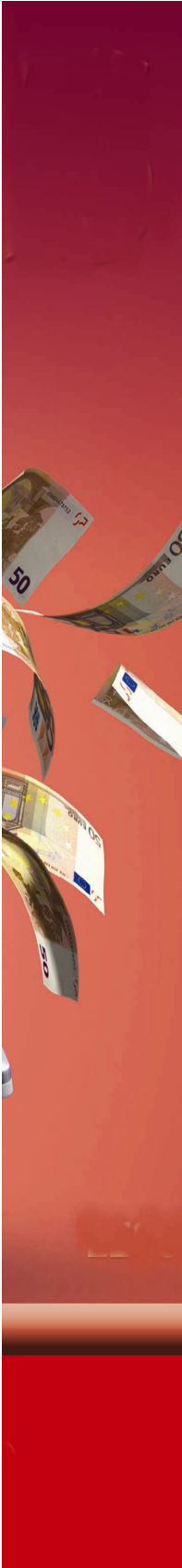
Once you have decided on a product or service area, the next step is to find the most attractive and appropriate affiliate or reseller programmes that are available within it.

There are thousands or even tens of thousands of programmes to choose from, in most product and service areas. Generally, it is best to be discriminating, and not to sign up for the first scheme you find out about. Remember, merchants have very little to lose by signing up anybody and everybody that applies.

Many affiliate programmes often offer an ‘easy in-easy out’ arrangement, where there is no formal contract or long term commitment. However, just because they are easy to exit does not mean you should rush into them. Because, if a programme fails, you will still have wasted your time and enthusiasm if not much money. Be especially careful with reseller opportunities since these may involve you in signing a legal contract with the programme operator. This may tie you up for a period of time and/or involve financial implications if you wish to exit them.

You can find affiliate and reseller programmes using a simple Internet search. Simply add the words ‘affiliate’ or ‘reseller’ to the products or services you are interested in and you should receive lots of opportunities. There are also several websites which will help you find opportunities, and some provide reviews on them – some of these are listed in the Appendix.

Remember that you can in theory sign up to as many affiliate programmes as you like, try them to ‘see how they go’ and then just stick with the best. However, the drawback to this is that you might devote insufficient time to each programme, so never exploit the full potential of any one of them. So try and restrict numbers to what is manageable depending on the time you have for your business. If you are operating reseller programmes then it is often better to concentrate on just one. (With reseller programmes your agreement with the merchant might forbid you from being a reseller for competing or similar products.)

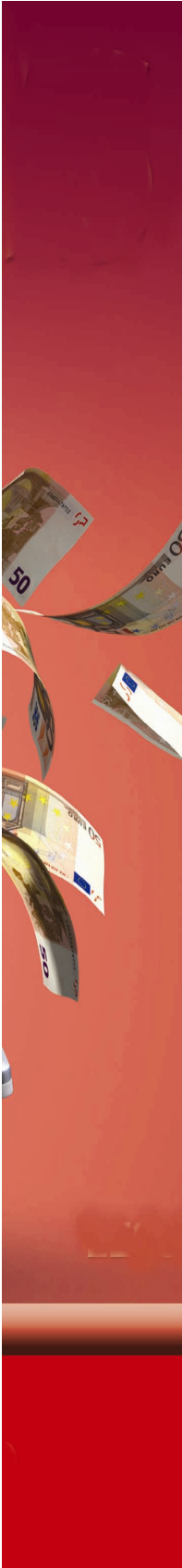


When deciding what programmes to pick there are a few guidelines to follow that will help you decide whether a particular programme is worthwhile:

- A popular product that is already selling well, or with genuinely good sales potential, and that is competitively priced.
- A professional looking website (for affiliate programmes) that is well designed, easy to navigate and well maintained.
- Good customer service and support for buyers of the product or users of the service. (It can be a good idea to buy something yourself to test it out.)
- A clearly worded agreement or contract outlining what is involved and the terms and conditions relating to the programme.
- Marketing support. This could include a ready-made website or software, images or text that you can cut-and-paste into your own website, professional e-mails and newsletters that you can send out to customers etc.
- Technical and practical contact and support to deal with any questions or problems, or to allow you to make suggestions – preferably available offline as well as online.
- A system that can track and record your sales and commissions – ideally this should consist of your own private, affiliate page on the merchant’s website where this data is available at any time. Some of the bigger programmes offer independent auditing of figures, so you can be confident that you receive what you are entitled to.
- Regular payments of your affiliate commission, even if it is fairly small. Monthly payments are best, although some programmes only pay out when your commission reaches a certain level, e.g. £100.
- A system that records and pays for sales resulting from customers’ return visits. This is important, because customers do not always buy from a website on their first visit. (This will be discussed in more depth in the ‘Commission’ section.)

### **How Long Has the Programme Been Around?**

Always check this and find out, especially if this information is not volunteered. A new affiliate or reseller programme is not necessarily a bad thing,



but it may take months to build up traffic and sales to a profitable level – and there may be some snags or technical glitches with it. An established programme on the other hand, will usually be smooth-running and proven so that, as long as you put the effort in, you can virtually guarantee a minimum level of commission.

The longer a programme has been around, the better the chances are that it is profitable too. Like much else on the Internet these kinds of opportunity come and go, literally overnight. On that basis, something that has been up and running for a year or more can be considered established!

## **Affiliate & Reseller Commissions: What You Need to Know**

You make your money from affiliate and reseller programmes by means of a commission. In other words, when a customer buys something as a result of a referral from you, or from your site, the programme owner pays you a percentage of the sale. (Reseller programmes are not strictly commission based – there your profit is the difference between the wholesale price and the retail – but the principle is similar.)

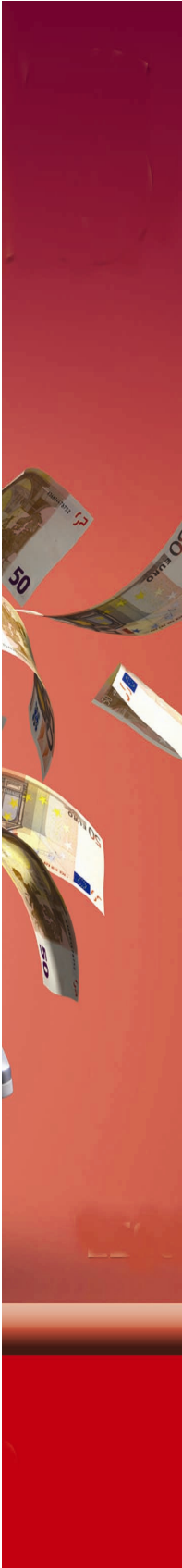
Whatever programme you are considering, obtain full and clear details of the commission structure. Also remember that with an affiliate programme, your commissions represent mostly pure profit! The merchant will handle all aspects of the sale, including order fulfilment, shipping/postage, and customer service. With a reseller programme you will usually have some other costs to meet (but your commission may be higher as a result).

Commission figures can vary extensively, and commission structures mean it can be confusing and difficult to spot the best opportunities. Many affiliate programmes pay very little – some as low as 2%. Others offer incredibly high commissions – up to 75% in some cases. However, a low commission figure is not necessarily a bad thing (it can be a positive sign in that the products are easy to sell), nor a high one necessarily a good thing (it can be a very negative thing indicating the products are tough to sell).

Would you rather have a £1 royalty on a million £10 items, or a £10,000.00 royalty on each of three items? No contest!

Earnings are directly related to the sales potential of the product, the market and the amount of work you do both at the beginning and on an on-going basis. Earnings aren't necessarily related to the price of the product, and it is possible to make a lot more from a 'cheap' product than an 'expensive' one. Affiliate earnings range from £5 a month to £50,000 a month (according to eBay)!

If, for example, you join a programme which pays just 5%, you'll only make



£5 for every £100 in sales. Whereas a very similar programme might offer 40%, so you'll get £40 for every £100 of sales. At first glance, it looks like you'd choose the highest commission offer. But you have to look at the overall picture too. The product offering the lower commission might actually be much better and much cheaper (partly because the commissions are lower). So while you will only sell £1,000 of goods per month on the programme offering 40% commission – making £400 – you'll actually sell £10,000 of goods per month on the programme offering 5% – making £500!

It is important to weigh up the commission levels on offer with the business and the product in question and its likely sales volume. Always think about the long term prospects for a product and a programme, and think about your likely income on a long term basis. Companies who offer high commissions on their programmes might be aiming for fast growth, by offering high commissions to sign up lots of affiliates quickly. However, this might not be sustainable long term. Companies offering lower commissions might be 'playing safe' with a view to developing something that will last.

Here are a few more points to bear in mind when considering commission levels:

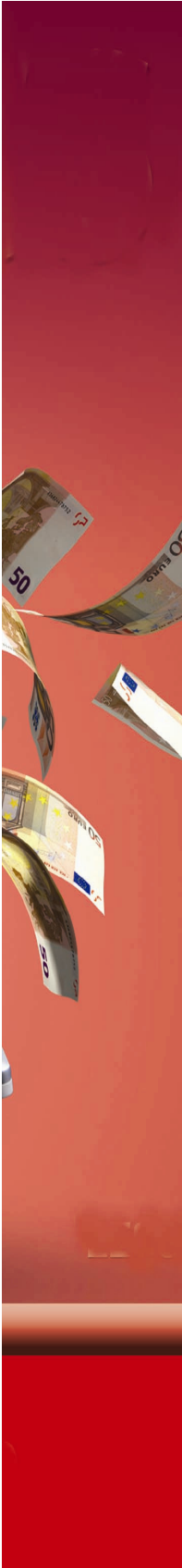
Tiered Commission Rates: Many programmes offer tiered commission rates. This means that your commission percentage increases (or occasionally decreases) with your turnover. For example Art.com, a supplier of paintings and prints, has the following tiered commission structure, priced in US\$:

<i>Sales Per Month</i>	<i>Percentage Of Sales</i>
Less than \$500	25%
\$501 to \$2,000	26%
\$2,001 to \$5,000	27%
\$5,001 to \$10,000	28%
\$10,001 to \$20,000	29%
\$20,001 and up	30%

Bear in mind that typical sales per month are likely to be around the bottom/middle of the quoted range. The higher sales figures may be very difficult to achieve for most affiliates.

Lifespan of Commissions: Many affiliate programmes only pay you a commission for a limited number of days after a customer you refer first visits their site. This may be as little as three days. However, other programme owners pay you your commission no matter how long it takes for the customer to buy, which is known as a lifetime commission.

Bear in mind that, depending on the type of product, customers do not necessarily buy on their first visit to a website but 'think about it' and then come



back later. So, programmes offering a very limited commission lifespan can be very poor deals, or even something of a scam, because when the customer returns to buy later your affiliation has expired and you get no commission whatsoever. Generally, good programmes should have a commission lifespan of an absolute minimum of 14 days.

The very best affiliate programmes have sophisticated cookie-based systems and go to a great deal of trouble to track your referrals and credit you with sales well into the future, not just for initial sales but for all subsequent sales too. It's important to find this out because the difference can mean hundreds or even thousands of pounds over the course of a year.

Sub-Commissions: Some but not all programmes pay you a sub-commission on any sub-affiliates or sub-resellers you sign up. (Art.com, for example, pays 5%.) Sub-commissions can generate you very useful extra income.

It's a good idea to check exactly how sub-commissions are structured before signing up. Some programmes only pay you a one-off sub-commission, i.e. if you sign up an affiliate for them you receive a one-off payment. The more generous programmes pay multi-level commissions, at varying rates, for all the affiliates you sign up, any affiliates they sign up and all the purchases they make for an indefinite period. This can be a very good way to create a residual income, even long after you have finished promoting the programme yourself.

Payout Dates & Thresholds: Every programme will have a formal payment system. Good affiliate programmes pay out your commissions at least monthly. Others pay out every time your commission reaches a certain level. If you are only looking for a small part-time income from affiliations choose a programme that pays out at a low threshold, such as £20.

## **Do's And Don'ts**

### **Do**

- Look for programmes that mirror your interests, and those of the site you would like to create.
- Choose products that people really need or want to buy – the Internet, nor an affiliate programme, won't make people buy something they don't want.
- Find out and consider as many programmes as possible, before homing in on those which seem best suited to your needs.
- Put a lot of thought and effort into creating a website that people will enjoy, find useful and want to visit again and again – **this is the real secret of generating high affiliate traffic and commissions.**





## Don't

- Join an affiliate programme that requires you to pay a fee up front to get started. If you come across such a programme, it is more than likely a scam.
- Get involved with a product no one buys, which people aren't likely to want to buy online, or which is far too specialised or too small a niche. Good affiliate profits rely on volume.
- Sign up for a programme that offers high commissions, without looking into the background of the product and the company selling it, to ensure those high commissions are realistic and achievable.
- Sign up for a programme where your affiliation expires quickly, or which can't record and track your customers' subsequent visits and purchases. If you do, you may find that you are doing all the promotion work but getting very little (or even no) commission for it.

## How To Build a Successful Affiliate/Reseller Website

Not every affiliate programme requires you to have your own website. It's perfectly possible to earn affiliate commissions using devices such as e-mailings, newsletters, e-zines and blogs. However, you can normally expect to generate more traffic and commissions if you have a website.

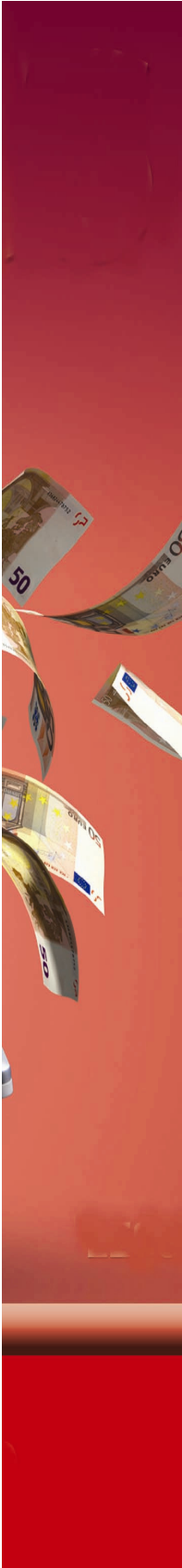
Before you put pen to paper, or mouse to screen, start with a sound basic philosophy for your site. Don't be in a hurry to sell, even though this is your eventual aim. Concentrate on attracting people to your site for reasons other than to buy, thus gaining credibility and customer confidence, allowing you to generate repeat visits and perhaps build a mailing list too. Encourage people to use and value your site as a resource in its own right and not just an Internet store.

In particular, offer people incentives to keep returning to your site regularly for more benefits, and ultimately to buy. News, articles, updates on goods and services, free downloads, competitions, shareware, product reviews, e-books and e-zines (as we studied in the last lesson) that are linked with your products are all good ways of doing this.

## Basic Steps When Setting Up Your Own Website

- Decide what style and image you want for your website. Always focus this around your site's target audience.
- Prepare a specification and brief for the site. Decide what features you want to incorporate and what content you want to include.



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- Decide whether you're going to create your website yourself or get a professional web designer to design and build it for you – see later. This will depend on your own skills and how complex (or simple) the site is.
  - If you're going to use one, look for a designer with experience of the type of site and technologies you want.
  - Decide who will host your site, i.e. publish the pages on the Internet.
  - Choose and register a suitable website address or addresses.
  - Test the site extensively before you launch it, looking at it from the user's point of view. For example, make sure the links work.
  - Market the site to attract visitors. Registering on search engines is an important first step. For more things you can do to promote your site see later.

### **Create Your Own Website...or Use a Designer?**

Professional website designers know all about building glitzy sites, adding shopping carts, integrating merchant facilities, graphics and pictures, bells and whistles .... and creating sites that take ages to download and often break down! However, the good news is that you don't always need them. The ideal person to design the perfect website could be the person who knows your business best .... you!

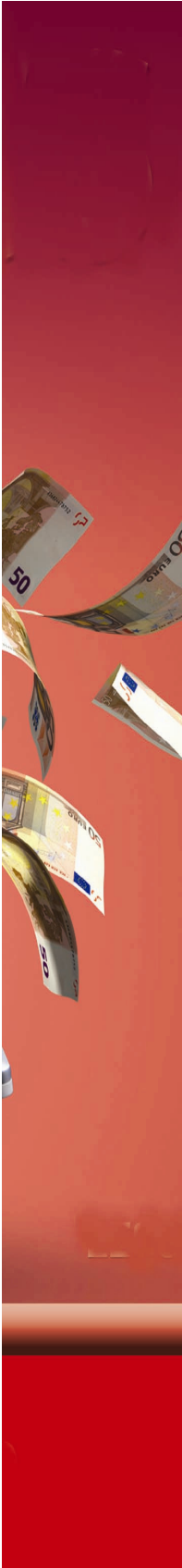
Building your own website is the cheapest way of establishing an online presence. And you don't need high levels of technical expertise as there's a range of tools you can use.

But using a web designer or developer to design and build your website has many advantages. Your website might be the first time a potential customer comes into contact with you – so you'll want to make a good impression.

Using a designer helps to ensure that: The design of your site fits your business image; customers can find key information quickly; that the site offers the technology you want – and can also help ensure that your site appears near the top of search engine listings when you register with them.

Also consider your budget, but don't make a false economy. You can put together a website yourself for next to nothing. But this can take time, plus extra time to sort out the inevitable hitches-and-glitches. A professionally designed site can be up and running sooner, and also earning you commission from day one.

Lastly, look at lots of other sites to get ideas and to see what doesn't work. Gather as much information as you can on the number of hits they attract, their sales rates and how high/low the search engines rank them, so you can get a good



idea of what/what not to do with your own website.

### **Building Your Own Website**

You don't need fancy web design software. The simplest, easiest to use web design software is probably already installed on your PC – Microsoft Word or Microsoft Works are fast, easy to use and offer a wide range of templates, colours, graphics and designer tools. They are perfectly adequate for a basic website. If you can use Word you can create a website.

If you do wish to create your own site then Microsoft FrontPage is one of the cheaper HTML editing systems, but is only suitable for small, one or two page websites. It is not the most user-friendly software. Macromedia's Dreamweaver, on the other hand is excellent, but expensive.

You can also obtain downloadable trial and shareware versions of much useful web design software from various sites. Some of these are listed in the Appendix.

The simplest way to create your own website is to use templates, also known as plug-and-play templates, which are ready-made page layouts. You add your own words and pictures to create your website. However, although they're easy to use, templates can make your site look much like everybody else's website. This can be a problem if you have lots of competition all offering the same affiliations, so try to customise them as much as possible.

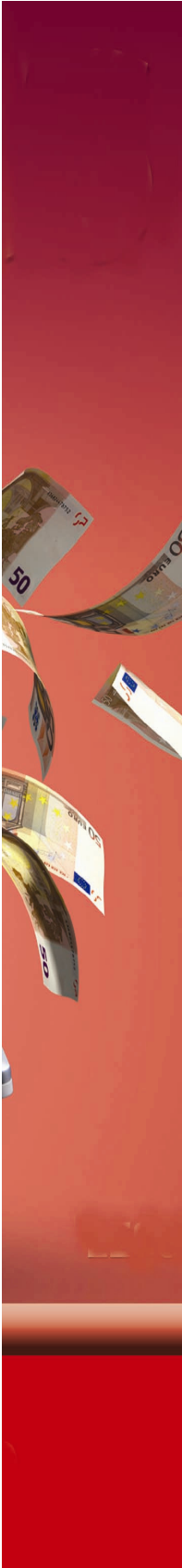
There's a wide range of template-based packages. You may be able to get them from your Internet service provider, companies which provide web-hosting services and suppliers found over the Internet using a search.

### **Getting Your Affiliate/Reseller Website Hosted**

The next step is to choose a host and a domain name for your website. Your hosting company will hold your website electronically on a server, so that customers anywhere in the world can access your site. Your domain name is the 'www.mycompany.com' identifier that allows people to find your site.

### **Choosing a Website Host**

There are lots of options for hosting nowadays so shop around. Your existing ISP (Internet service provider) may have hosting packages available, and web designers or developers may also offer hosting services. You can find lots of offers for hosting using a search on the Internet and in computer magazines. You can even set up your own web server to host your site, although this is an expensive option and you'll need technical expertise. It's probably only worth doing if you have a number of extremely popular websites, or you want to integrate a range of back-office systems with your site (most likely for resellers).



Some new businesses choose to set up their Internet business using free hosting services, or even a shared domain name or a name on Geocities or MSN etc., rather than having their own domain name. However, take care with free hosting offers – they’re often a false economy. Free hosting services can look amateurish and they might pack your site with their own ads, banners and pop ups. It can also be difficult or even impossible to get these kinds of sites highly ranked with search engines, which is essential for high affiliate profits.

Costs: For a simple site, costs are usually based on the amount of web space you need, but start from around £15 per month. This depends on how many pages your website has and the size of files used – graphics can take up a lot of space. Also, if a lot of people visit your site, you may be asked to pay additional costs based on the number of users. Affiliate websites depend on high traffic for their profits so be sure to budget for higher running costs as your site gains in popularity.

Service Reliability: Base your choice of website host on quality of service as well as cost. If your website is slow to download because the hosting company hasn’t invested in enough equipment, visitors may go elsewhere – so it is a false economy. Similarly a website that’s sometimes inaccessible due to problems with the hosting company could see you missing out on potential customers. Carry out spot checks on your website to ensure the hosting is reliable.

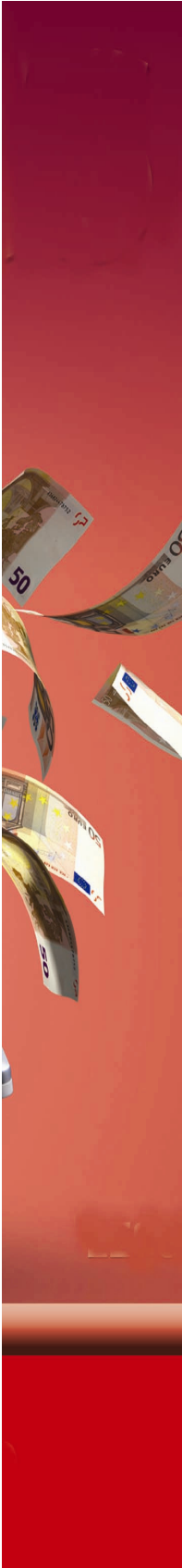
### **Choosing a Domain Name**

As you’ll already know, every website needs a domain name or website address such as [www.mycompany.com](http://www.mycompany.com) or whatever. Your domain name is also the basis for your e-mail addresses. For example, [ann.smith@mycompany.com](mailto:ann.smith@mycompany.com).

If possible, try to use a website name that is the same as your business or product name. This increases the likelihood that customers searching for a particular product or subject area will arrive at your site. It can also be effective to use many different website names, reflecting the different products you are an affiliate/reseller for and variations on the subject name. These can all be set up to ‘point’ to the same site, so you do not need multiple sites.

Experience proves that website names ending with the extension ‘.com’ attract the highest traffic. ‘.co.uk’ – the normal option for businesses in the UK – is another possibility but can serve to deter customers from outside the UK, and international customers can mean extra profits for many affiliate programmes. If .com is taken for your choice of name, rather than consider extensions such as .biz, .info, .net and .org, come up with another name and buy-up all the available extensions. Exclusivity is the key.

To use an address, you have to register it. The first step is to check whether someone else has already registered the address. You can check the availability of a web address using one of the organisations that provide information on, and



registers, website addresses such as Network Solutions. They will also show the different extensions available. If the name is available, you can register it. There is a small fee – usually around £20-£30 per name per year. (Your ISP, hosting company or designer can also usually do this for you.)

## **Promoting Your Affiliate/Reseller Website**

Promoting a website that is the basis for an affiliate programme (and to a lesser extent a reseller programme) is very much like promoting any other website, but there are some key differences.

First, what not to do. Almost all affiliate programmes stipulate that affiliates must not use methods of promotion that are illegal, as you might expect, but also ones that they consider unethical. Typically, this means no spam (unsolicited commercial e-mail), no posting affiliate links to newsgroups or e-mail lists, and no posting the links in conjunction with sites that promote illegal, unethical or immoral activities! There may be other conditions for particular products and particular programmes, so read them carefully. In most cases, failure to abide by the merchant's stipulations will result in your contract being discontinued.

Effective (and ethical) methods of promotion include:

## **Registering Your Site with Search Engines**

Some customers may come to your website directly – if you advertise it offline, or even just by chance. However, most Internet users turn to search engines to find useful websites, or to track down a company or product that they're interested in. So to increase the number of visitors to your site, you need to register it with search engines. As a start, you need to register your website with major search engines such as Overture, Yahoo, Alltheweb and Altavista. Google prefers to find your website itself, which may take a few weeks.

Many search engines allow you to register your site yourself. Go to the home page of each search engine and you'll probably find a button saying something like 'Submit your URL'. Then follow the instructions. Of course, submitting your site to hundreds of search engines is time-consuming. You may want to use a search engine submission service to do it for you. (If so, ensure that their service actually does what it says.)

You also need your website to be as high up the list as possible when somebody does a relevant search. This is particularly important for success with affiliations. Just registering with a search engine doesn't always guarantee inclusion or a high ranking in search listings. Engines such as Google also look at how many sites link to yours, for example. The way your site is built can also have an effect on ranking.



## **Advertising on Search Engines**

Paid-for advertisements linked to search results on search engines such as Google, Yahoo and Mirago can be relatively cheap. The key benefit of these advertisements is that your product or service appears in front of web users just at a time when they're interested in what you've got to offer.

The advertisements (which usually appear at the top of search listings as sponsored links, or in boxes down the side of the search results), are generally priced on a cost-per-click basis. This means you pay a fee each time a user clicks on a link through to your website.

Businesses which buy such ads sometimes take part in a type of auction, bidding against each other for key words related to their product or service. A fishing tackle firm might want to bid for words such as fishing, angling, tackle, rods etc. The amount you're willing to pay for each click determines how high up the list of ads yours will appear.

Google AdWords is the market leader in paid for 'clickthrough' advertising, although also one of the most costly. This service charges you for each visitor it brings to your site, with prices starting from 4 cents (US pricing).

## **E-Mail Advertising**

Direct promotion of websites using e-mail has boomed over recent years, but has brought with it mountains of spam. With affiliate programmes it is critical that you never spam, nor send e-mailings that might be accused of being spam.

A good strategy is to offer your website visitors the chance to opt into an e-mailing list where they can receive the latest information, news, updates etc. Offer some valuable free content (such as an e-zine, or special discounts), so they come to regard your e-mail as a useful service and never spam.

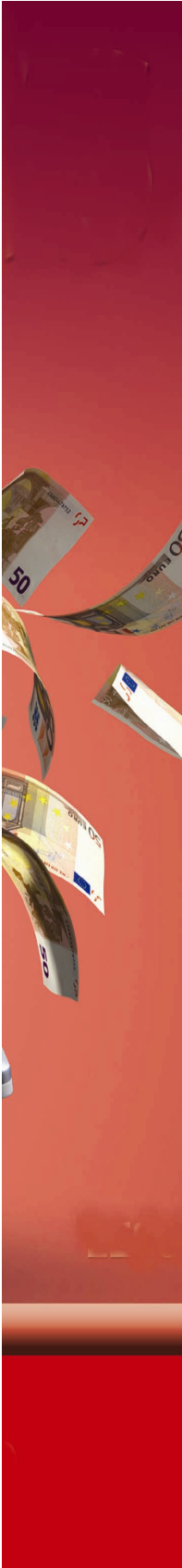
E-mails should always include at least a link to your site. It can also be a good idea to include a direct coded link to the programme owner's site to make it even easier for your customers to buy.

## **Using Banner Ads**

You may want to consider buying banner ads on other websites. These online advertisements can build awareness of your business. They can appear as part of the site, like an ad in a newspaper or magazine, or pop up in a separate browser window. They can also be animated.

Banner ads take users who click on them through to the relevant site. Bear in mind that some users find them annoying – particularly pop up and animated ads that temporarily prevent them from reading a website's actual content. Only place banner ads on sites that are closely linked to your product or service.





Generally you pay a set cost per thousand impressions (known as CPT or CPM) – the number of times your ad is displayed to web users – for banners, but there are other pricing models, including cost per click (CPC).

Though you can create simple banner ads yourself, you'll probably need to enlist a designer to create a really striking ad. With most affiliate programmes, you are also usually offered a wide variety of banners to place on sites.

Most experts find that graphically rich banners do not perform as successfully as their simpler counterparts. The main reason for this is download time. If a banner is the last thing to load on your page and the banner ad is excessively 'byte heavy', by the time it has loaded your visitor may already have scrolled down the page missing it entirely. Heavy banner ads can also slow down the loading of your pages, or critical elements of your page, and you can lose your visitors altogether! For these reasons, banners you use should be no more than 15kb wherever possible.

Banners that have extreme animation, such as rapid flashing, are also something to consider very carefully. While these do achieve high click through rates, they are also very annoying! If you do decide to implement this form of banner advertising, use it very sparingly.

Wherever possible, ensure that all banner ads (and any advertising for that matter) uses a link that opens in a new window. That way, if a visitor does choose to visit one of your advertisers it is easy for them to return to your page and review what they actually came to your site for!

Don't overestimate the value of banner advertising. Even good banner ads typically have a click through rate of just 2%.

### **Pop Ups and Pop Unders**

Many companies now offer their affiliates the options of using 'pop up' and 'pop under' ads. As with banners, these can be effective in a limited way, so long as they are relevant to the site being viewed and, whilst being obtrusive, not excessive.

Experience proves that pop ups are regarded as more irritating than pop unders. Pop ups are often closed before they even have a chance to load. So, favour pop unders and preferably those that only display once per visit.



## Exchanging Links with Other Websites

A free way of increasing the number of visitors to your website is by exchanging reciprocal links with other businesses. Under such an arrangement, you put links to these businesses on your website in exchange for one on theirs. An added benefit of reciprocal links is that they can help to boost your ranking in crawler-based search engines.

It's worth putting a lot of effort into identifying websites you could exchange links with. These might be sites dealing with a similar or associated subject, or sites dealing with a complementary or associated product. In each case, ensure that they are non-competing. Organising such links needn't be difficult – it can just be a matter of contacting another business and discussing an exchange.

Think how you'll feature such links on your website – you may well want to set up a page dedicated to them. It's best not to have such links on your home page as you risk visitors being tempted away before reading about your business. You could take things a step further and allow other businesses to set up a partner area on your site, in return for one on theirs. This could feature product reviews, information and advice, free tools, and so on.

You can also exchange links, not just with other websites, but with other e-mail newsletters, e-zines or blogs. In each case, include a link and not just a mention for your site.

## Articles and Product/Service Reviews

Writing informative articles or reviews on a subject related to the products you are an affiliate for, and including a link to your website in the copy or as a by-line, can be a subtle but effective way of generating traffic. For example, if you are interested in digital photography, write an article giving 'how to take better photos' tips, or a review of a new digital camera.

As well as using your articles/reviews in your own website send them to websites or e-zine publishers who typically use this type of content and offer them free use in return for a link. You can also send these articles to offline publishers, ie. newsletters and magazines on the same basis.

This form of promotion is a bit time-consuming, but can be incredibly effective compared to outright advertising as it isn't advertising as such. Remember that the information you supply to your readers will help them formulate a decision, so be honest in your opinions. If you are successful in this promotion strategy, over time your articles and reviews won't be seen as hype and bluster, but as a reliable source of information, making them even more valuable. Once you become known you might even be asked to become a contributor to online publications, and get paid for it!

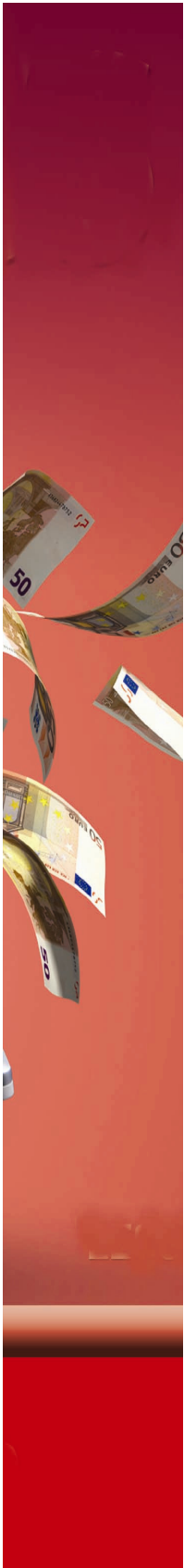




## 13 Tips to Make Your Affiliate/Reseller Programme a Winner

Your affiliate or reseller business might be a virtual business and depend on high technology, but what matters most are the real people who will visit your site to buy through it. Here are some practical tips that will help you create the best possible site:

- Be creative! In Internet marketing, new and unusual ideas very often pay off big and it's very easy to test them and see.
- Look at other websites. Decide what encourages you to browse and buy. Now put the very same features in your own store. Also look at what doesn't.
- Focus on what the buyer wants. Keep them happy. Keep company information brief and devote 99% of your space to the customer.
- Remember - content matters. Good design is important but if the content doesn't interest visitors they'll move on. Remember: Make it interesting and useful, not just a shop.
- Offer some free products or services where possible. These are obviously the best programmes to promote simply because everybody likes free stuff. Therefore, you will experience a much higher sales conversion rate.
- Go beyond the basics. Don't just add a banner or a pop up to your site. Most programmes allow you to use text links, for example, to promote products or services. It has been proven that text links are much more effective than banners, so you may want to throw in lots of text ads throughout your site.
- Keep your home page simple but make sure links to all your other sections (or pages) are clearly shown. Keep necessary clicks to a minimum: Every time you ask people to click there's the risk they might 'click and go' somewhere else.
- Try to keep page download times under 10 seconds. You'll make your site slow to load if you use too many graphics, dark backgrounds, too many fonts, etc. Remember that many customers might have a computer or Internet connection that is slower than yours.
- Small mistakes can cost you big because they make you look like an amateur. Make sure that there are no spelling, grammar or typing mistakes, and correct things like links to other pages that don't work, missing graphics etc.



- Avoid ‘too-gaudy’ colours. These attract attention but they are extremely hard to read. Black on pastel shades is the best choice for most text.
- Sound is unproven as a sales aid. If you have sound (music etc.) have an ‘off’ button so people can turn it off if they don’t like it.
- Develop visitor confidence. Provide online and offline contact details. Put a photograph of yourself on your site, so visitors know there’s a real person behind the site. Reply to any queries you receive. Ensure that a ‘money back if not delighted’ guarantee is available to all customers.
- Limit the number of affiliate programmes that you promote in any one website or newsletter. If your site contains links to dozens of affiliate programmes, you will almost certainly make fewer sales than if you offer only a few. Also this depends on the nature of the product as some products lend themselves to more links than others.

## Appendix of Websites: Lesson 8

### Useful Websites for Affiliates & Resellers

Here is a selection of some websites you will find useful when looking for and operating affiliate and reseller programmes. This list is for information only and these sites are not endorsed in any way.

Affiliate Window

[www.affiliatewindow.com](http://www.affiliatewindow.com)

Affiliate marketing company.

Alexa

[www.alexa.com](http://www.alexa.com)

Research tool showing the popularity of websites. A score below 100,000 means the site is reasonably busy. A score below 10,000 means the site is extremely popular. A score of 1,000,000 or above means it gets very little traffic.

Associate Programme

[www.associateprogrammes.com](http://www.associateprogrammes.com)

Information on current affiliate programmes.

Clix Galore

[www.clixgalore.co.uk](http://www.clixgalore.co.uk)

Searchable directory of over 3,750 affiliate programmes you can join.

Commission Junction

[www.cj.com](http://www.cj.com)

Affiliate marketing company.

HostSearch

[www.hostsearch.com](http://www.hostsearch.com)

Online tool which helps you find the best hosting deals.

Informit

[www.informit.com](http://www.informit.com)

Useful site for information on information technology.

InterNIC

[www.internic.net](http://www.internic.net)

Domain name information and registration.

IRT

[www.irt.org](http://www.irt.org)

Useful site for information on information technology.



Lynda

[www.lynda.com](http://www.lynda.com)

Useful site for information on information technology.

Network Solutions

[www.networksolutions.com](http://www.networksolutions.com)

Network Solutions is the leading provider of domain (website) name information registration.

Overture

[www.inventory.overture.com](http://www.inventory.overture.com)

Useful research information and marketing tool.

Refer It

[www.refer-it.com](http://www.refer-it.com)

Information on current affiliate programmes.

Sitecash

[www.sitecash.com](http://www.sitecash.com)

Information on current affiliate programmes.

Sponsor Directory

[www.sponsordirectory.com](http://www.sponsordirectory.com)

Keeps up to date on the best and latest affiliate programmes on the net. Visitors can leave comments on all programme listings, so you can read their input before joining any programme. Also has a useful regular newsletter.

Webmaster Opportunities

[www.webmasteropportunities.co.uk](http://www.webmasteropportunities.co.uk)

Directory of affiliate programmes.

WebSiteTips

[www.websitetips.com](http://www.websitetips.com)

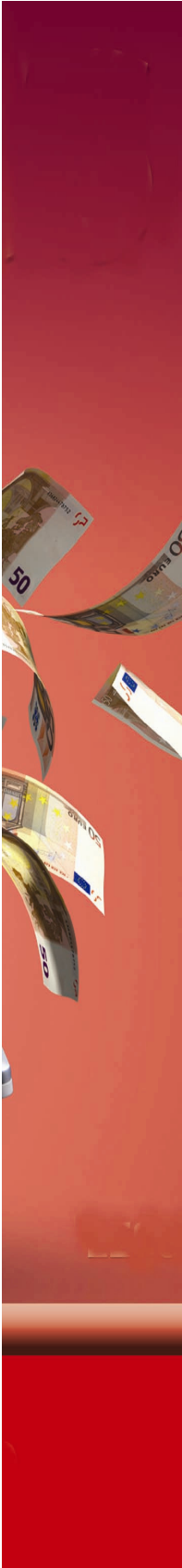
Useful site for information on information technology.

## **Selected Affiliate/Reseller Programmes**

### **Amazon**

The Amazon Associate Program at [www.amazon.com](http://www.amazon.com) or [www.amazon.co.uk](http://www.amazon.co.uk) isn't the highest paying affiliate programme but can be a good one to join, especially if you're new to affiliations. Amazon, one of the pioneers in the affiliate marketing industry, knows how to make things nice and easy for new affiliates.

It is simple to benefit from: You write a book review, put it on your site and link to the book at Amazon's site. If you want to, you can also create a large or



small online bookstore with your site which affiliates with Amazon. You benefit because Amazon.com is a high-profile site with a good reputation, wide selection of books and competitive pricing. However, because of Amazon's competitive pricing you shouldn't expect to make a substantial income unless you sell a lot of books.

## **eBay**

If you have a website, the eBay Affiliate Programme is a way for you to earn cash, introduce your site visitors or e-mail subscribers to the selection of products and value on eBay, and be a part of the team that claims to be the world's largest trading community. The eBay Affiliate Programme compensates affiliates for Active Registered Users. You'll receive payments starting from £6.00 up to £14.00, for each Active Registered User you generate for eBay, plus £0.05 up to £0.12 per Qualified Bid or per Qualified Buy It Now (BIN). For details visit [www.ebay.co.uk](http://www.ebay.co.uk). The US site at [www.ebay.com](http://www.ebay.com) also have a very successful affiliate programme.

Please Note: Websites included in this appendix, or elsewhere within the course, are all operational at the time of writing and I do aim to check and update these listings on a regular basis. However, due to the nature of the Internet and the way in which websites can appear and disappear without notice it is always possible you may find some sites which have been renamed, moved or removed.