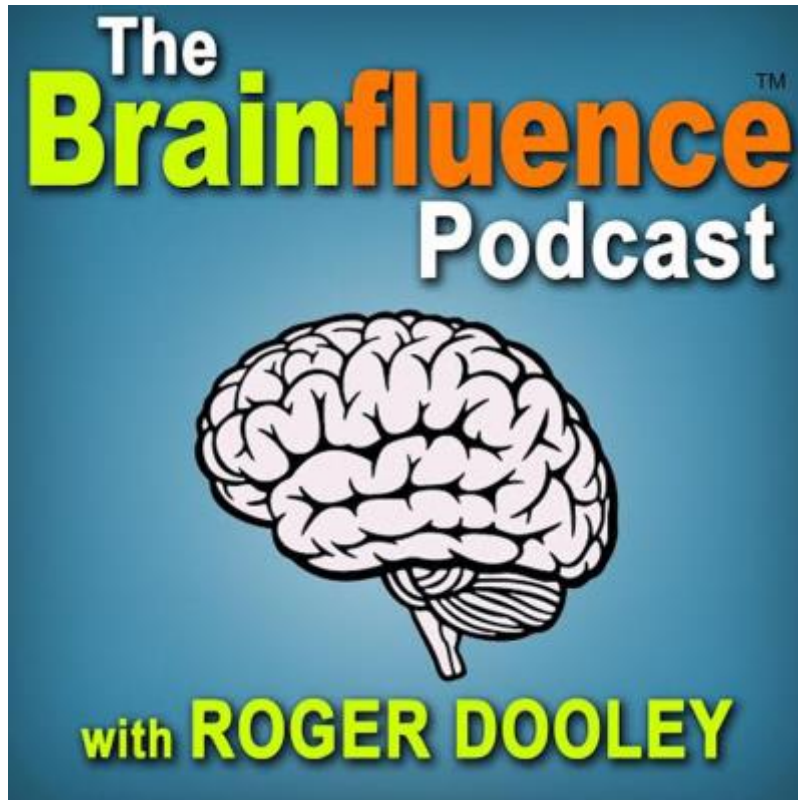


Is Affiliate Marketing Your Key to Success?



Full Episode Transcript

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Roger Dooley

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Is Affiliate Marketing Your Key to Success?

Welcome to the Brainfluence Podcast with Roger Dooley, author, speaker and educator on neuromarketing and the psychology of persuasion. Every week, we talk with thought leaders that will help you improve your influence with factual evidence and concrete research. Introducing your host, Roger Dooley.

Roger: Welcome to the Brainfluence Podcast, I'm Roger Dooley. Our guest this week is an expert in affiliate marketing. Robert Glazer's been affiliated with that industry, so to speak, since its earliest days. He's the founder and managing director of Acceleration Partners, and the founder and chairman of BrandCycle. He's worked with big brands like Reebok, Target, eBay and Warby Parker, and he's the author of the new book Performance Partnerships, the checkered past, changing present and exciting future of affiliate marketing. Today we're gonna learn a bit about the opportunities and perils of affiliate marketing, and see them from the perspective of both sides of the affiliate relationship. That is both web entrepreneurs and the brands that use affiliates as part of their sales process.

We'll also learn about an interesting fact I just discovered a little while ago, that apparently Robert has co-authored an article with Doctor Oz. So, Robert, welcome to the show.

Robert: Thanks very much Roger, happy to be here.

Roger: So, let's see, first one quick sort of definition, I'm sure that 99% of our audience is familiar with the term affiliate marketing. But, do you have a really short definition of that for anyone who isn't quite sure what it is?

Robert: Sure, this is the easiest. At 10,000 feet, I like to say affiliate marketing is when a company and a marketing partner, often referred to as affiliate or publisher, enter in a commission based relationship that is pay for performance. We often hear the term CPA, Cost Per Acquisition. I like

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the term COD, Cash On Delivery, I think it's as easy to understand. So almost every online business over a million dollars has an affiliate program, and one thing to remember is, in some ways it's more of a framework on how to pay a partner than it is a marketing channel by itself. As affiliates represent almost every conceivable form of online marketing activity out there, from, there's affiliates that are mommy bloggers at home, app developers, public companies, it really runs the whole spectrum.

Roger: Great, okay, and is there a difference between performance marketing and affiliate marketing?

Robert: Yeah, so-

Roger: I don't want to go down a rabbit hole here if that's-

Robert: I dedicate a whole chapter of the book to this in Performance Partnerships, and I interviewed 20 people and I asked them that question, and I got 20 different answers. So, my definition of-

Roger: So either they're the same, or they're different.

Robert: Yeah. So let me tell you what I learned in summarizing up I think what the point of differentiation is. One school of camp that says, anything that can be where you can associate performance and measure performances, performance marketing. So that would include things like paid social and paid search where you can measure what you spend, measure the outcome. Where the affiliate marketing sort of evolved from believe that performance marketing is when there is that CPA element, and anything without that is not real performance marketing.

Part of the problem is, you have all these agencies coming in saying they're performance marketing firms who do that part of it, you have a lot of the affiliate industry that's trying to rebrand itself and get away from the term affiliate, and it's kind of created this mess which is why I came up with Performance Partnerships, as a way of sort of differentiating and saying "Look, here's what you want, and here's what you don't want." So, it's a

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good question, and I wish there was a completely straightforward answer. However, I think that the big players believed always that affiliate marketing really had that CPA element.

Roger: Okay, well fair enough. So, Robert, like you I've been around the web since its earliest days, and in those really early days it seemed like most of the instant millionaires I knew were affiliate marketers. They understood SEO, they knew how to get free traffic or cheap paid traffic, and then use that to promote sites with affiliate links for products ranging from casinos to pharmaceuticals, not to mention more conventional items like books and such. But, this wild west, it really led to a lot of bad behavior too from blackhead SEO to commission hijacking, I guess that's part of the checkered past your book title refers to. What's your impression of those days?

Robert: That is the checkered past. You know, I came in the industry right as that first generation was peaking, headed into sort of 2008 and there was a big fraud case that sort of; I talked about in the book; that I think really brought everyone's awareness to how big this had become. But, I think like any new industry was a gold rush and so you have a lot of people looking to make money off that. I think the biggest problem during the first stages that, affiliate marketing isn't has always been driven by marketing entrepreneurs, and they were just smarter than their merchant partners.

They learned arbitrage, and search arbitrage and paid to search arbitrage, and they served as some cases probably the default search departments for some of these brands, and there was no attribution in online marketing, so when people just saw this affiliate revenue as reported by the networks, they thought this is great and everyone was really excited. It just seemed too good to be true and that's sort of how I talk about that in the book, kind of walking into this and feeling a little like the movie "The Big Short." Where he goes to Vegas in that scene and he's kind of like, either this whole industry is crazy or this is about to blow up. Yeah, I think some great things came out of that, but it really was the problem; And where it's

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come full circle that people were taking advantage of their partners and they were looking for loopholes, and they were looking for arbitrage opportunities, it really wasn't a partnership in the truest form.

Roger: Yeah, 'cause ideally the affiliate company, the brand wants to generate incremental sales. So through its affiliate business, not simply get its sales somehow re-categorized as belonging to one affiliate or the other affiliate, which is good if you happen to be the one that gets the financial credit for it I guess, but obviously can lead to kind of sub-optimum behavior.

Robert: Yeah, you know Roger, one of the things; If I ask people listening in this call who ran; And I've said to ask this at conferences, if I said "Hey, would you trust Google to be your paid search agency?" They would say "No, no way." I've had a whole room of people put their hands down. They inherently understand that their job is to focus on content and Google's job is to sell clicks. You know, you'd call your Google rep, there's always more available clicks.

A lot of people just turned over their programs entirely to affiliate networks, and this was before really an understanding of attribution, and so they just kept seeing that this affiliate revenue was growing, just kind of like you're getting more clicks, and I don't think they really made that distinction around incrementality or attribution, in that all affiliate revenue might not be good revenue, and it wasn't until data and gen two and six, seven years ago where people started to open the hoods of these things and say "Wow, this easy money we thought we were making, we've got a problem here." And that's really when the industry started to change.

Roger: You know, I think that any time you offer incentives; So you were a psych major in college weren't you?

Robert: Yeah, industrial psychology.

Roger: Yeah, well that counts. Whenever you offer people incentives, there's this chance that they'll respond in sub-optimized; I mean, even within an organization, if you ask any sales manager about incentives, they

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can tell you stories about how they had this brilliant way; Not brilliant but they needed to promote a particular product or create some kind of behavior among the sales force, get them to call on a certain class of customer or something, and they put incentives in place, and then the sales folks immediately took that and ran with it in a way that would maximize their incentives and their commissions, but would not necessarily maximize the positive benefits for the company and the outcomes for the company. These here folks who actually are employees and have a stake in the company's success, but when you incentivize outside third parties who really don't care where the money's coming from or how the organization is doing, you're really sort of setting the stage for any kind of behavior that will maximize revenue.

Robert: Absolutely, Charlie Munger said "Show me the incentive and I'll show you the behavior." And I think this was true, I think the performance fee model incentivized people to drive affiliate revenue, and it was sort of dual representation. Networks represented publishers and affiliates, kind of like dual representation, we're buyer and seller in a home, and I go through some examples in the book. In the US we, about 10 years ago we stopped; People who made loans, they weren't bad people, but they stopped having any incentive to worry about that people paid back the loan, and suddenly we had one of the greatest financial crisis's in history. So, I think incentives are really important, I think they've been a huge problem in marketing, display marketing which is pretty mobile display which is imploding now with fraud, is really all about incentives.

But one of the things in that chain that I discovered in my research, particularly in those early days, is there were people who'd call around the in-house affiliate managers and say "Hey, you got a lot of fraud going on in your program, I've got a tool, I can scan this, we can get rid of it and you've got to cut half of these people out of their program." And they'd say "I'm not cutting my revenue in my affiliate program." They didn't say they get in on it, but it was really clear that they were driving a lot of this demand, they were being measured internally in this crazy way too, where every department measured the revenue that it had a marker in, without really

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looking for the overlap with any of the other departments. So, this was not unique to affiliate, but I think affiliate got a lot of scrutiny because you had the ability to pay partners or not pay partners at the end of the day.

Roger: Right, I think it's pervasive throughout business, if you look at the recent scandal at Wells Fargo, it's almost the same thing, where you had first front line employees who were setting up basically fake accounts to meet their numbers, and there were all kinds of indicators inside the organization that "Hey, this isn't right, these targets are unrealistic, we should do something." But nobody was willing to really take the hit and say "Well, now we're going to shut all this down and screw up our incentives for this year." Until finally the whole story blew up and of course led to probably a lot worse outcomes than would've happened had it been nipped in the bud many years earlier.

Robert: Yeah, five years ago I wrote an article on the US on why affiliate management was a conflict of interest. Based on the behavior I was seeing in a lot of network managed programs, where people just weren't incentivized to tackle off-brand behavior or certain instances of fraud, 'cause it actually cost money. The performance fee model means that reducing fraud costs the network money in that case, and everyone says we act in the long term interest, and that's true, but that is a powerful force.

I wrote this article and there was a lot of people who supported it and a lot of people who came out and said "Well that just doesn't exist." But, no one came out and said "Look, the potential for this could exist, there's dual representation, here is how we mitigate it or here is the processes we put in place." They just said "Hey, we do the right thing." But I've seen enough examples on day to day, where if you hammer someone on a performance incentive and you compensate them on that, they will behave in that way, and I think that has sort of brought us to where we are and where the technology on the affiliate side and the services on the affiliate side are really breaking apart, and people are looking at different solutions that have better accountability for each.

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Roger: Now, I don't want to focus just on bad behavior here. So I'll use that as a little intro to get back to, at the beginning which was the article that you coauthored with Doctor Oz, explain briefly what that's about, that seems like one of the more unlikely pairings of coauthors on the Huffington Post article.

Robert: Well unfortunately it's more about the dark side of affiliate marketing, but it really is about-

Roger: We're gonna go to the light side really soon, I promise.

Robert: It was really the fake news is becoming sort of an epidemic. So if you think of instead of paid search, hijacking or some of the stuff that we talked about 10 years ago, Doctor Oz and a lot of celebrities are finding that their affiliates out there, usually working for pretty low value brands in the nutraceutical health care, brands you wouldn't know who were offering 50% affiliate commissions. But they're putting incentives out there, and these publishers will go out there and create an article, they'll bid against it, they'll just make up an endorsement that doesn't exist, and the fake news becomes this sort of new way of generating traffic for a lot of publishers, and they're generating it via paid ads on Google and Facebook and otherwise, and then driving those through retailers.

I think the example with Barbara Corcoran, was on the show with us, and this company completely using her likeness without her permission, selling recurring cream subscription for about \$70 a month that was probably no better than store brand cream that could cost a couple dollars, and when cornered said "Oh we don't know anything about that, that's our marketing affiliates that are doing that." So, they just decided to offer a really big commission on an overpriced product and look the other way. So, a lot of these celebrities are really angry, they just can't; It's not just a brand that; They can't put together the ecosystem of partners and who they're partnered with, so they sort of found and said "Can you help us, explain this to us." So on the show I was kind of walking through this whole diagram of the affiliate ecosystem for Barbara and Doctor Oz.

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Roger: Let me switch to something that I think is maybe a little bit more positive about affiliate marketers. When I do speeches I often quote a survey of CEO's that show that 90% of them had full confidence in the abilities of their chief financial officer and chief information officer. But amazingly, only 20% felt that way about their chief marketing officer which is a real indictment of the marketing profession as a whole I think, that at least in this survey, that there was so many untrusting CEO's, and I have some explanations for why that might be, but there is one category of company where the CEO's actually had similar levels of confidence in their chief marketing person, and those were performance marketing companies.

I think in those cases, the numbers pretty much do the talking these days, if a person knows what they're doing and they're generating results or they don't know and they're not gonna be in that position for very long. They're not trying to explain how many Facebook likes the company page got or followers they have on Twitter, here we're talking real money and either the money's there or it's not.

Robert: Yeah, there's a lot of debate about attribution right there, but the one thing I would say is, once you just have a basic attribution model and you're sure that you're aware and not overpaying for everything, there is certainly a huge move towards the performance segment right now. People would much rather pay for outcomes than inputs, they'd rather say "Hey, here is what a customer's worth for me, what a lead is worth for me, and as long as there's some measurement metric and you're following my brand standards. I would much rather work with you than buying tons of display ads that are never seen by humans."

So, in some ways; We talked a lot about the path of affiliate marketing, but I think generally the shift everywhere is more towards performances, and the programs of today; I mean, the four elements of what I call a performance partnership program are, there is that CPA payout or that cash on delivery, there is transparency in the relationship, you know what your partner is doing, there actually is a real relationship or

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partnership. I think in the past it was just a lot of, hey I'll throw an offer out there and it's transactional, and then there's real time tracking and payment. That environment presented with rolling in influence or marketing, partner development, parts of business development that are much more easily scaled in an affiliate-like model, is what in non-traditional publishers is what's getting the industry excited.

They're starting to say "Look, the way I'm managing some of these business development deals, I'm much better off with a system that tracks and pays and does all these things in real time." That's kind of where the industry is going and to these larger scale performance oriented programs that tend to be called even partner programs, more than affiliate programs.

Roger: Yep, I don't want to totally go down a technology rabbit hole, but I'm curious, it seems like in the past and even today, many or most affiliate programs use cookies to track where a lead came from or where an e-commerce order originated, and so on. That's kind of an imperfect science, because I know often if I'm buying a complex product, my own buyer journey is kind of circuitous, I mean I may visit a brand site directly, I may even shop some e-commerce sites, I might read some review sites that all have their own affiliate links back to other e-commerce sites or to the manufacture site, or the brand site and so on. After visiting 20 different sites in succession, who really gets credit for that? Traditionally it was the last cookie or the most recent cookie, but obviously that's not really a very good representation, even discounting stuff like fake hijacking of cookies and that sort of thing, is there something on the horizon that's going to be more reliable that folks really use?

Robert: So there's technical reliability and then there's sort of reliability of "I did the activity you were asking for and I'd like to get paid." So technically, yeah cookies only work on web and mobile web, there's more fingerprint, SDK, cross device tracking as people know who you are, that's just to make sure that we have the right impression, but then there's which impression gets paid for. So let's say a person come across four or five marketing channels, so we had a private event last week for some

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managers of some of the largest programs in the world, sort of a brainstorming session.

I'll tell you one of the most interesting things that came up is they are starting to shift their affiliate programs and partner programs towards more top of funnel, they are interested in paying people on a more top of funnel basis, almost the opposite; The industry went out there with the last click model for 10 years, and so, what do they got? They got a supply of partners looking to be the last in. But the way some of these new technology platforms work, you could generate an engagement metric that you find meaningful at the top of funnel and compensate on that.

So if I'm a travel site, I say "Look, once people have looked up five flights on my site, you drove them to my brand, they looked up five flights and they came back twice, that's good enough for me, I want to pay for that, because them buying something, that's down the funnel now. It'll take time but I want to reward you now because my data shows me that those sets of behaviors almost always lead to a converted customer." So, I would say the biggest takeaway in talking to these heads of a lot of large programs was, how much they're looking to shift towards compensating being more at the top of the funnel and really undo what we've done with all this last in cart based stuff that's gone on in the last decade.

Roger: That's really interesting because, I was for a while associated with the education industry higher ed, and that had turned from sort of; At least on the non-profit side; from a very sort of gentile marketing side, to a highly aggressive allegian activities, and there the trend was really going in the other direction, at least a few years ago, where the problem was they were getting leads, but these weren't particularly good leads so they were trying to push things down to a farther level where they resulted in an application or enrollment, as opposed to just a lead but might or might not really be worth anything.

Robert: Yeah and I think this; What I was talking about is this new in between world, and it's solved by having much deeper technology and tracking integrations with your partners. So again, what was usually

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available was a lead pixel or a sale pixel, but this notion of engagement or taking your business model, if you're Uber and you say "Look, I will pay for a driver as they are approved on the background check." Or something of that level. I think what you were talking about was just a lead, which is fakeable, but these would be metrics where the person would be actually engaged and in the middle of the process. But the nice part is that, assuming that those are high quality, you actually want to reward the publishers that are driving top of funnel, as long as top of funnel is high quality.

It's just the same problem in reverse, that sort of top of funnel fraud is the same problem in reverse when you totally value last in, and you've got tons of loyalty publishers or toolbars trying to; Or coupon sites maybe getting credit for people that are already in the shopping cart and came through other channels. So, I think each company is really trying to define success, what high quality looks like, and then feed it back to their partner in real time so they can adjust. But that's where this partnership element comes I said before, this is the two parties working together to get a better result for both parties, rather than it being antagonistic and saying "Oh I did well." Or "You did well." It really is more of an ongoing relationship and optimization, because the managers that I know, the most progressive affiliate managers, they say "Look, this stuff's going really well, this stuff's really happy, how do I get you to do more of this and pay you more for it?"

Roger: You mentioned Uber, and in the book you talk about the Uberization of marketing, and by that I'm meaning that Uber doesn't have to necessarily own their own fleet of vehicles because of their structure, is this sort of a mixed bag for brands if they're not in control of their message to the same degree because they're using all these affiliates, are they losing a little bit of their branding and their brand identity? I mean, the Uber driver's Toyota Camry that picks me up really is identifiable, Uber doesn't own it, but at the same time it's not really getting their brand very visible either.

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Robert: Yeah, so this is just changing the whole dynamic of how people think of their affiliate programs, and not letting them just be run. Because, look, the largest brands in the world trust agencies and partners with their message, and they trust them to spend millions and billions of dollars on their behalf, and they just have very strict standards, so I think an affiliate program does not have the standards that it should have and it hasn't been run well. So, you see a lot more what we call in-house programs, where companies are renting or licensing software as a service network. So instead of the Uber affiliate program, it might be the Uber partner program, and there are brand guidelines and there are strict restrictions, and you can come in and for these next generations programs, and it's one strike and you're out, kind of like they would hold a reseller to it.

So I think, it's not this if, it's really how, and when you come in and say "Look, this is a totally transparent system, we have the tracking, here are our brand guidelines, you need to get these things approved, there's no two or three strike rules, you break our rules and you're done." You get the power of opening up your marketing to some of the best experts in world, but you don't leave a lot of room for them to go off script, and that's what I really talk about the marketplace, it's that sort of logo tournament, 99 designs taken to a more institutional level. If I need an Instagram marketing expert, I need a Snapchat or whatever the next thing is, I don't know how to do that, I haven't hired that person, there's likely an affiliate out there who maybe more look like an agency would, who would do that on a performance basis and they'll be invited to participate in my program. I really think it creates this scalable marketing platform that doesn't have every company having to figure out or master all elements of marketing.

Roger: Great, well Robert, I know we've got more than a few entrepreneurs and digital marketers and web publishers in our audience, so let's look at things from their perspective. The wild west days are long gone and maybe the overnight fortunes aren't quite as easy to achieve, but is there still an opportunity for a smaller player to achieve reasonable success through affiliate marketing?

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Robert: Yeah, in fact I think there's more, I think as the rates on display come down, we're seeing media companies get in. It was all about volume for writing the incentives that we talked about maybe 10 years ago, now brands are really most interested in high quality partners. Influencer marketing is coming into the performance base, there's this notion of micro-influencers, people who have small verticalised focus. So, it's not about being a little guy and no one will work with you, if you are on brand and you bring value to that brand, that is what these brands are really excited with, that is what they tasked to go get, non-traditional content oriented brand related partners.

So it's really never been a better time to partner with someone, because they're not as inherently interested in the volume metrics as they are making sure they get good high quality partners. If you have a social following, if you have; Someone was telling me last week about this person that has this certain type of dog breed site, and maybe had 10,000 followers but they were crazy about all this stuff, and they did incredibly well with several pet merchants. So, I actually think it's a great time to be a publisher and I think you're gonna find that companies are opening up their performance marketing programs and looking to work with more people on that way, in fact they're gonna more interested in performance based relationships than they are gonna be fixed payment relationships.

Roger: Okay, so say I do have some kind of a niche website or social following or whatever, and how would I begin trying to identify what offers might work for me or what companies I should consider partnering with?

Robert: Yeah, so firstly, people say a lot "What kind of site should I start?" Well, unless you're an SEO guru and you know how to create a site in arbitrage, start with whatever you know, it's probably whatever your passion is. If it's watches or dogs or local town-

Roger: And to interject too, starting a site to generate affiliate revenue is not necessarily an easy task. I was thinking more of somebody who already has something going and they've got some kind of a following, but

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it's not well monetized. But if somebody really wants to go and start a site from scratch for affiliate marketing purposes, hey, more power to them.

Robert: It's easier said than done. So, you could go look on some of the networks and go through the program directories by category, but I would really; Every program over a million dollars like I said has an affiliate program, and it won't be hard to find, usually it's on the bottom of their homepage, or if you google the brand and the affiliate program. What I will say is that the affiliate program and the quality of how it's run may not be reflective of the brand itself, so you've gotta make sure those are one in the same, you can have great brands that have very poorly run affiliate programs with bad terms where they don't write you back.

So, I would again, if you're that dog site, I would think about the categories, whether it's dog food, dog medicine, services, and I would; The brands that you know or probably the ones that really want to introduce to and you can go onto a network and see which programs are in that category, or you can actually try to just go to the brand directly and sign up for the program. Then I think you want to engage the manager, I think it'll be very telling "Hey, I'm a new affiliate to the program, have some questions, do you have some tips, advice, any incentives?" If that person writes back and is really helpful, it's probably gonna be a good relationship, if that email is never responded to and you have any issues going on in the program, you're probably not gonna hear from someone.

So, I can't stress that enough, there are really some good brands with some not well run programs and you want to make sure that you join up with programs that are responsive or gonna be helpful to you, but best thing is to go with, kind of do a merchandising exercise based on who's my demographic, what would they like, and which brands do I think that they would want to partner with, want me to partner with and they'd be interested in.

Roger: And the affiliate marketing clearing houses, like ShareASale for example, they have metrics too don't they? So that if you know that you want to be in the pet food category and you may see that there are multiple

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pet food companies or pet supply companies that have programs, but you'll also be able to get an idea of how those are performing with other existing affiliates, right. Are those numbers pretty useful do you think? I'm sure they're accurate but-

Robert: Yeah, so if you went to the traditional network ShareASale, Pepperjam, Commission Junction, Rakuten, yes, the one thing depending on the network is; Yeah, they'll have a number, the EPC, and that is the sort of Earnings Per Click, a hundred click equivalent, how much should you expect to make. Those numbers can be very distorted by large affiliates, it may be that the small guy's making a dollar and the larger guy's a hundred, particularly something like a coupon site, so the average could be distorted. But yeah that's a good threshold, particularly if you look in a category of two programs and one seems to have twice the rate of the other, that could mean that that's a much better program, that it's a higher commissioned and better converting.

So, yes, each network does show metrics on each program. I would say, look for big differentiations between two brands in the same category, also don't expect that you will perform at the highest level that you see there, often times that is one of those large, even public company publishers.

Roger: And do you see bigger publishers getting involved in affiliate marketing? I mean, you already mentioned that the traditional ad CPM rates keep going down and it seems like even the biggest news and content sites have all these cheesy ads from content providers like Outbrain and Taboola with totally weird clickbait content, which really I think is not good for that site's own branding and perception of reliability and trust. Then obviously popups and autoplay videos, really things that are horrible for the user experience, are any of these publishers turning to affiliate marketing as maybe a way of getting their ad rates up and reducing some of the poor user experience from what they've been doing?

Robert: Yeah, you know, affiliate forces you to merchandise, rather than just running a bunch of automated stuff. So a lot of publishers and

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magazines and media are coming into the affiliate space, Time just made a big effort on affiliate marketing. We've seen some great results and they were seeing great results 'cause they were getting smarter about matching products to content, and this whole notion of programmatic, I think I saw a quote last week that "Performance is the new programmatic." Programmatic was a method, not a result, and it hasn't really lived up to its promise in a lot of cases.

So, we see all kinds of folks coming in, but media has been one of the biggest segments. You also have a company like Ebates, which is owned by Rakuten, it's a huge billion dollar company. You have RetailMeNot and Coupons.com which are public, so you have some really large players in this space, and at the same time you have folks, mom bloggers working from home and running really popular sites. These days with social media, you have some 18 year old who has a million Twitter followers and they're suddenly driving a lot of business, so it really does run the gambit.

Roger: You know Robert, I think one of the biggest breakthroughs in monetizing content sites was; And of course many years ago was Google's Ad Cents, because that automated the relationship between publishers and advertisers, and one key things was that it delivered ads that were actually relevant to the page content. So particularly for a publisher that isn't totally focused on a single consistent theme, it really allowed them to monetize far better, because trying to sell ads against a particular piece of content is impossible. On the other hand, if you've got thousands or tens of thousands or hundreds of thousands of pages of content, but the ads can be matched automatically then you're so much better off, on both sides, and it's a better user experience too because they're not seeing totally irrelevant ads. Is there a tool like that, that a publisher could; User for that matter; An affiliate marketer could use, is there something equivalent to ad cents for affiliates?

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Robert: What we find is actually people are not using as much banners anymore, they're using content and content links, and really looking to make it more organic or related to content. So there's a couple-

Roger: That takes work though.

Robert: Yeah. So we created a company and spun it off a year ago called BrandCycle, and what that does is it allows people to come in in one place and just find simple text links and social links to use stuff that they are already talking about and writing about on their site, and it takes care of all the affiliate network stuff in the background. So it's really popular with the influencer crowd and the folks who are kind of new to monetization and don't want to understand affiliate networks. There's also some tools like Skimlinks and Biglinks which you can put on a site, and it will, as you're already; It's also called a sub-affiliate, same concept but more really they belong to almost every program, and as you're writing about things organically on your site, it will replace that word with an affiliate link, and that can be another easy way to do it. So you can focus on the content and the tool can help you with the monetization.

Roger: One thing that I've seen too, Amazon's native links seem to do that somewhat, it seems like their performance is not necessarily always spot on, but they do analyze the page content and provide products that they think match that page content. Presumably they're a little bit better than just sort of random ads that might fit the theme of the entire site.

Robert: Yeah, like you said, it's a little about ad cents and I think the technology will get better, and Amazon pays more for those units. But, I feel like that still looks programmatic, and the publishers we've seen want the control, and I'll give you an example. We had a program years ago, we worked with a brand called; I won't say the name, but a very popular daily deal site in family space, and they had this one brand, and every time they wrote about this brand or it went on sale, this publisher would sell 20 or 30 thousand dollars and just really do unbelievably well, and the brand said "Look, can you go talk to this publisher and ask them why they're not doing stuff at other times and can we pay them more?"

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And we went to them and they said; It was Melissa and Doug, was the brand that was being sold on the site; and they said "Nah, we love Melissa and Doug, when it comes out we're really focused on it, we write an article, we get excited and we can't be inauthentic about a lot of those other products that are out there." So, to me that shows the real power of affiliate marketing, it's technology in relationships. But, that publisher was excited to write about that, and they wrote about it and they listed their favorite things and they brought a human element to it, that just was gonna work better than something reading the content and probably showing an ad unit.

Roger: Right, I think that certainly that's true for most kinds of serious affiliate marketers who actually are not just content creators that want to add a little bit of monetization, but they actually want to sell stuff, they will incorporate the product and their experience with it and so on into their web content or into their emails or whatever, and make it much more engaging and authentic. But it's really a different sort of style of marketing than just saying "Okay I'm writing about pets." Although you could do it there too I suppose-

Robert: There's passive versus active.

Roger: Right, well said.

Robert: I've heard some of the technology coming out; Again it sounds like Amazon, and some of the publishers are like, look I don't want to do that, if I wanted to do that I'd run a programmatic ad. Like if I just wanted to put a box there and have you control what's on the page. If I'm speaking to something, I don't want to speak about it and I want to know what it is. So there's just some varied schools of thought on that, I don't think there's a right or a wrong.

Roger: Right, or maybe there's a business opportunity there. Say Robert, we're just about out of time, let me remind our listeners that we're speaking with Robert Glazer, founder of Acceleration Partners and author of the new book Performance Partnerships, the checkered past, changing

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present and exciting future of affiliate marketing. Robert, how can our listeners find you online? And I think you've got maybe an offer for somebody who wants to sample your book.

Robert: Sure, yeah you can go to the book site, you can google Performance Partnerships, or its performance-partnerships.com, and there you can download the intro and the first chapter of the book for free as a reader. We also have this diagnostic tool set up on that page called affiliate grader, which you can if you have a program and you want to take five minutes and answer a bunch of questions, it will give you a score on your program and tell you where you have opportunities and problems. You can also find me at our Acceleration Partners website or my personal website, which is robertsglazer.com, and I'm well replied at, any inquiries that are not sales pitches. So if you have any questions and want to reach out, I will try my best to get back to you.

Roger: Great, and this demonstration of my lack of business acumen, those are not affiliate links. But you will be able to find all those links, along with any other resources we talked about on the show notes page at rogerdooley.com/podcast, and we'll have a text version of our conversation there too. Robert, thanks for being on the show and good luck with the book.

Robert: Thank you so much Roger.

Thank you for joining me for this episode of the Brainfluence Podcast. To continue the discussion and to find your own path to brainy success, please visit us at RogerDooley.com.