

Making Money While You Sleep: Part II

by Melanie O’Kane

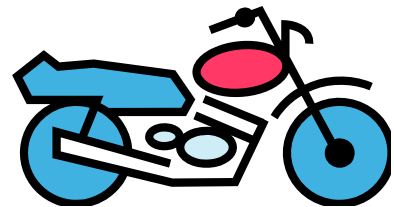
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In my article, “Making Money While You Sleep: Part I,” we dove into the topic of affiliate marketing: what it is, how it works, and who does this type of thing. In Part II, we’re going to dip our toes into the realm of creating our very own affiliate marketing programs.

Obviously, the first thing you’ll need is a product or service to sell (a/k/a your ware). For the intents and purposes of affiliate marketing, one of the best approaches to take follows a simple economics principle: **high demand + low supply = higher prices**. Let’s use Harley-Davidson as an example.

Harley-Davidson produces motorcycles, just like Honda, Kawasaki, and BMW. The exception, however, is that Harley does not mass-produce its product. Instead, it carefully crafts a limited supply of quality product, and, therefore, can charge a pretty penny for its ware (motorcycles). Yet, many believe that a new “hog” is worth every penny and the possibility of waiting more than a year to get it.

So if you were in a position to promote a particular motorcycle brand for the purpose of making a commission on each sale, wouldn’t it make sense to push Harley-Davidson Motorcycles? So, too, should your ware have the same reputable mystique in order to get folks to want to push it to their audiences. Remember, affiliate partners sell other people’s products. So your first mission is to make people want to sell your stuff.



But before you rack up a ton of interest, you’d better have a way to track sales and pay commissions. This method should be as automated as possible, meaning affiliate links keep track of who sold what and how much. Not only will you use these data in generating sales and commission reports, but your affiliate partners will want to track, in real time, their sales and how much commission they’re earning.

Another concept to develop before launching your affiliate program is a training program. This does not have to be elaborate, but you do need to help your affiliates be as successful in your affiliate marketing program as possible. Their success is your success and vice versa. Think of the program from your perspective, and then put yourself into the shoes of your affiliate partners (APs). If you were one of them, what kind of information would YOU want to know? Oh, and always give your contact information, so your APs know how to reach you during regular business hours.

Okay. Now, you’re probably saying, “Well, Melanie, that’s great. But I still have no clue how to set up a program.” You’re probably thinking about what kind of software you’ll need to buy (if any), what kind of technical savvy is going to be involved, and how long it will take to set up.

Good questions. And the good news is, you don’t have pay an “arm and leg” or be an MIT graduate to set up your own affiliate marketing program. There are many wonderful options available, but for this article, we’re going to use a program called PayLoadz. PayLoadz is a terrific option for people who accept [PayPal](#), because the two interfaces are seamlessly linked.

Let's say a customer purchases your e-book through one of your affiliate's links. The customer can complete the financial transaction through PayPal and receive their purchase (electronically) through Payloadz. Also, the documentation of which affiliate the sale originated from is produced. Then, when you're ready to pay your affiliates their commission, it's all laid out for you in black and white.

Other options would be to list your products and services with affiliate program brokers like LinkShare™. In addition to exposing your ware to a larger audience of purchasers and potential affiliate partners, many of these companies also work with their clients (you) on managed search programs as well, helping you raise your position within the various search engines and your potential to make big sales.

Using the tactics disclosed above, anyone with a product/service and a little wherewithal can create his/her own affiliate marketing programs and let others – anyone from around the world – sell their stuff. In doing so you will make more money than selling it all alone, and your affiliate partners get to market reputable ware and earn commissions too. It's a win-win situation.

Elements of a Good Affiliate Program

Remember last time when we went over the elements that make up a good affiliate program? Well, now, it's time to put those principles to work in your program.

Let's break them down.

- Make sure you tout your business' credentials – toot your own horn, if you will. Affiliate partners want and need to align themselves with reputable companies.
- Decide whether you are going to offer high-end products/services with a price to match or sell to the bargain shopper. Then, market your affiliate program to people who may have those types of audiences.
- Formulate a commission disbursement structure. How will you compensate your affiliate partners? Will you pay a commission or flat fee for each sale generated?
- Design and decide how to implement your affiliate program's logos, banners, text links, etc. These are the tools your affiliate partners will use to sell your products and services.
- Will you offer training to your affiliate partners in how to be successful in your affiliate programs? I hope so.
- Think very carefully about making your affiliate partners purchase something before they can become affiliate partners. This tactic is frowned upon and may decrease your chances of attracting some really great APs.
- What kind of tracking system will you employ?

- What security measures are you going to take to solidify the confidential information being transacted with all parties involved?
- How often will you pay your APs their commission?
- And one last morsel – be mindful and protective of the information entrusted to you throughout this entire process. You will want to make sure your APs' commissions are protected against those who prey upon us electronically. So think about using some form of encryption to protect your company, your affiliate partners and your end customers.

So now, find a comfy place to lie down. Close your eyes. And start making money while you sleep.

Sweet dreams!

Melanie O'Kane is the Owner of MAD Typing and Consulting (MADTC), a professional virtual assistance (administrative support) firm headquartered in Madison, Wisconsin, serving clients throughout the United States and Canada. MADTC specializes in executive administrative support; proofreading, editing and formatting; transcription; PDF conversion and form creation; event registration assistance; and e-mail newsletters. To learn more about Melanie and MADTC, visit her online at <http://www.madtyping.com>.