

## **AFFILIATE PROGRAMS - THE BUSINESS OPPORTUNITY OF A LIFETIME**

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Any good business owner recognises the importance of using excellent marketing and sales techniques. Given this fact, the utilisation of a variety of marketing and sales channels would inherently suggest better profits and brand awareness. This is the fundamental concept behind the idea of affiliate programs.

Affiliate programs brings prospects and customers together through sources that would typically be unavailable to the average business. Many businesses would not efficiently be able to manage the time, resources and costs associated with advertising and selling their products online. Therefore, affiliate programs offer a real opportunity to increase brand awareness and overall sales profits. Steven Taylor, Managing Director of affiliate site SCT Media ([www.sctmedia.com](http://www.sctmedia.com)) states, "We relate our revenues to our customer's online revenues. Using our online e-commerce platform we provide the ability for a variety of products and businesses to be represented on one site. We connect prospects, customers, manufacturers, authorised dealers, resellers and distributors by streamlining business processes such as outsourced solutions, advertising and post-sale services."

Since the conception of Amazon.com's affiliate program in 1996 they have expanded their presence to over 450,000 sites. The obvious difference between affiliate marketing and other forms of marketing is the fact that with affiliate marketing payouts are determined by sales and performance.

But how does such a programme work? Typically, businesses provide an affiliate e-commerce site with their product catalogue to be advertised and sold. The order is taken, money received and then the profit and order is sent to the participating business to be distributed to the consumer.

A good program is designed to provide a way for businesses to sell their products through one main e-commerce website in exchange for a commission. There are a few tips to keep in mind when selecting a program you may wish to become a part of.

First, there should be no fees required to become an affiliate. Like any distributor, your affiliate host should work on the basis of discounts from the retail price. Rok Hrastnik, the agent of Vene and Grubisa who wrote *The Millionaire Mindset: How to Tap Real Wealth from Within*, used a commission-based approach when setting up such a program and concluded, "Using this approach we received 127 requests for members (using a database of a little over 1000 customers) in just one day." Second, the affiliate host should offer marketing and advertising as a part of the package. Third, you should select a program that issues status reports on a frequent basis thus keeping you aware of vital sales and marketing statistics. Lastly, select a program that offers added value. "We pay all of the set-up and ongoing maintenance fees, advertise and sell their products, handle the payment process, and then deliver a list of sales made so our affiliate clients only need to deal with distributing the purchase," says Steven Taylor of SCT Media. "Our clients benefit from receiving orders and completing sales rather than the more tedious tasks of marketing and closing sales."

The answer seems simple. Affiliate sites provide many tangible benefits.

- 1) They allow businesses to sell their products through an online store without going to the time and expense of building and managing a site of their own.
- 2) They allow businesses that already sell their products online another channel to market and sell their products through.
- 3) They provide businesses with free sales, marketing, and advertising tools without any additional time and cost.

The world has evolved into a global sales environment. In fact, the number of internet users is expected to surpass 1 billion in 2005. If you do not take advantage of valuable tools like affiliate programs you are passing up customers, prospects, sales and missing the opportunity of a lifetime!