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A STUDY ON OPPORTUNITIES AND CHALLENGES OF AFFILIATE MARKETING FOR THE YOUTH OF INDIA

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Abstract: India is not only among the fastest growing economy of the world but also has great access to internet network connectivity to almost every last frontier of the nation. Government vision of digital India has changed the entire approaches of buyers to purchase goods online which have obliged the sellers to find innovative ways to attract its potential customers from a wide online world. Affiliate marketing techniques have proven to be an effective way to drag the potential buyers towards the seller's website and influence them to buy their products. Affiliate marketing has a bright future ahead for the unemployed youths this is expected to be grow at the average rate of 30% per annum for the next five years due to change in the approach of current business activities but, only a small part of the youth has hardly any idea to earn online through Affiliate marketing.. This study aims to provide better prospects and idea about Affiliate marketing and earning potential through Affiliate marketing to the youths of India. The study suggested that almost around 15-20% of online buyers purchase through the influence of Affiliates which could go even higher in near future so, making Affiliate marketing as a fulltime career could be a smart decision for the youths. This study has been made by using secondary data which has been collected from the websites and records of some of the leading Affiliate programs in India. It is found that affiliate marketing is very cost effective during start-ups along with very low risk, can give high rate of return. It has shining future for the youth of India due to huge escalation of internet users and the approaches of both buyers and sellers to carry business online. With all those positivity it also have some negative side as well. selection of perfect niche is not always an easy task for the beginners. Creation of attracting content some time requires expertise knowledge and skills. Due to very High competition an affiliate face challenges to convert traffic in to real time buyers. Affiliate Marketing can make youth's lakhpati and even crorepati if it is done smartly.

Key Word: Affiliate Marketing, Digital Marketing, Selection Of Niche, Online Earnings, Self-employment, Digital India.

INTRODUCTION

Contemporary world of advance Networking and connectivity has transformed the world in to a global village. It has not only opened opportunities to unite the people despite of their ethnicity and location but also created a common market to share its values in the form of goods and services. To facilitate the common platform where the buyers and the sellers can involve in marketing activities to sell and buy the products, there are plenty of e-commerce business that has come in to existence even in India like Amazon, Reseller Club, Flipkart, A, Myntra, AliExpress, Snap Deal, yatra, etc. These e-commerce websites hardly sell its own products but it provides a platform to the sellers to sell their products to a large number of Buyers irrespective of their geographical scatteredness. This platform has not only made a convenient marketing activity for buyers and sellers but also creates a great opportunity even for the third party to earn commission for every purchase made by buyers through their referral via their sites and page links.

Affiliate marketing is a part of digital marketing which is also known as performance based marketing, it revolves around the concept of rewarding an Affiliate for the traffic they create to the site through their marketing effort. Though the online operation is broad and beyond boundaries so that the referrer or the middle person can have an opportunity to receive huge response from the customers based up on their promotion strategy, which creates opportunity for every Affiliate programmer to generate income.

OBJECTIVE OF THE STUDY

1. To understand and analyze the scope and future of Affiliate marketing to generate self employment for the youth.
2. To understand the Income Potentials of Affiliate Marketing in India.
3. To understand the Payment Structure in Affiliate marketing.
4. To identify the best Affiliate Programs which provides the highest income opportunities to its Affiliates.
5. To understand the opportunities and challenges of Affiliate marketing in India.

RESEARCH METHODOLOGY

The present Study is descriptive in nature and the paper is based on secondary data only. The secondary data have been collected from major e-commerce Affiliate program's websites like Amzon, Flipkart, widely used informative sites like Brand Equity Foundation of India, Forbes, Internet and Mobile Association of India (IAMAI), to conduct deep study and analysis of facts and figures.

SCOPE AND FUTURE OF AFFILIATE MARKETING IN INDIA

Affiliate marketing is a part of digital marketing where an Affiliate or a publisher promotes products and services of a business unit by using their own website/blogs and vlogs ect. and divert the potential buyers towards the seller's website to assist in sales increments. Affiliate marketing core consists of 3 parties Advertiser or the seller, Publisher, and Consumer, seller/advertisers could be any company involves in sales of products and services like, books, electronic items, utensils air ticketing companies or even insurance sellers. Publishers or the Affiliates are those parties who promote and generate traffic of real time buyers towards the seller websites by using their own blogs, vlogs and websites.

Affiliate marketing is a part of E-commerce market and its success is largely depends on growth of E-commerce industry of the country. The Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest E-commerce market in the world by 2034. India e-commerce sector will reach US\$99 billion by 2024 from US\$30 billion in 2019, expanding at a 27% CAGR^[1], with grocery and fashion/apparel likely to be the key drivers of incremental growth. Due to digital India initiatives by Government Of India, there is a drastic enhancement of Smart phone penetration, launch of 4G networks which results in increase in the numbers of internet users in the country. The number of blogs and bloggers has also grown up. By 2022, smart phone users are expected to reach 476 million and E-commerce sector expected to grow 1,200 percent by 2026^[2]. There has been more and more demand for Affiliate marketing and its future is expected to be bright with an average growth of over 30% for the next 5 years. The Government of India's policies and regulatory frameworks such as 100% Foreign Direct Investment (FDI) in B2B E-commerce and 100% FDI under automatic route under the marketplace model of B2C E-commerce are expected to further propel growth in the sector. As per the new FDI policy, online entities through foreign investment cannot offer the products which are sold by retailers in which they hold equity stake. As per report by Tata Strategic Management Group in association with Internet and mobile association of India ^[2] affiliate marketing counts for less than 10% of digital commerce marketing spends. In India the value for affiliate marketing was around 16 million US dollar (\$) in the year 2016, which is expected to cross around 835 million US dollar (\$) in 2025^[4]. The value of affiliate marketing would be driven by three key factors:

- Increasing Digital marketing Spends.
- Adaptation of affiliate marketing by new ventures beyond e-commerce.
- Improved eco-system of affiliate marketing on mobile platform.

Affiliate marketing has lustrous future in India where business firms of all scales have understood its miraculous power to grow their business. They are spending a major portion of their investment to attract the potential buyers. Because of its effectiveness in enhancement of sells, mostly all the giant business corporations are focusing on Affiliate marketing. And this is exactly the right time to initiate with Affiliate marketing because if we start doing it now we could build a strong data base of our own niche in very short period of time.

Affiliate Marketing has a luminous Future in India: According to a study made by NASSCOM (The National Association of Software and Service Companies) it found that in the year 2019 India is the third-largest startup ecosystem in the world. Almost all the major multinational companies have full focus to carry on business in India. Recent ambitious vision of Our Priminister shri, Narendra Modi to make India digital has opened a great opportunity for its youth to jump in to the business of Affiliate marketing and claim its commission for every sales made through them. A report made by IAMAI (Internet and Mobile Association of India) has claimed that the Affiliate marketing industry in India may cross \$835 million mark by the year 2025. Affiliate marketing plays very crucial role to drive online sales, almost around 20- 25% total online sales are made through Affiliate marketing. Recent growth of online business are promising a lot about the future status of Affiliate marketing in India.

A major part of India now by days are connected to network and most of them are indulge in online purchase of wide variety of goods from various online ecommerce business, and to grab the potential customers almost around every business is paying attention to Affiliate marketing more than ever. The only requirement for an individual is to take interest, keep focus and build a strong niche.

INCOME POTENTIAL OF AFFILIATE MARKETING IN INDIA

By using this amazing method people are making lakhs of Rupees every month, and that is also by doing it part-time from home. This is a very powerful method to generate online income. This is a unique technique to earn when you sleep. Millions of people have become millionaires by earning through this method. Mostly all the Affiliate programs provide eye catching commission to its Affiliates. Amazon, Flipkart Affiliate programs provides a good amount of commission to its Affiliates and these particular sites are growing drastically every quarter due to its unique strategy which will hardly stop any day.

Thousands of Affiliate Marketing Niches available in India: No doubts that the best way to attract the potential buyers towards your website is through attractive content which may catch attention of online sufferer intently. But it is equally important to have chosen a daily required and highly paid niche. Being a growing online market India has thousands of options to decide a perfect niche which not only pay high commission but is also highly demanded.

THE PAYMENT STRUCTURE OF AFFILIATE MARKETING

All affiliate programs are not like same and resemble one another. There are mainly three payment structures, which structure would be preferred it is totally depends on business goals and personal preference between vendors and the affiliates.

1. **Pay Per click:** In this structure an affiliate is paid a flat rate for every user they redirect to creators' website. Enhanced web traffic is the key performance indicator here.
2. **Per lead:** The affiliate is paid for every potential customer who enters in to the creators website and performs their desired action, such as signing up for a mailing list or free trial.
3. **Per sale:** when an actual consumer click in to the link of vendor and purchase the target product, affiliate is paid a commission ranging between 1-10% for every sales made through their efforts by the vendor's

LEADING AFFILIATE PROGRAMS IN INDIA THAT PROVIDE FAIR INCOME OPPORTUNITIES TO THE YOUTHS

Affiliate marketing provides passive income opportunities to its Affiliates. It is among the best income option available in India. There are several Affiliate programs in India which allows third party to get in the way and make real sale possible through their innovative efforts. Given below are some of the highly and consistently paying Affiliate programs in India where the youth can try their luck. To start one has to create an interesting online platform where a large number of potential buyers can drag themselves in to and get trafficked towards the sellers shopping, job, matrimonial, fashion and life style sites etc.

Best online shopping/ e-commerce Affiliate programs in India: Online shopping is a certain way to make money as an Affiliate. Because we buy a wide range of products like clothes, accessories, mobile, laptops, shoes electronics, home appliances, books, toys, beauty products, furniture etc. online. E-commerce industries know this trend very well, so they keep on adding products to their catalogs on almost every day.

One can earn huge through these websites and for that we need to promote the right product to the right people at the right way. Online shopping now by days are not limited to only cities, but even the people of remote village prefer to buy product from online due to accessibility of network. And the effective way to generate sales is to help people to choose the right product by educating the reader about the product and in return they will buy through the Affiliate page. one has to be very genuine to help people to buy the right stuff by showing them product benefits and revealing the negative side of it. Below are some of the best online E-Commerce Affiliate program that provide huge commission to its Affiliates.

1. Amazon India Affiliate Program.
2. Flipkart Affiliate Program.
3. SnapDeal Affiliate Program.
4. eBay Affiliate.

Job Affiliate Programs in India: A job affiliate helps people find the right job and assist an employer to hire right candidate it also helps Freshers to job searching, career building. An Affiliate should list all the available vacancies to their website and earn commission when a candidate gets higher through him or her. Here are some of the lading job serach Affiliate programs in India that provide attractive commission for your efforts.

1. Iverr Affiliate Program
2. Indeed.com Affiliate program
3. Monster India Affiliate Program
4. CareerBuilder Affiliate Program
5. CareerKey Affiliate Program
6. ResumeRobin Affiliate Program
7. Freelancer Affiliate Program
8. Elance Market Affiliate Program

Matrimonial Affiliate Programs in India: Online Matrimony sites are also very popular in India, and Indians living outside of the nation. People use these websites to find perfect partners and it is being used by persons, friends and relatives, sites like shadi.com, Jeevan sathi.com, Bharat matrimony has gained its popularity in the last few years as a result it also pays a good commission to its Affiliates as well. Some of the leading matrimony Affiliate programs in India are:-

1. BharatMatrimony Affiliate Program
2. Shaadi.com Affiliate Program
3. JeevanSaathi Affiliate Program
4. AngelMatrimony Affiliate Program
5. SimplyMarry.com Affiliate Program

Fashion and Lifestyle Affiliate Programs: There are hundreds of popular fashion and lifestyle websites available in India. These sites are exclusively specialized in clothing, accessories, footwear, toiletries, and other essential items for men, women, and kids. Some of the leading Affiliate programs in these sections are

1. TataCLiQ.com Affiliate Program
2. Myntra.com Affiliate Program
3. HomeShop18 Affiliate Program
4. Club Factory Affiliate Program
5. AJIO.com Affiliate Program
6. LimeRoad Affiliate Program

OPPORTUNITIES OF AFFILIATE MARKETING

Affiliate marketing is said to be one of the low investment earning process. An Affiliate/publisher needs very minimum infrastructure and light knowledge about the activity which makes it a favorable and low risk oriented job with high profit earning potential. Despite low risk and high profitability there are many opportunities and advantages to choose Affiliate Marketing as a fulltime career option which are discussed below one-by-one:

1. **Cost effective Start-ups:** To be an Affiliate one does not need to be a programmer, a computer expert or a person supposed to have a great team, advertisement banner which may require a large investment. A beginner can even work with some popular Affiliate network like Awin, Vcommission, Komli, Admitad India etc. and follow the instructions and guidelines to work with them and earn your part. In this present world of internet an individual can promote someone else's products and services through their own blogs, vlogs and personal websites which requires a minimum skills. The only important factors that can draw attention of a potential buyer is a good content with eye catching presentation.
2. **Minimum Risk:** Minimum risk here means the probability and magnitude of losses and harm to the Affiliates are negligible. Affiliate marketing is an area of earning where the beginner does not require anything other than a computer, mobile phone and access to network which is already available with most of the youth of Urban and rural India. Extra Infrastructural and man power requirement at the beginning are not essential. As a result risk to be an Affiliate is very Low but the opportunities are flawless.
3. **Focus and Target Traffic:** Target traffic is the users or audiences who are interested in your product and services. In Affiliate marketing, the main objective of an Affiliate is to target the right audience, in addition, to convert the Target Group into potential buyers so the Affiliate has to put all his skills and efforts to educate and attract the users and divert them towards the sites of a seller. More you increase the traffic and divert the users there will be more probability to convert those users into buyers which will give extra commission to the Affiliates.
4. **Flexibility in work:** Whether someone is at home or travelling towards the last frontier, one can keep their work going without any interruption as long as they have proper access to network. An Affiliate does not have to exist somewhere in a particular location to keep his ongoing work to be continued but they can do it wherever they want, whenever they want and how ever they want it to be done. Ultimately the main focus of an Affiliate should be to steal the focus of an internet user and divert them towards the seller and make an actual sale possible.
5. **Higher Rate of Return:** An Affiliate does not require heavy investment to start his work nor does it require a large group of man power at the beginning. All that is required is to have a computer and basic computer literacy. In this contemporary world YouTube and Google digital market learning sites provide aid to the learners to understand basic Affiliate marketing to help the youth to generate self employment and that is absolutely free of cost. Obviously being a low investment, skilled based task it is considered to be a low risk but high rate of returned business.

CHALLENGES AND BARRIERS OF AFFILIATE MARKETING

It is indeed a dream of many people to earn while they sleep and Affiliate marketing is one such skilled based business where this could be possible unless the Affiliate is not highly experienced and skilled. Affiliate marketing is a enormous means to produce some extra money. In reality, some people have made Affiliate marketing their prime source of income. Everybody wants to involve in something that doesn't take their whole day and provides considerable income, and Affiliate marketing is a great way of doing so. At the same time is is not totally free of challenges and barriers that supposed to be kept in mind while a beginner starts Affiliate programs.

1. Selection of the Right Niche: Niche is a focus area from a broad market that a business can serve to differentiate themselves from the competition. No matter how great is our skill and presentation in our blogs, vlogs no matter how good sales man we are, failure to choose right niche may spoil the party. Choose right niche which are profitable and at the same time Affiliate has interest and knowledge about it. For example, if an individual Affiliate has knowledge about any of the electronic gadget like DSLR camera, Laptop Computers, Mobile Phone etc. he or she must choose the area where they are expertise. Choosing wrong niche beyond ones interest and knowledge may put impact on content which may leads to reduction in real traffic.

2. Generate Right Kind of Traffic: Attracting any kind of users and enhancing traffic towards the seller will never help and solve the purpose. One must focus on attracting right kind of person who are interested and will purchase the product. It is very impotent to avoid traffic for sake of numbers. So it is very important to optimize page and target the right group of people.

3. Creating Content is a challenge: Creating content that would steal the attention and attract the internet user is not always very easy as there are thousands of similar content already available in the world of internet. One must be very specific and highly expertise to write and deliver an eye catching content which itself is challenging and difficult. If someone does not have the necessary skills, time, or if they are not willing to put effort into creating content, they can out source. One can find numerous freelancers within their budget that can create quality content.

4. Income depends highly on actual Sales: Sales are decisive to generate money, and if we fail to make money, there is no assistance of Affiliate marketing. Affiliate marketers should know the origin of the problem. Is it because of a lack of the right kind of traffic or because of poor conversion rate? We should have this understanding to avoid being trapped in a place.

5. Threat of existing Competition: For a beginner as an Affiliate marketer it is very difficult to create a spot in the world of internet when already there are thousands of well established Affiliates marketers exist with huge data base and traffic capabilities. Since the world is your market, it is also your competitor. There are countless veteran Affiliate marketers, but that should not stop you from trying your best.

CONCLUSION

Although Affiliate Marketing has a tremendous future for a country like India, but for an individual it is never been easy to chose the suitable niche and begin the career as an Affiliate. There are always been great amount of challenges for the beginners to present an eye catching content and attract the real buyers. After long perseverance and hard work It may take years and may take even decades to create perfect content and have a strong hold on markets. But at the same time it has hundreds of positive sides to count on. If an individual has very little to start earnings they can go for this minimum risk with high rate of return earning method, just a affiliate needs to focus and target the potential buyers and influence them to purchase the product of sellers. This is a passive method of earning where an Affiliate can keep on earning while they are sleeping. Expenses for basic infrastructure to start this career are not massive. It could even been carried on through our mobile phone if it has connectivity to network. According to the data published by Internet and Mobile Association Of India (IAMAI), the digital commerce market may grow at a tremendous rate for next decades. Which gives a very positive sign to choose Affiliate marketing as a fulltime career for the Youths of India.

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