

What is Affiliate Marketing?

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Affiliate marketing is a way to monetize an existing website or build one from scratch offering products or services via interactive links to other online merchants. It is a way to offer products (or services) for sale that you do not own yourself. Affiliate marketing has become the entry point for most new Internet businesses because it is an easy way to earn some extra money.

The way affiliate marketing works: you'll place a link ad (with your own unique code) on your own website which links to another site selling a product (merchant site). The merchant site can offer a specific product or an array of products. In fact, the merchant site can offer their complete line of products as advertised in their own online catalog like Target, WalMart or the Sharper Image.

Once a visitor has clicked on the link and if they purchase a product from the merchant site you will receive a commission for the sale. The commission varies from as little of 1% of sales (generally for higher priced items) to as much as 50%, depending on the product and/or merchant.

When selecting a product or service for sale on your site, you'll need to choose one that your visitors are actually going to be interested in and might likely click on. If your site sells luggage, you'll need to find another product that is complimentary to luggage and which might be attractive to your visitor. (Make sure though not to choose a direct competitor.) You might consider affiliates offering cameras, backpacks, or pet carriers, for example.

Many website owners when first starting out with affiliate marketing simply add an affiliate link to their site -but to make more money, you can always promote the product yourself via email, Google AdWords, or Pay Per Click ads (PPC). This is an area we'll cover further, later on.

All you need to do now is sign up for an affiliate product, remember not to compete with your own products, get the link, and add it to your site. Good luck.