



## A Thorough Study on Affiliate Marketing

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### ABSTRACT:

Many people have discovered the enthusiasm of the affiliate marketing environment and some of them have experienced the benefits of being an affiliate and some of them have already earned a significant amount of money, thanks to their participation in this sector. However, most people today have no idea what it is about and how affiliate marketing could benefit them and even provide them with additional income. Basically, affiliate marketing is simply an Internet-based system where affiliates are rewarded when they target a specific product to other companies or even individuals. In fact, the more sales result from that referral, the more money an affiliate marketer could earn. This document discusses affiliate marketing concepts highlighting the current state of affiliate marketing in India and other countries. Also list the steps to start affiliate marketing on your blog.

### KEYWORDS:

Affiliate marketing, blog, India, and Internet-based.

### INTRODUCTION:

Affiliate marketing is a promotional model that connects merchants to independent sellers who are willing to invest the time and money to sell a merchant's products. In other words, affiliate marketing connects a company that has a product to sell with a seller who can sell it. Affiliate marketing is based on performance. Therefore, advertisers only pay when affiliates take specific action from the customer. In the context of e-commerce, this action is typically an online purchase, which makes affiliate marketing very profitable.

### OBJECTIVE:

1. To study and know the concepts of Affiliate Marketing.
2. To learn how to start Affiliate Marketing on your Blog.
3. To know the Present State of Affiliate Marketing in India.
4. To analyze and interpret the increasing Shopping Portals in India

## What is Affiliate Marketing?

Affiliate marketing is an online sales tactic that allows affiliates to earn money on product sales without creating their own products. In a nutshell, affiliate marketing involves referencing a product or service by sharing it on a blog, social media platform or website. The affiliate earns a commission every time someone makes a purchase through the unique link associated with the recommendation. Well done, this performance-based opportunity can become an important part of your business by generating a healthy income. It is extremely beneficial for both brands and affiliates, the new push towards less traditional marketing tactics has paid off. At the same time, it allows affiliates to earn money on product sales without creating their own products. The cost for the customer who purchases the product or service through an affiliate is equal to the cost of purchasing directly from the owner of the product. While product owners make less money per sale because they have to pay a percentage of the sale to the affiliate, they also reach potential customers who they probably wouldn't reach on their own. Affiliates can earn commissions for a one-time purchase or recurring revenue through the sale of subscriptions or subscription programs.

## How to become an affiliate?

Marketing experts become affiliates in various ways, including:

- Register to join the retail or e-commerce sites.
- Examine existing customers for their favourite products or services, then contact those companies to inquire about an affiliate program. For example, a small business marketing consultant could become an affiliate of an email list management and distribution service.
- Search online for products that are relevant to the seller's site and attractive to the target audience. Most companies offering affiliate programs indicate this with an "Affiliate" or "Partner" link at the bottom of their site's home page.
- Find potential affiliate products with affiliate program managers including Commission Junction, Clickbank and ShareASale

## What is the agreement with affiliate marketing?

Affiliate marketing is an agreement between a merchant who wants to sell a product and a seller who wants to help people buy that product.



Let's take a quick look at the two characters in the game:

- The merchant, also known as the seller, brand, retailer or seller, has something he wants to sell.
- The affiliate, also known as a marketer or publisher, is someone who can earn from the merchant by promoting certain products.

**How does affiliate marketing work?**

After being accepted into an affiliate program, sellers receive a unique URL that includes their affiliate ID. They share that unique URL with their subscribers, site visitors and social media via text links or ads. When someone clicks on that link, the affiliate software records that click and the sales of the resulting product on the affiliate account. When the commissions reach a predetermined threshold, the affiliate is paid.

**Starting affiliate marketing on your blogs:**

Step 1: create a website or blog

Step 2: choose a sector, then the niche below

Step 3: Research the products in your niche that you can review

Step 4: Sign up for the required affiliate program

Step 5: Find affiliate programs for the review of other products.

Step 6: Create content to review posts resource pages and use affiliate link

Step 7: Optimize the page and monitor your rankings on Google

Step 8: rinse and repeat!

**Questions to ask before promoting an affiliate product?**

When I try to decide what to promote, I always ask myself the following questions:

- Do I use this product?
- Will most of my readers benefit from using this product?
- Is the purchasing process simple?
- Is there a good affiliate commission rate? (Not always necessary)

If answer is yes to each of these questions, then it is probably a good option and worth promoting.

**Affiliate marketing begins: physical products vs. information products vs. services**

You must have an idea of the products you want to promote; now is the time to decide which one is best for you and your audience. There are three different types of affiliate products that you can promote:

- Physical products
- Information products
- Services

**Affiliate marketing for physical products**

Physical products is one of the simplest way to promote because of Amazon. Amazon has the largest affiliate program in the world and once registered, you can get a link to any product on the site and earn a commission. The Commission's tariffs on physical products are notoriously low, due to all the factors involved in their sale (production, wholesale, shipping, etc.).

**Affiliate marketing for information products:**

Marketing for an information product is usually something created by a blogger, seller or author who teaches you how to do something. There are many reasons why information products are so great to promote:

- They often have a higher price, which means higher commissions
- They can have a personality behind them, building trust and making them easier to sell.
- There are often complete marketing funnels behind them which help in sales
- Solve a problem or provide a solution that your readers are looking for.

In general, it may be a bit more work to become an affiliate of these products because the creator is often a little more protective of who is authorized to market the products. There's not even a central place where you can join like you would with Amazon. Typically, you should speak directly to the author or search for an "affiliate" page on your product site.

**Affiliate marketing for service products:**

One of the interesting things about promoting services, is that there are often recurring commissions. Think about what services you use and if it makes sense to promote them on your site. Typically you can expect commissions between 15-30% on service products, sometimes higher or lower depending on what it is.

**Being an affiliate marketer in India:**

There is a difference between being an affiliate marketer in the United States. UU. And in India. Here in India it is very difficult to make money with affiliate marketing for many reasons

- People don't buy things online.
- The products are not original
- There is no good affiliate marketing company.
- Lack of awareness, etc.

In the United States. Selling with affiliate marketing is much easier and most successful marketers come from this particular country. Therefore, there is a clear difference between being an affiliate seller in India and the United States. Here, you work hard if you want to sell a product to online customers.

**Current state of affiliate marketing in India:**

Well, there aren't actually too many affiliates in India. People who make money online in India do it with blogs or other freelance jobs. You cannot name a good affiliate seller in India. They are all mainly bloggers. The majority also make money with AdSense only. Therefore, the current state of affiliate marketing isn't very encouraging. However, in the next few days this will change. In fact, it is already changing. Affiliate marketing will increase again in India, meeting exclusively the needs of the Indians. Therefore, there is an opportunity to earn money with affiliate marketing in India too.

**Why I say so?**

Why am I saying that affiliate marketing in India will increase again? Well, there is a real reason for this. Firstly, the number of Internet users in India is around 250 million to 300 million. Therefore, many people go online and would like to buy them too. Now they love to shop online and buy things. Previous online shopping was not so popular. But now more and more people want to buy online. The purchasing power of customers has increased considerably so that they can shop online. There is a change in the general trend. Now, from booking a plane ticket to shopping, everything is online.

**Increase in commercial portals in India:**

As I said in my previous paragraph, more and more people in India are buying products online. It is for this reason that there is a proliferation of new commercial portals in India. Today there are dozens of large shopping portals in India launched by the Indians and intended only for the Indians. Therefore, with this increase in online shopping sites, affiliate marketing will resume again. These shopping portals would definitely need affiliate sellers while you sell your products to customers across the country. Although there are few major commercial portals in India, a new type of commercial portal is launched every day. Therefore, it makes the future of affiliate marketing very promising.

**LITERATURE REVIEW:****Zia Ul Haq (2012):**

In this research, a survey of 300 Internet users in India was conducted to find out their attitude towards affiliate programs and the various factors that influence the effectiveness of these programs. The results of this survey demonstrate a positive view of affiliate marketing. This research also found that the strongest predictor of consumer attitudes in affiliate marketing is utility, intuition, incentive and perceived trust. In summary, the future of affiliate marketing is further influenced by the consumer's perception of the usefulness and control of the affiliate program.

**Grzegorz Mazurek and Michał Kucia (2011):**

The purpose of this document is to examine, analyze and critically describe the concept of affiliate marketing. The article presents the results of theoretical and empirical research that would identify the factors of the correct implementation of the concept, while identifying the reasons for limiting its use. The authors believe that the growing maturity of the affiliate marketing concept, the growing role of affiliate networks and the growing competition between the owners of advertising spaces would lead to a wider use of the CPA and CPS models of electronic campaigns.

**METHODOLOGY:****Primary Data:**

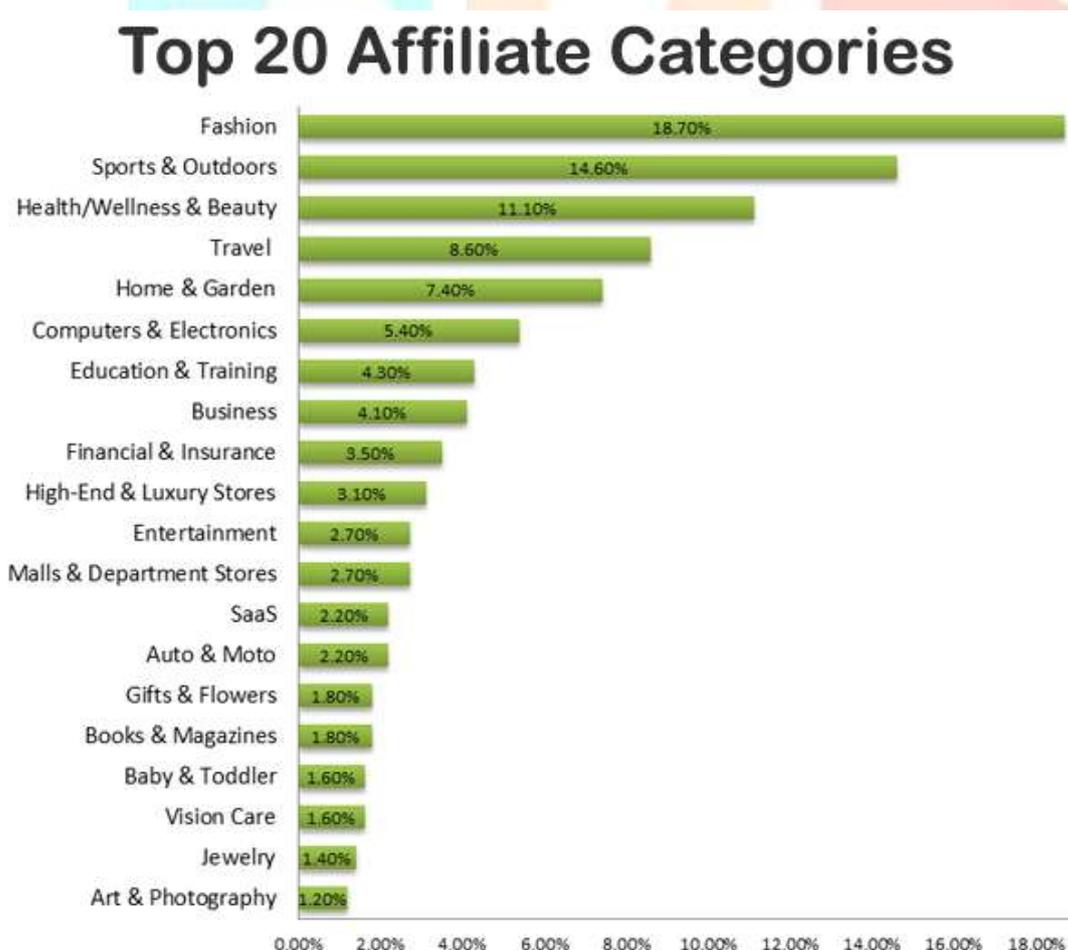
No primary data were collected for the research work.

**Secondary Data:**

Secondary data was collected. Several magazines and newspapers have been used for this, as it is a conceptual document. Therefore, the goal is to better understand the concept, its application and the impact on the economy through other parameters. Therefore, qualitative and quantitative data were used.

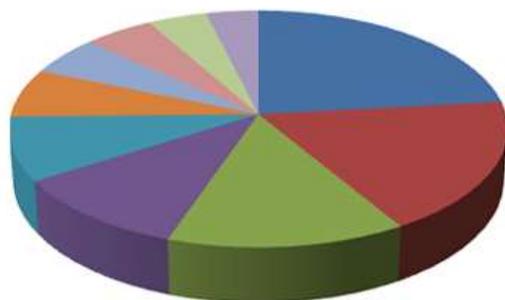
**Analysis of the 550 best affiliate programs reveals the top 20 niches:**

One of the things that caught my attention when I compared the data received from different affiliate networks was the fact that 550 of the top 486 affiliate programs (or about 88.4%) can be classified into 20 major categories.



Also, when we analyze only the top 10 categories, we see that they are represented by a total of 391 affiliate programs (or 71.1% of the 550 sample) and the pie chart looks like this:

## Top 10 Affiliate Niches



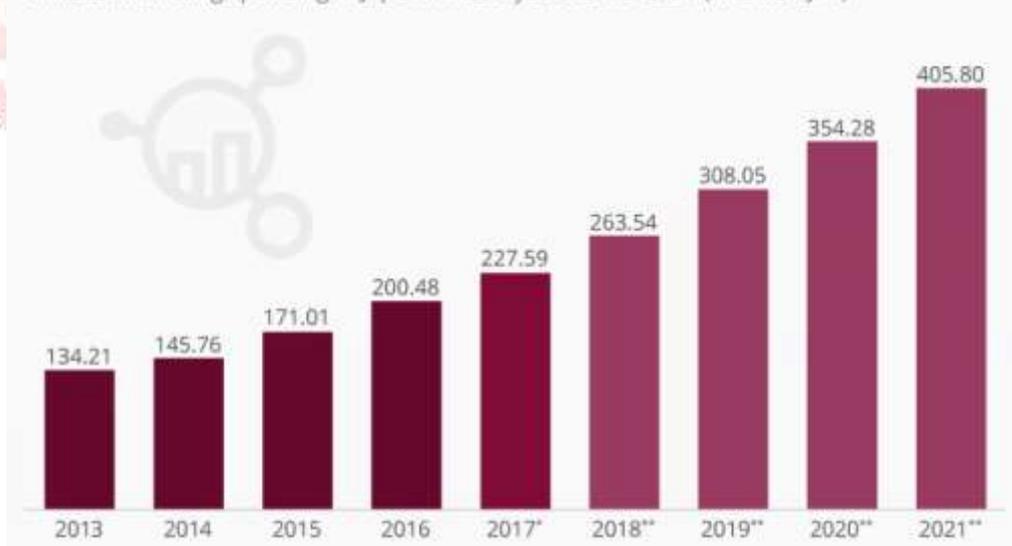
Fashion	23.27%
Sports & Outdoors	18.16%
Health & Beauty	13.81%
Travel	10.74%
Home & Garden	8.7%
Computers & Electronics	6.65%
Education & Training	5.37%
Business	5.12%
Financial & Insurance	4.35%
High-End & Luxury Stores	3.83%

For clarity, these are the types of advertisers and niches grouped into each of the previous ten categories:

- Fashion (clothing, accessories, footwear)
- Sports and outdoor activities (leisure, fitness, sportswear, fan items)
- Health / wellness and beauty (supplements, health products, weight loss, skin care)
- Travel (plane, hotel, car rental, etc.)
- Home and garden (home furniture, decoration, kitchen, gardening, home improvement)
- Computers and electronics (computers, peripherals, ink, etc.)
- Education and training (rental of textbooks, educational software)
- Business (supplies, office furniture, marketing tools, etc.)
- Finance and insurance (checks, credit related services, loans, insurance, identity protection)
- Luxury and high-end shops.

### Affiliate marketing's growing importance for Japanese firms

Affiliate marketing spending in Japan in fiscal years 2013-2021 (in billion JPY)



Japanese companies have invested more and more in affiliate marketing in recent years. During the measured period, the size of the internal market grew by around 15 percent every year. According to forecasts generated by the Yano Research Institute, affiliate marketing spending will reach nearly 406 billion Japanese yen by the fiscal year 2021. One of the reasons for the upward trend of such marketing efforts based on Performance lies in successful conversion, which allows consumers in Japan to easily access affiliate links through their portable devices, such as smartphones or tablets.

**CONCLUSION:**

Affiliate marketing is a new form of third-party advertising and method (referral channel) to promote another company product or service and credits a commission for any sales generated. Affiliate marketing is important Key factors for e-commerce stores and translating customer visibility into brand recognition and sales. It's a revenue sharing due to significant customer visits and highly qualified traffic leading to online business. Affiliate marketing is a successful method of cultivating an audience and developing the good relationship with customers. Affiliate marketing is excellent at generating traffic for informative search queries on a product or brand or industry. The affiliate marketing campaign is mainly used to attract new website visitors. Through new traffic users and paid traffic, the third party wins by providing engaging content and developing a harmonious relationship with its customers. Affiliate marketing wins the trust of your customers and can act as a type of broker or brand advocate for an online business.

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