

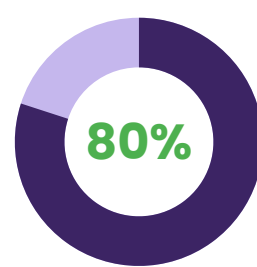
# A CMO's Guide to Affiliate Marketing



**Affiliate marketing is a performance-based online marketing channel where advertisers pay only when specific actions occur. "Actions" could be clicks, leads, sales, etc.**

## Advantages

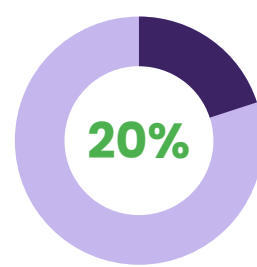
- **Pay-Per-Performance:** You only pay for site visitors, leads, or sales you receive (no upfront costs).
- **ROI-Focused:** Affiliate marketing is always focused on increasing the value of your dollar.
- **Hyper-Targeted:** As many digital marketing techniques are, affiliate marketing campaigns can be very targeted, reaching the right audience for your brand/campaign.
- **Multi-Channel Reach:** With a variety of partners, a brand can test its campaigns within multiple channels (e.g. email, social, and search).
- **Measurability:** You can track your program and clearly observe how it contributes to your business's growth.



of brands use affiliate programs to boost brand awareness and drive sales.



The global affiliate marketing industry is **worth over \$17 billion.**



of brand marketers say affiliate marketing is their most successful channel.

Source

## Commission Payouts

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

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

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

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

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

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



### INITIAL STEPS

- Set Your Goals: Sale or Lead Generation?
- Choose Your Management: In-House or Agency?
- Find the Right Network
- Create Partner Resources
- Start Recruiting



### TOP TIPS

- Not all partners are created equal. Recruit seasoned, relevant affiliates.
- Be generous with your commission. Make it worth your partners' effort.
- Be Supportive!