

Evgenii "Geno" Prussakov

Foreword by Bryan Eisenberg, *Wall Street Journal* bestselling author
of *Waiting for Your Cat to Bark?*, *Call to Action*, and *Always Be Testing*

Affiliate Program Management

AN HOUR A DAY



Praise for *Affiliate Program Management: An Hour a Day*

Social is sexy, search is cool, a hundred other things seek our attention. Yet for a number of companies, affiliate marketing remains the trusty workhorse diligently producing amazing results. In this book, Geno shares, in extraordinary detail, how to effectively engage the affiliate channel for your company.

—AVINASH KAUSHIK, Author of *Web Analytics 2.0* and *Web Analytics: An Hour a Day*

This is the best affiliate marketing guide available. No one knows the field like Geno Prussakov, and his book breaks down affiliate marketing into manageable chunks that get you up and running in no time, armed with “insider” know-how so you can launch and manage your program successfully. Learn from the master, and start tapping into this lucrative marketing channel for online sales and leads.

—ANITA CAMPBELL, CEO, Small Business Trends

Affiliate Program Management: An Hour a Day is the book you need if you want to start and manage a successful affiliate marketing campaign. It’s all here, from what to do and why to do it and then exactly how to do it, step-by-step. This book will ensure you have the knowledge you need to get it done the right way, the first time.

—JIM KUKRAL, 10-year affiliate marketing veteran and author of *Attention! This Book Will Make You Money*

As technology advances and publishers become more diverse, managing an affiliate program becomes an even more complex task. In this book, Geno successfully dissects the many intricacies of setting up and critically growing a profitable transparent relationship.

Avoid common mistakes that threaten long-term relationships as Geno expands on the previously unwritten rules of engagement, motivation, conversion strategy, and communication.

*Jam-packed with actionable strategies and real-life examples to help you leapfrog your competitors, *Affiliate Program Management: An Hour a Day* will no doubt become the first point of call for any serious business wanting to start an affiliate program.*

—MATTHEW WOOD, founder, Affiliates4u.com and a4uExpo Conference & Exhibition

Finally we have a well-written, practical, step-by-step guide for affiliate marketing. Geno has clearly been in the affiliate marketing trenches. Not only will you learn everything you need to know—but just as importantly, you'll learn what not to do! This is a must-read for online marketers.

—SCOTT ALLAN, VP of marketing, LinkShare Corporation

This book could have been named Everything You Ever Wanted to Know About Affiliate Marketing But Were Afraid to Ask. Geno steps through every detail you need to consider when creating an affiliate program. If you are new to affiliate marketing, this is the first thing you should read. If you consider yourself a veteran, it would be smart to read his book and make sure you are crossing your t's and dotting your i's. There are a lot of moving pieces to setting up and managing an affiliate program, and this book helps make sense of them all.

—TODD CRAWFORD, cofounder, Impact Radius

This is the essential reference guide for aspiring (or even experienced!) affiliate program managers in any advertiser segment. Geno is in a league of his own in terms of affiliate marketing knowledge and program management, and this book makes that abundantly clear. From competitive market analysis to deadliest mistakes to vital management mechanics, any company with an affiliate program should have this book on hand.

—GARY MARCOCCIA, CMO, AvantLink.com

Prussakov provides a comprehensive and very readable overview of affiliate marketing, which contains valuable and actionable insights for both the beginner and the experienced online marketing manager. If you're considering affiliate marketing or just trying to figure out whether it's right for you, Geno gives you the answers. If you read just one book on affiliate marketing, do yourself a favor and make it this one.

—JASON SPIEVAK, CEO, RingRevenue, Inc.

Whether you're launching a new affiliate program from the ground up or breathing new life into an existing one, this book is a fantastic guide! Divided into easily digestible chunks, the information is well organized and explains the launch process thoroughly. The guide walks you through assessing your level of readiness, conducting a proper competitive analysis, and developing recruitment and ongoing program growth strategies. The content covers all the fundamentals of affiliate program management, including setting a strong foundation, avoiding many painful pitfalls, and recruiting affiliates—the right way.

—KIM SALVINO, senior account manager, buy.at

Launching an affiliate program? Or simply hoping to run yours better and more profitably? Then pick up this indispensable handbook. Affiliate marketing guru Geno Prussakov takes you by the hand and walks you, day-by-day and step-by-step, through every aspect of running a successful and lucrative affiliate program.

—REBECCA LIEB, digital marketing consultant and author of
The Truth About Search Engine Optimization

Much of what is written about affiliate marketing is by affiliates for affiliates. There's nothing wrong with that, but there has long been a need for a practical guide on getting the most from affiliate marketing for marketers managing affiliate programs. Geno's book more than fills the gap, stepping merchants through the questions they need to ask to improve their program and showing where to find the answers.

You'll learn the pillars for successful management of an affiliate marketing program through examples, checklists, and practical advice based on Geno's many years immersed in affiliate marketing.

—DR. DAVE CHAFFEY, CEO, SmartInsights.com and author of
Internet Marketing, Strategy, Implementation, and Practice

This is an extremely thorough and insightful guide about how to do affiliate marketing for any entrepreneur or individual who wants to do this properly and maximize their success. The book is at the same time meticulous and engaging to read, with a step-by-step approach to mastering this digital discipline. After an initial introduction and overview of the industry, Geno guides online businesses on how to set up, measure, and optimize their business performance. He does an admirable job of highlighting the most important considerations while also providing advice on how to avoid common pitfalls.

—LINUS GREGORIADIS, research director, Econsultancy

Well-written and completely comprehensive, Geno Prussakov's new book Affiliate Program Management: An Hour a Day is a must-read for merchants who want to expand brand awareness and increase sales through affiliate marketing. From competitive market analysis through affiliate program setup, launch, and management to avoiding the program-killing mistakes that affiliate program managers make, Geno has covered it all in detail. Some of my existing merchants and program managers should read this book now!

—ROSALIND GARDNER, speaker and affiliate marketing consultant
and author of *The Super Affiliate Handbook and Make a Fortune Promoting Other People's Stuff Online*

Perhaps no other area of Internet marketing has more potential to grow online sales than affiliate marketing yet has so much room for online retailers to improve. Affiliate Program Management: An Hour a Day is the go-to guide for anyone who is looking to start or tune up their affiliate program. Its comprehensive, up-to-date advice on how to attract good affiliate partners, motivate and keep them happy, and protect yourself in the process is greatly needed in the industry.

—LINDA BUSTOS, director of ecommerce research, Elastic Path
Software and author of GetElastic.com ecommerce blog

Affiliate program management is a necessary and critical component of a successful affiliate marketing strategy. In this book, Geno provides a comprehensive, step-by-step guide that any business owner or affiliate manager can use to build and manage a profitable affiliate marketing program. I highly recommend this book to anyone looking to take advantage of the multibillion industry known as affiliate marketing.

—KRISTOPHER B. JONES, founder and former president and CEO of
Pepperjam Network, and author of *Search Engine Optimization:
Your Visual Blueprint to Effective Internet Marketing*

If there were ever a bible and A to Z guide on affiliate marketing, this is it. Affiliate performance marketing is one of the fastest-growing and important segments of Internet marketing. It's also the most misunderstood and complex because it touches every aspect of Internet marketing's traffic channels and transaction types. Geno has created a must-read that allows anyone to understand the affiliate marketing ecosystem and how to best apply affiliate marketing to their business. Most people entering the industry find it to be overwhelming because of the vast universe of moving parts, reach, breadth, and depth. Affiliate Program Management: An Hour a Day distills the infinite realm of performance marketing possibilities into easy-to-understand chapters that empower the reader to not only better understand performance marketing but also how to enter the industry, build a business, or add a new channel to their marketing programs.

—PETER BORDES, CEO, MediaTrust

Geno Prussakov has authored an absolute gem of a book! Affiliate Program Management: An Hour a Day is a must-read, not only for those new to affiliate marketing but also for the vast majority of marketers currently managing affiliate programs. Step-by-step, easy-to-understand instructions enable you to really grasp the essence of setting up and managing a world-class affiliate program. With no stone left unturned in his analysis, I was able to identify past mistakes made in previous affiliate programs I had set up. Now, with Affiliate Program Management: An Hour a Day by my side, I feel confident that I'll get the best results from my next affiliate program. I highly recommend this book to anyone getting ready to set up an affiliate program, whether for a small, home-based business or a Fortune 1000 ecommerce site.

—KEVIN GOLD, publisher, Search Marketing Standard magazine and
director of Marketing, iNET Interactive

Geno Prussakov has written the only book an affiliate program manager needs. In Affiliate Program Management: An Hour a Day, he provides an in-depth and comprehensive guide to designing, implementing, and running an affiliate marketing program. Over the course of 18 chapters, he covers the entire process, from competitive market analysis and how to determine payment models all the way through to handling fraud and important mistakes to avoid.

Throughout, he brings his years of experience to bear yet writes with humor and insight in order to keep things simple and easy to understand. Examples and screenshots are included to show how things are done in the real world. He even includes sample templates for email messages to affiliates. It's an impressive effort.

Affiliate marketing should be part of any merchant's online marketing strategy. And whether that company has a lot of experience in the field or none whatsoever, Geno Prussakov's book should be the next thing they read. If you want to sell your products online, buy this book. Highly recommended.

—CHRIS TRAYHORN, founder and publisher, *Revenue Performance* magazine

In Affiliate Program Management: An Hour a Day, Geno Prussakov has written the most up-to-date and practical how-to guide to affiliate marketing I have ever read. With an experienced hand, Prussakov guides the prospective affiliate program operator through each decision they'll need to make and empowers them to make educated choices. Including topics such as conceptualizing the program, deciding on program structure, choosing the right platform for giving a program the best shot for success, rolling out a program in a way that will attract attention for the right reasons, and setting up promotions that will encourage active promotion without giving away the farm, this book is packed full of tips for the beginning manager to the "old hand" alike. I've been managing affiliate programs for 11 years, and I was making notes on items I look forward to putting into place in my current project. Affiliate Program Management: An Hour a Day is a must-read for any business owner who'd like to get more out of their online business.

—WADE TONKIN, affiliate manager, FootballFanatics.com

I wish I had this book at the onset of my affiliate career. Not only is it chock-full of relevant information that is organized in an easy-to-digest format, but the suggestions that Geno provides are real-world tips that can be implemented immediately. I've already discovered several ways I can improve the performance of my own affiliate program. Furthermore, his in-depth look at the industry demonstrates the impact that affiliates have on ecommerce and business at large. This book should be given to every affiliate manager and network in the industry.

—CHELSEA OSOLING, affiliate marketing specialist, [CowBoom.com/Best Buy](http://CowBoom.com/BestBuy)

With Affiliate Program Management: An Hour a Day, Geno has created the ultimate handbook for affiliate marketers new and old. His easy, day-by-day guides provide a perfect introduction to anyone thinking of establishing an affiliate program. With clear explanations, plentiful real-world examples, and fantastic resource lists, this book is an essential reference for anyone running an established affiliate marketing effort and those who need a little refresher. It's a comprehensive compendium of up-to-date knowledge from a leader in the field!

—ALICIA NAVARRO, cofounder and CEO, Skimlinks

There's no shoptalk or jargon here—just hundreds of straightforward rules for success. Affiliate Program Management: An Hour a Day is required reading for anyone entering or currently involved in our industry.

—TODD BLOCH, cofounder and managing director, Partner Commerce

Geno has done it again with Affiliate Program Management: An Hour a Day! Not only does this book thoroughly address the challenges associated with managing affiliate programs, but it also provides a wealth of tips, suggestions, and fresh ideas for success. It's written in an easy-to-follow format that's ideal for busy affiliate managers. Starting with affiliate marketing basics and moving on to advanced management strategies, this book offers a wealth of information for all affiliate managers. As a long-time fan of Geno's work, I highly recommend Affiliate Program Management: An Hour a Day.

—MIKE ALLEN, president, Shopping-Bargains.com

Reading Geno Prussakov's new book, Affiliate Program Management: An Hour a Day, is like having your own personal trainer walking you step-by-step from setting up and launching your affiliate program to running day-to-day activities; it even includes tips for avoiding the potholes that could otherwise trip up an affiliate program.

Geno's conversational style of writing makes his book an easy read and at the same time provides insights into affiliate management from one of the most widely respected leaders in the industry. It's like spending time talking with a friend about something he loves. Take the time, it's well worth it!

—SHARON MOSTYN, AVP of ecommerce, 1st Mariner Bank

Geno Prussakov's book Affiliate Program Management: An Hour a Day is an excellent resource for both new and seasoned affiliate professionals. Mr. Prussakov begins by explaining the basics of affiliate marketing and digs deeper into each topic with real-life examples and tips. He outlines his book based on the stage of the program, from preparing for a program launch to post-launch advanced management and analysis. This makes it convenient for busy readers because they can start with the chapter that's most relevant to them.

Mr. Prussakov covers topics in great detail, down to the strategic and tactical levels, which every merchant needs to understand. For example, he discusses the pros and cons in deciding between running an affiliate program in-house vs. through an affiliate network, which is an underlying decision for any merchant. He also outlines how-to's and potential pitfalls of various tactics, from designing creatives to communicating with affiliates.

Seasoned affiliate managers should not dismiss the book because it provides a great way for them to step back and rethink their program strategy. Mr. Prussakov also provides a comprehensive list of affiliate vendors, from affiliate networks by geographical area to data feed providers. Regardless of your experience in the affiliate world, it certainly is helpful to have a list of affiliate vendors handy when you are exploring specific program needs.

I highly recommend all affiliate professionals read this book. Whether you are just starting out as an affiliate manager or looking for new strategies to improve your mature affiliate program, you'll find recommendations and examples from this book that you can apply to real-life situations.

—MIA VALLO, online advertising manager, Network Solutions

There is so much information—and so many opinions—that many online retailers and marketers are too intimidated to even launch or expand their own programs, thus leaving millions of dollars on the table.

Finally there is a way to cut through all the noise: Affiliate Program Management: An Hour a Day. Geno has done the near-impossible task of making all aspects of successful affiliate program management easy to understand. Even better, he has broken down the steps to affiliate program success into simple, actionable steps any online marketer can execute, even with their already overwhelming schedules.

I'm buying copies of Affiliate Program Management: An Hour a Day for all of my clients and associates, and I highly recommend you do the same!

—MARTY M. FAHNCKE, professional revenue developer,
FawnKey & Associates

Affiliate marketer since 2001 and advisory board member and speaker/trainer for the Affiliate Summit conference, Geno has done it again! This book includes comprehensive and easy-to-understand strategies for novices and experts alike that can be applied successfully across industry types! In a week you will have caught up on the last 10 years in affiliate marketing.

—MALCOLM COWLEY, CEO, Performance Horizon Group,
and former cofounder, buy.at

This is the most complete resource ever for new and experienced affiliate managers. From understanding affiliate marketing fundamentals to getting set up to tracking and management, you'll find everything you need to build and maintain a highly profitable affiliate program.

—PETER HAMILTON, VP of marketing, HasOffers.com

Affiliate Program Management: An Hour a Day is the perfect book to lead you through all pitfalls of starting and managing a successful affiliate program.

You get detailed information about how to prepare and launch your affiliate program together with advanced management tips. This book is not about theory; it is about building your real affiliate program, which will earn you real money!

I recognized Geno Prussakov as an affiliate marketing trend spotter about two years ago, when I started reading his blog. Since he started to blog about affiliate marketing in 2007, he has researched nearly every single problem of affiliate marketing. The years of research that Geno put into writing his blog and Affiliate Program Management: An Hour a Day certainly paid off.

I strongly recommend this book to everyone who wants to dive into affiliate marketing and swim through all the pitfalls waiting for you while you build a successful affiliate program.

—VIKTOR ZEMAN, CEO and affiliate software architect, Quality Unit

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Thank you for choosing *Affiliate Program Management: An Hour a Day*. This book is part of a family of premium-quality Sybex books, all of which are written by outstanding authors who combine practical experience with a gift for teaching.

Sybex was founded in 1976. More than 30 years later, we're still committed to producing consistently exceptional books. With each of our titles, we're working hard to set a new standard for the industry. From the paper we print on, to the authors we work with, our goal is to bring you the best books available.

I hope you see all that reflected in these pages. I'd be very interested to hear your comments and get your feedback on how we're doing. Feel free to let me know what you think about this or any other Sybex book by sending me an email at nedde@wiley.com. If you think you've found a technical error in this book, please visit <http://sybex.custhelp.com>. Customer feedback is critical to our efforts at Sybex.

Best regards,

A handwritten signature in black ink, appearing to read 'Neil Edde', written in a cursive style.

Neil Edde
Vice President and Publisher
Sybex, an imprint of Wiley

To my parents, Igor Prussakov and Svetlana Prussakova



Acknowledgments

First and foremost, my thanks go to my parents for always believing in me, regardless of the circumstances. The content and contexts that they have provided during the early years of my life have greatly contributed to shaping me into who I am today. For this, and their never-quenching love, I am and will be eternally grateful.

Second, I'd like to thank my precious wife, Lena, for her perennial encouragement and support—both during my work on this volume and in the course of my work and study in general.

Next, this book of mine could not have been the same without invaluable input from a friend and fellow affiliate marketer, Michael Coley, the technical editor of this volume. His patience, constructive criticism, and sharp mind have contributed greatly to this book.

For making this volume a reality, my thanks also go to the book's development editor Alexa Murphy, as well as to the whole Wiley/Sybex team that was involved in it, especially Willem Knibbe, Pete Gaughan, Jenni Housh, Connor O'Brien, and Dassi Zeidel.

But most of all, no one has given up more than my little Princess Anastasia, who was three when I wrote my very first book and who turned seven while I was completing this one. Once again, she has involuntarily sacrificed countless hours of play with her father and should definitely be mentioned here.

About the Author

Evgenii “Geno” Prussakov was born and raised in Kishinev, Republic of Moldova—back in the years when it was still part of the Soviet Union. He studied linguistics, English, and translation at the State University of Moldova, philosophy at Oxford, psychology in the United States, and international relations at Cambridge. At the time of this book’s writing, he is pursuing his doctorate studies, focusing on leadership, on motivation, and particularly on the challenges of leading such independent “workers” as affiliate marketers.

In 2007 Geno authored his first book on affiliate marketing, *A Practical Guide to Affiliate Marketing: Quick Reference for Affiliate Managers and Merchants*, which quickly became (and to this date remains) the bestselling volume in the niche of affiliate program management. In 2008, his *Online Shopping Through Consumers’ Eyes* came out. In 2010, a good number of his articles on leadership, motivation, and affiliate program management were included in *Internet Marketing from the Real Experts*. And today you’re holding in your hands his largest and most comprehensive book out of all of them, *Affiliate Program Management: An Hour a Day*.

With more than a dozen years spent in digital marketing, Geno has built up several online businesses of his own (both retail- and service-oriented ones), as well as the highly regarded AMNavigator.com affiliate marketing blog, which is an educational resource that currently contains more than 1,000 articles on affiliate program management, leadership, mobile marketing, and every possible area of digital marketing. His blog was voted number-one affiliate marketing blog in 2010’s Search & Social Awards by SearchEngineJournal.com. Geno was named among the three finalists in the Best Blogger category of Affiliate Summit’s Pinnacle Awards, the industry’s most prestigious awards, for two years in a row: 2010 and 2011.

Besides being an award-winning blogger, Geno is a well-known international speaker who has spoken at such conferences as Affiliate Summit, a4uexpo Affiliate Marketing Conference, eMetrics Marketing Optimization Summit, Internet Marketing Conference, PubCon, eComXpo, and other venues. He is also the senior editor for the affiliate marketing section of the *Search Engine Marketing Journal* and is a regular contributor to numerous periodicals on digital marketing such as *Website Magazine*, *Search Marketing Standard*, *Visibility Magazine*, *FeedFront*, and Econsultancy.com’s blog.

Geno was voted the world’s Best Outsourced Affiliate Program Manager for three years in a row (2006–2008) by the largest online affiliate marketing community, ABestWeb.com. Over the years he has launched more than 50 different affiliate programs, managing programs and consulting with such top brands as Forbes, Nokia, Hallmark, Warner Music, Skype, Forex Club, and multiple others. He recently founded

a new affiliate program management company, Afflinomics (as in “affiliate-driven economics”), which offers outsourced solutions for full affiliate program management, affiliate recruitment, and affiliate marketing consulting.

He resides in Northern Virginia with his wife and daughter and continues to write, speak, manage affiliate programs, and actively contribute to the industry.

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Foreword

Word of mouth. Referrals. Pay for performance. There is hardly anyone who isn't in favor of making money on the efforts of others. This is the basis for affiliate marketing. However, it isn't as easy as it sounds.

Affiliate marketing requires solid planning and smart work to yield the optimal results. Amazon.com, which captures approximately 25 cents of every ecommerce dollar in the United States, is the poster child for affiliate marketing, with well over a million affiliates. Amazon.com developed a program that made it easy for people to share the products they enjoyed, recommend their network to that product, and direct that traffic to the Amazon.com website, where those people would buy the product and the affiliate would get paid for sharing. You may not become the next Amazon.com, but plenty of others are making a lot of money from affiliate marketing.

In a June 2010 Harris Interactive poll, when asked what sources “influence your decision to use or not use a particular company, brand, or product,” 71 percent claim reviews from family members or friends exert a “great deal” or “fair amount” of influence. Fifty-three percent of people on Twitter recommend companies and/or products in their tweets, with 48 percent of them delivering on their intention to buy the product, according to the ROI Research for Performance from June 2010. And according to a 2009 Manage Smarter report, 83 percent of online shoppers said they are interested in sharing information about their purchases with people they know, while 74 percent are influenced by the opinions of others in their decision to buy the product in the first place. Do you have a plan in place to take advantage of these trends?

Don't worry. Geno Prussakov will give it to you in *Affiliate Program Management: An Hour a Day*. I've known Geno for years, and he eats and breathes affiliate marketing day and night. Geno was voted the “Best Outsourced Program Manager of the Year” for three years in a row (2006, 2007, and 2008) by the largest online affiliate marketing community, ABestWeb.com. His blog was voted the top affiliate marketing blog in 2010.

Follow Geno's plan to understand what it takes to develop a program that affiliates want to participate in, no matter what your competitors may be doing in the same space. Learn how to recruit affiliates who will bring you oodles of traffic, how to develop creative and persuasive communications that keep them motivated, and how to give your affiliates the tools they need to maximize their efforts. You'll also learn how to spot what you are doing well so you can keep doing more of it, and you'll learn how to avoid the costly mistakes that most merchants with affiliate programs make.

Trust me, invest an hour a day in *Affiliate Program Management: An Hour a Day* before your competitors do.

BRYAN EISENBERG

New York Times *and* Wall Street Journal *best-selling author of* *Waiting for Your Cat to Bark?*, *Call to Action*, *and Always Be Testing*, *as well as popular speaker*

