

## Affiliate Marketing

Affiliate marketing was one of the earliest ways to earn money on the internet. The very basics of how affiliate marketing works depends on the side you're on: say you're an online publisher (think news sites, blogs, forums, etc) and a reader makes a purchase from a brand through a link on your site. The merchant pays you for helping facilitate that sale and you earn a commission (a portion of those profits.)



### The Merchant

The merchants also known as brands / retailers rewards publishers for driving sales with a percentage of the value of a sale



### The Publisher

Publishers create the content that drives sales. An affiliated aggregator like Skimlinks automatically affiliates all links on a publisher's site.



### The Customer

Customers are the ones who make the purchases.

On the other hand, if you're the merchant, then you would be the one offering an affiliate program and rewarding publishers for driving sales with commissions. Ta-da! You've just learned the basics of affiliate marketing. But that's just a high-level overview. To get a better understanding of the world of affiliate marketing, let's break it down. There are five main players: the merchants (which can also be known as "retailers" or "brands"), the affiliate networks, affiliate aggregators, the publisher and, finally, the customer. Affiliate aggregators, such as Skimlinks, combine programs from dozens of different affiliate networks (allowing their clients to work with thousands of affiliate programs just by signing up with Skimlinks). The benefit of all these players is that publishers are the ones that get rewarded by writing content

that drives sales to the merchant and the customers are, typically, those who complete the purchases. The preferred method to reward publishers is CPA (cost per action), which means that whenever a publisher drives an action, such as a sale, the merchant will reward that publisher, usually by giving a percentage of the value of the sale. Other methods may also be used such as PPC (pay per click), up to some extent, banner advertising, content marketing, among others. However, what typically distinguishes affiliate marketing from other types of marketing is that it is intimately connected to the idea of performance, i.e. the merchant will only reward a publisher whenever an action happens, let it be a sale, a click or other action that the merchant may be interested to see.