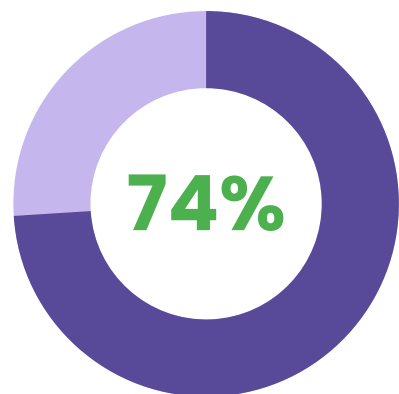


Affiliate Marketing Overview



Prior to making a purchase, 74% of United States internet consumers visit numerous affiliate websites. ([Source](#))

What is Affiliate Marketing?

Affiliate marketing is a performance-based online marketing channel where retailers compensate partners for the sales they generate. It is now predominantly used alongside other digital marketing channels like email marketing, SEO, and PPC advertising.



AFFILIATE MARKETING HELPS:

BRANDS

PARTNERS



Reach their desired audiences.

Monetize their desired audiences.

Engage their target audiences.

Engage their target audiences.

Convert buyers at a lower cost.

Grow their audience & followers.

Who Are the Key Players?



BRANDS/ MERCHANTS/ ADVERTISERS

Companies that sell a product or service (B2C or B2B).



AFFILIATES/ PARTNERS/ PUBLISHERS

Bloggers, social influencers, coupon & deal sites, loyalty/cashback sites, content sites, big media partners, review sites, mobile apps, etc.



AFFILIATE NETWORKS/ PLATFORMS

(e.g. Awin, Impact, & CJ)
Networks manage tracking, reporting, and payments to affiliates, while also providing links and assets to promote each brand.

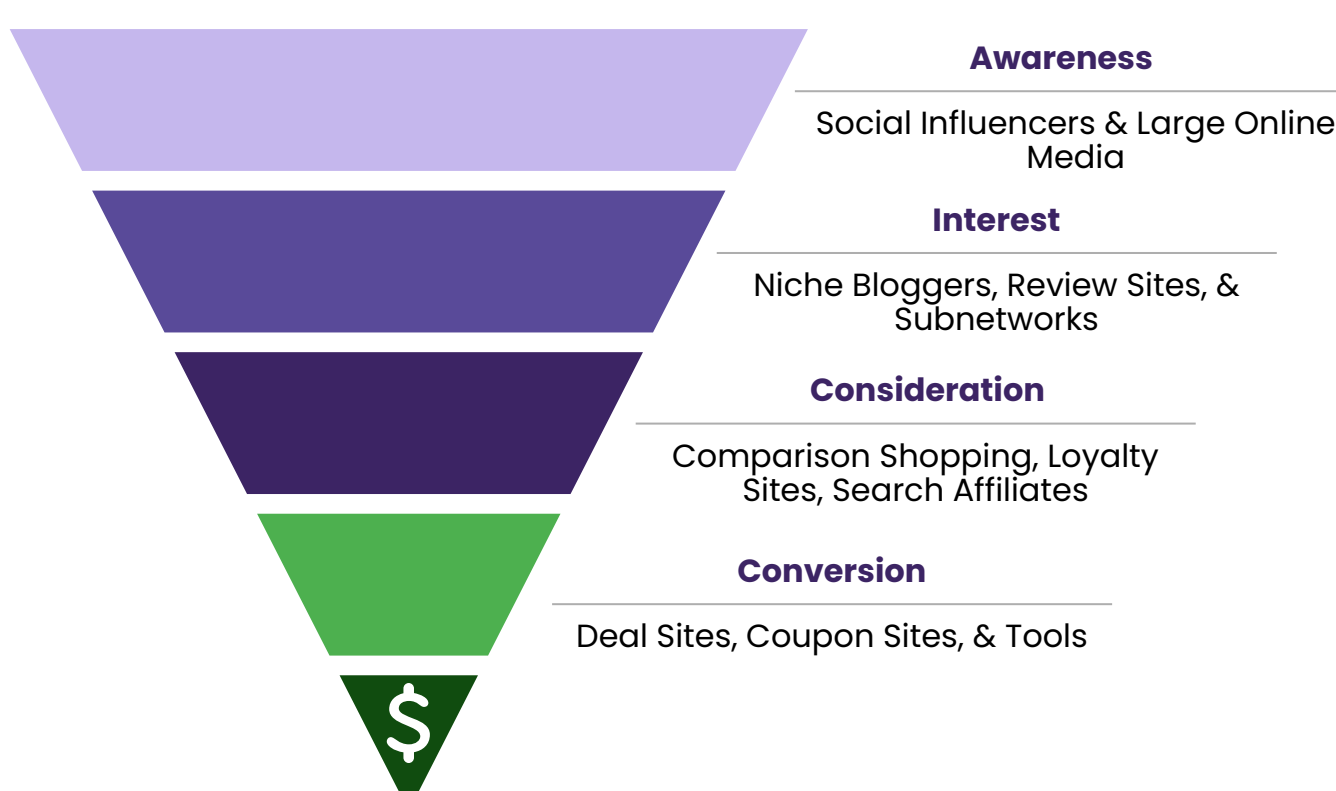


AGENCIES (e.g. AIM)

Agencies handle program operations and strategies for brands, such as partner management, recruitment, content creation, and optimization.

Affiliate Type Partner Funnel

A healthy affiliate program has a diverse range of partners across the sales funnel to drive awareness, interest, consideration, and conversion.



Must-Know Affiliate Lingo

Creative: A general term referring to the various ad formats, such as text links, coupons, banners, etc., that advertisers set up within a network for affiliates to promote.

Tracking Links: HTML codes that track clicks from an affiliate site to the advertiser site and record the desired action. They come in different types based on tracking options like Cookie-Tracking, Post-Back, and Referring URLs.

Attribution: The process of assigning credit or dollars from a sale to the marketing touchpoints that a customer interacted with before their purchase, including First Click and Last Click.

Commission Payouts: The rate an affiliate is paid for the sales (or desired action) they drive to an advertiser, such as Cost-Per-Action (CPA), Cost-Per-Click (CPC), Cost-Per-Lead (CPL), Cost-Per-Sale (CPS), Revenue Share, or a Hybrid Model—See examples below. Commissions can be a flat dollar amount (ex: \$1.00) or a percentage (ex: 10%).

Cost-Per-Sale (CPS) – Most common; Advertiser pays on the sale generated

Cost-Per-Lead (CPL) – Advertiser pays on the lead generated (form, sign-up, download, etc.)

Cost-Per-Click (CPC) – Advertiser pays a fixed amount for each click to their website from an affiliate link.

Cost-Per-Action (CPA) – Advertiser pays on a specific action, anything from a sale to a free trial sign-up.

Revenue Share – Affiliate earns a percentage of the advertiser's revenue for a specified period, typically a month.

Hybrid Model – Combination of different payout models (e.g. percentage on a sale + flat fee for a lead).