Phonexa

WITH FREE TEMPLATES

HOW TO SCALE ROI ACROSS PUBLISHERS & PARTNERS:

An Affiliate Network's Ultimate Guide

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Building the Partner Ecosystem for Your Affiliate Network

Qualified pipeline from publishers and affiliates. Advertisers who want to grow. These two core criteria make or break the success of your affiliate network.

This E-book outlines the secret sauce to growing your affiliate network based on data-backed expertise from clients, prospects, and partners in the Phonexa community.

Without further ado, let's get started.

Defining Your Role

An affiliate network is a platform that connects those who have offers but want to avoid advertising themselves with those who can promote those offers. In this way, each party can focus on what they are good at — maintaining quality offers or advertising best practices.

Generally speaking, an affiliate network is a third-party marketplace that supports marketing agreements to drive lead generation efforts. In other words, an affiliate network acts as a middleman or "broker" for publishers and advertisers.

Strong affiliate networks result in a win-win situation for all parties. Outcomes get met on both sides and the network scales as the result of the following:

- Brands and agencies gaining more exposure
- Affiliates getting leads and sales
- Consumers acquire what they need sooner

Affiliate programs are multifaceted, and managing all aspects is a complex task for most advertisers. However, the process is streamlined when affiliate networks provide the proper tools for account management, end-to-end tracking, and payment and reporting options. The result is a user-friendly system that is easy to track, monitor, and adjust, increasing efficiency across the board.

Fortunately, there are proven techniques and best practices that can help run your operations to set up your affiliate network and advertisers for success. And we've got you set up with resources to help along the way.

Building the Partner Ecosystem for Your Affiliate Network

Define the Network's Goals and Niche

Setting clearly defined goals for your affiliate network is essential.

1. Start by establishing a niche. Affiliate networks, like affiliate marketers, should specialize in one vertical — financial services, insurance, real estate, legal, etc. Trying to cover a wide spectrum of offers and niches would be harder to manage as you get started.

2. Secure an initial group that wants to build a qualified pipeline by pursuing qualified advertisers in your space and vetting them properly. Advertisers do not seem to have much to lose with affiliate advertising considering they pay for outcomes, making expanding into other areas easier when results are predetermined.

3. An affiliate network is largely performance-based, with margins calculated over the affiliate Earnings Per Lead (EPL). It works as follows: an affiliate receives a revenue share on an applied sale or lead — for example, publishers generally get 90% of the revenue share while the network gets the smaller margin (for an order of $100, the network earns $10). Ten dollars is the amount the affiliate receives for a purchase made through his link. The network calculates it's fee based on this affiliate fee of 10 dollars. The network fee amount differs per network, advertiser, and industry. In addition to network fees per order, networks calculate:

    - Start-up costs
    - License costs
    - Traffic fees

    These are one-time or monthly costs for the use and maintenance of the interface and the hours spent launching and promoting the program. These costs differ per network. Set terms for your network with advertisers and publishers based on the standard cost per lead, acquisition, and click for the specific niche. The average cost per lead, call or click can vary greatly depending on the industry. For example, the automotive industry typically has a higher cost per lead than the insurance industry. Factors that affect the cost include:

    - Category
    - The information shared with the advertiser upfront to determine pre-qualification based on the outcomes that matter to them
    - The fee for the affiliate to generate the lead

4. Walk back into your goals after determining your fee structure and the scalability of your first few advertiser relationships.

Building the Partner Ecosystem for Your Affiliate Network

Sourcing Potential Publishers and Partners

Once your niche and goals are clearly defined, research potential publishers and partners that align with your objectives and your advertiser's target audience. Potential publishers and partners can be sourced from a few different areas:

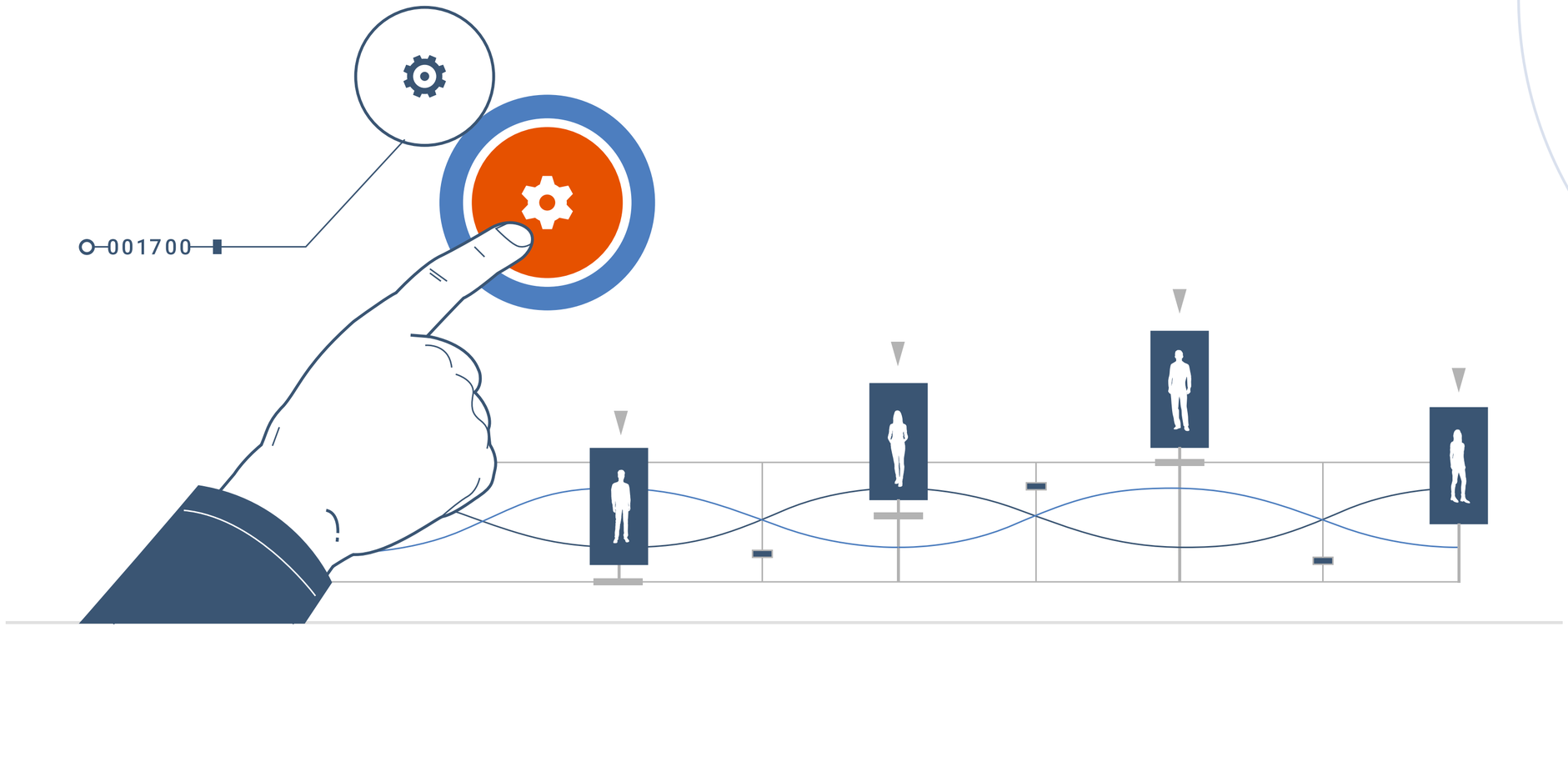
1. You can participate in industry-specific or affiliate marketing-related exhibitions. Top affiliate marketing conferences include:

    - Affiliate Summit East and West
    - Lead Generation World
    - Affiliate World
    - LeadsCon

2. Potential partners can also be sourced from affiliate programs commonly used for discovery.

3. You should also build and optimize your landing page and run outbound campaigns to generate newly qualified publishers in your niche:

    - To improve your landing page's usability, the design, imagery, copy, and submission forms must be streamlined. It should also focus on your CTA (Call-to-Action) and key value propositions. Consider benefits other programs lack, like payout structure, campaign insights, and creatives you can provide upfront to help publishers succeed. Make sure these core pillars are communicated on the landing page.



Building the Partner Ecosystem for Your Affiliate Network

Sourcing Potential Publishers and Partners

Vetting the Publishers and Affiliates You Identify

Upon identifying prospective partners, assess their track record, reputation, and relevance to your business. Here's how you can determine whether a new partner is right for your network:

- Publishers must apply to join the affiliate network and then go through an approval process for each advertiser program. Not everybody should be accepted. The first criterion is to verify the publisher is real. Make sure the publisher is vetted on a call or in person before agreeing to proceed with the relationship.
- Ensure their niche focus areas map to the products and services your advertiser promotes.
- Have a firm understanding of their properties and domains, their key methods for generating traffic, and the types of offers they prefer to promote to their audiences.
- Ask them how they mitigate fraud to protect you and your business. For example, do they use third-party software to identify and stop fraudulent traffic, or do they just let all their traffic through?
- Make sure to communicate the onboarding process and the initial monitoring stage of their efforts on behalf of the network. How will your network monitor and manage its success in the early stages while they also become acclimated with the network's standard operating procedures?
- Ensure they understand your network's core value propositions and review the standard partnership agreement upfront. Clearly outline the legal requirements, monetary requirements, and disclaimers both sides can agree to.

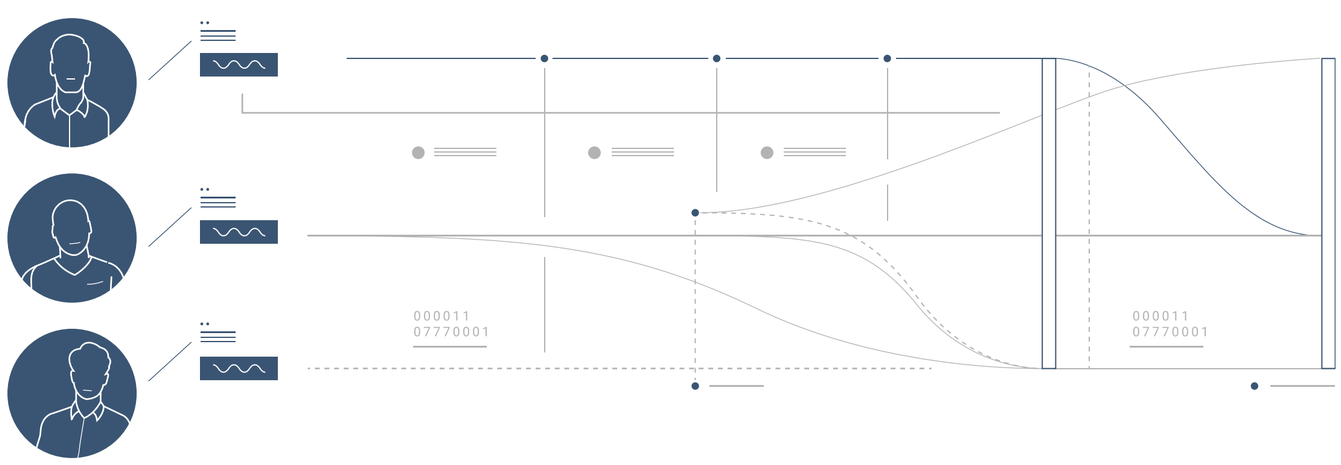
Building the Partner Ecosystem for Your Affiliate Network

Sourcing Potential Publishers and Partners

Terms of the Partnership

After defining the value of partnering with your program, establish expectations for both parties. Expectations can include roles and responsibilities, timelines, procedures for circumventing potential roadblocks that may arise, and metrics for success.

To effectively enforce the expectations of your network, make sure to provide guidelines and resources such as a knowledge base, an onboarding packet, and tutorials. Doing so will help clarify the partnership's terms and outline how publishers can maximize their earnings.



Affiliate networks can also outline the terms of a partnership by taking the following steps:

- Establishing lines of communication, including regular check-ins, progress reports, and feedback sessions.
- Determining the partnership compensation structure by outlining the minimum thresholds or other requirements that must be met to receive compensation.
- Addressing confidentiality or intellectual property concerns, such as who has ownership of intellectual property developed during the partnership.
- Outlining and agreeing on the terms for terminating the partnership, including but not limited to notice periods or fees that may be required.

Once the terms are agreed upon, draft a written agreement specifying the partnership's details. After the agreement is reviewed and signed, both parties will be aligned toward achieving mutual success.

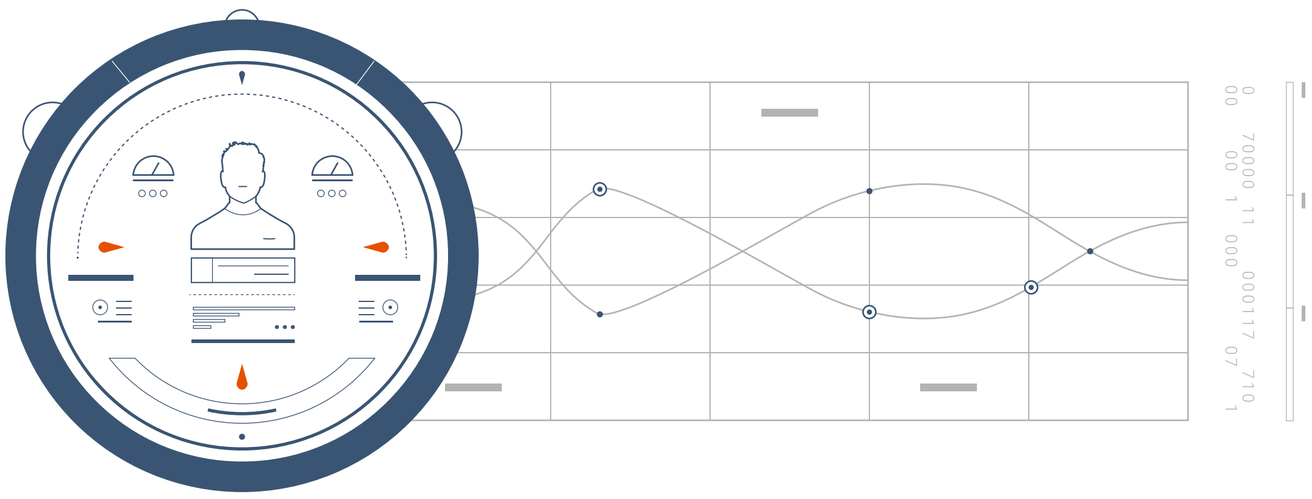
Building the Partner Ecosystem for Your Affiliate Network

Compliance and Requirements

When vetting a prospective affiliate partner, it is also important to evaluate their threshold for risk mitigation by getting answers regarding the practices they use to protect themselves, their customers, and their business against potential threats.

To help determine how adept a partner is at protecting customers and, ultimately, the reputation of your affiliate network, here is a list of critical questions and key talking points you should consider discussing:

- **What are your fraud prevention and mitigation policies and procedures?**
  Proactive fraud prevention and mitigation measures are crucial for protecting the integrity of your affiliate network and your business's financial health.
- **Can you explain your approach to detecting and preventing fraudulent activities?**
  A prospective partner's ability to detect and prevent fraudulent activities can impact the overall success of your affiliate marketing campaigns.
- **What steps do you take when you identify fraudulent activities within your affiliate network?**
  A strong fraud prevention and mitigation strategy can help build customer trust and create a safer online environment.
- **Can you provide references demonstrating your effectiveness in preventing and mitigating fraud?**
  References such as security certifications and compliance with regulatory laws help you evaluate a prospective partner's track record in preventing and mitigating fraud.



Building the Partner Ecosystem for Your Affiliate Network

Compliance and Requirements

With regard to regulatory compliance, the following certifications and standards reflect that a prospective partner employs robust fraud prevention and mitigation measures.

- SOC 2 - A SOC 2 audit report examines internal controls related to security, availability, processing integrity, confidentiality, and privacy.
- ISO 27001 - ISO 27001 compliance demonstrates that a network employs a comprehensive information security management system.
- Payment Card Industry Data Security Standard (PCI DSS) - Organizations that process, store, and transmit payment card data must have PCI DSS certification.
- Anti-Fraud Best Practices Certification - This certification is specifically designed for affiliate networks to ensure best practices for fraud prevention, including implementing fraud detection technologies, monitoring traffic sources, and maintaining strong relationships with affiliates.

In addition, compliance with the California Privacy Rights Act (CPRA), EU's General Data Protection Regulation (GDPR), and similar laws that regulate the collection, use, and protection of personal data also reinforce a partner's capacity to deter fraudulent activity that can harm the reputation of your business and your relationship with your customers.

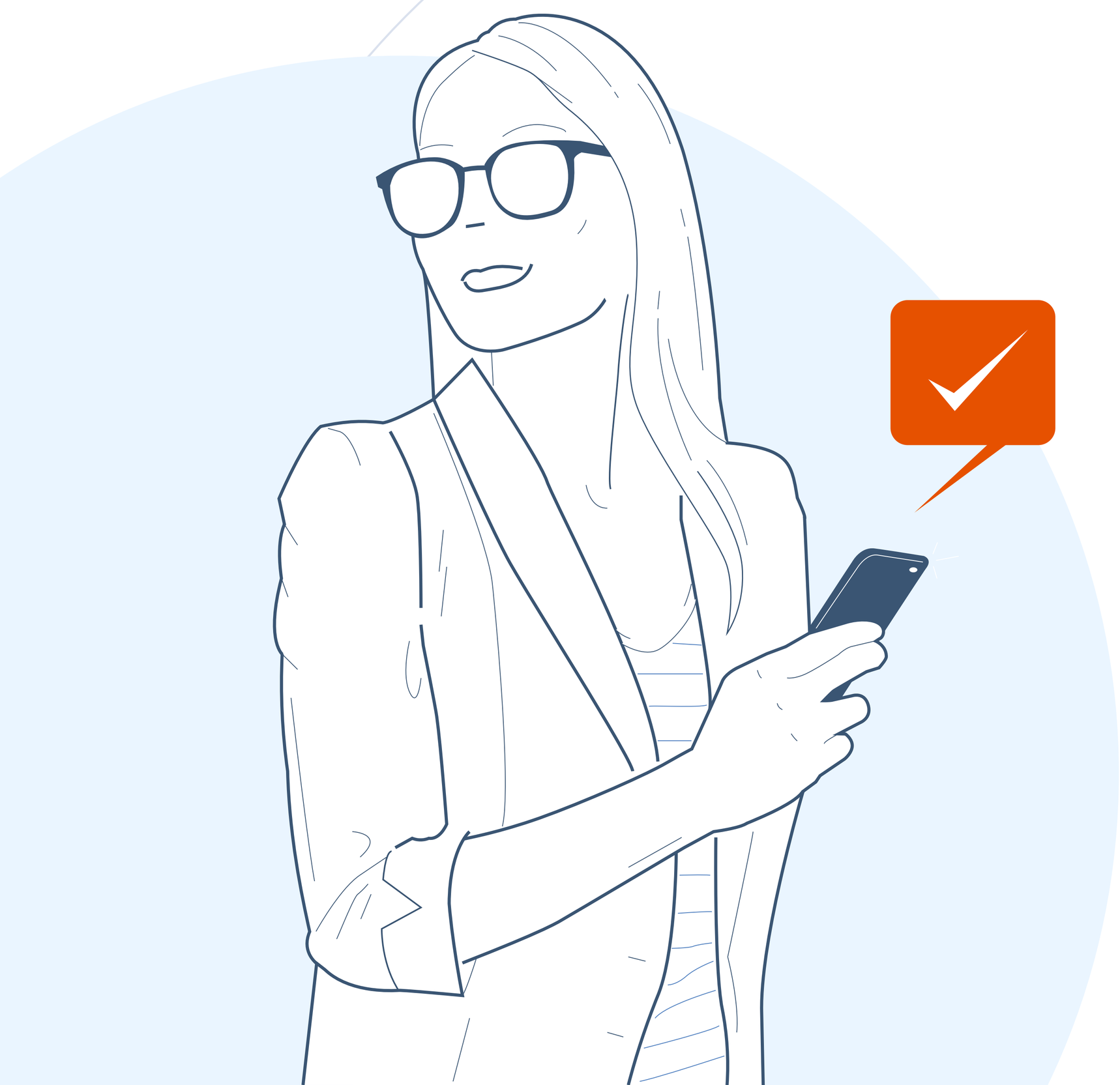
Did you miss our 2023 Data Privacy Compliance Cheat Sheet?
Read it here to get a secure handle on consumer compliance regulations currently being implemented.

Ensuring a Seamless Onboarding Process:
A Comprehensive Guide for Your Affiliate Network

The onboarding process is a key aspect of scaling publisher relationships for any affiliate network. With so many moving parts to track, it's easy to overlook crucial details that may facilitate or hinder performance.

Start by preparing strategies for defining the mutual value of partnering with your network, establishing terms of the partnership, setting affiliates up with marketing materials, the technical implementation for onboarding, and tech tools and solutions for tracking the progress of newly onboarded publishers.

Ensuring a seamless onboarding experience is essential for driving success. With that in consideration, here's everything you need to know to create an onboarding process that prepares your affiliates for success.



Ensuring a Seamless Onboarding Process:
A Comprehensive Guide for Your Affiliate Network

Effective Approaches for Onboarding New Publishers

There are several effective approaches to ensure a seamless onboarding process, but identifying the right one depends on the complexity of your affiliate network.

In listening to our clients, we've identified some key steps to ensuring onboarding goes smoothly:

1. **Set up a kick-off call**
    - Introduce yourself and the affiliate network
    - Explain your onboarding process and what new publishers can expect
    - Ask what they hope to achieve through the affiliate network to gauge their expectations
    - Explain the objectives and benefits of the affiliate network and how they can maximize commissions
    - Answer questions they have to alleviate any concerns

2. **Conduct a full site review**
    - Evaluate the publisher's website to determine if it meets the network's standards and requirements
    - Verify that their website is mobile responsive, loads quickly, and is user-friendly
    - Look for quality content, attractive design, and relevant traffic
    - Suggest improvements if needed

3. **Set them up in your publisher management solution**
    - Guide the publisher through the setup process to ensure they understand how to use the platform
    - Provide them with marketing materials such as banner ads, email templates, promotional offers, and other creatives
    - Explain how to leverage the marketing materials and creatives to promote offers effectively
    - Ensure the publisher understands the tracking system and how to use it

4. **Identify the live date for offers and technical configuration**
    - Collaborate with the publisher to pinpoint the best launch date for their campaigns
    - Ensure technical configuration is complete and accurate, including tracking links and pixels
    - Verify that offers are set up correctly and that the publisher understands how to promote them
    - Confirm that the publisher is ready to go live and has everything they need to be successful

5. **Regularly monitor the publisher's performance**
    - Analyze their traffic, clicks, and conversions to identify potential areas for improvement
    - Keep fraudulent data and duplicates top of mind
    - Advise the publisher on how to optimize their campaigns and improve results
    - Promptly address any issues that arise
    - Celebrate their successes to encourage continued growth

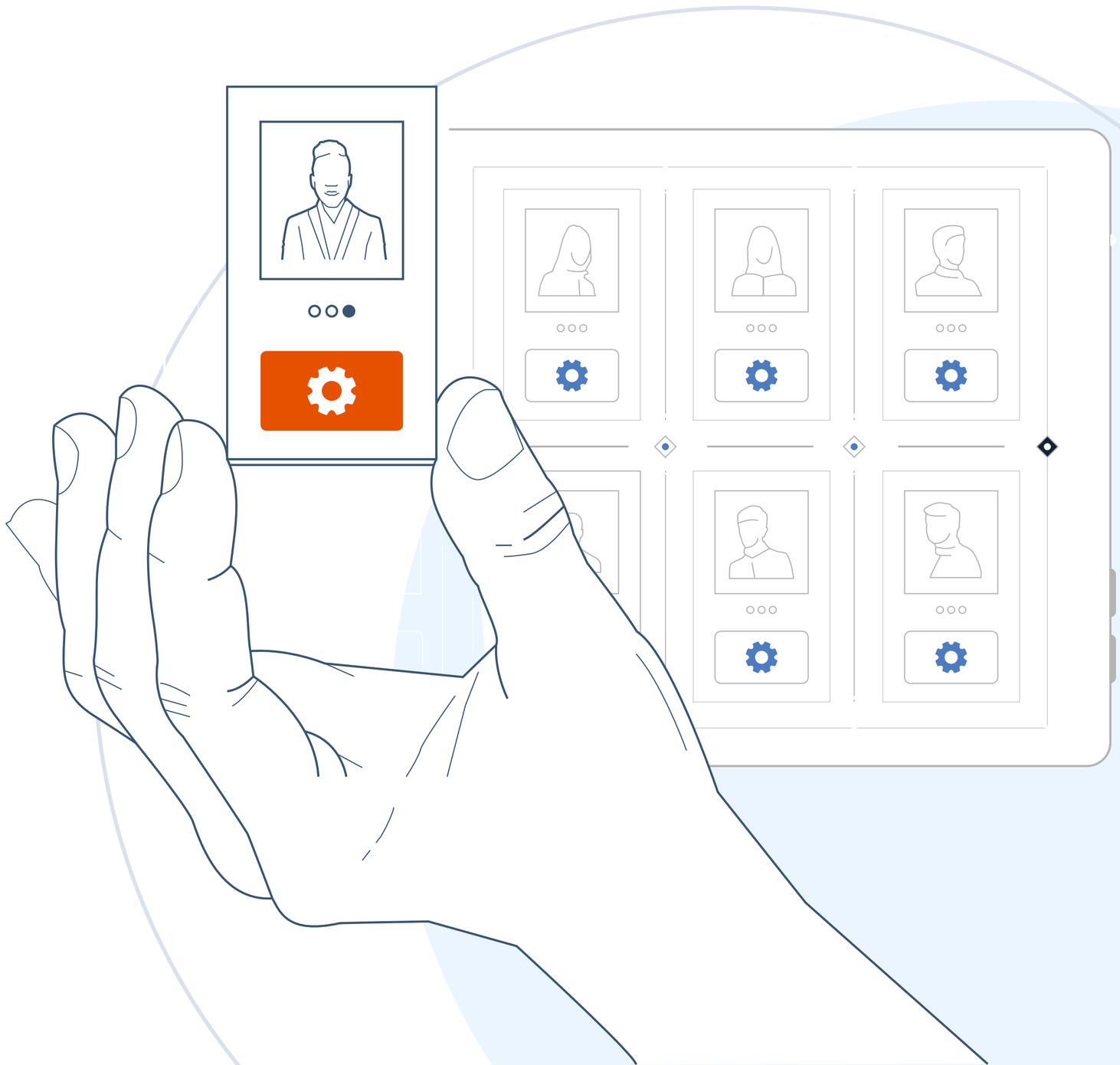
Ensuring a Seamless Onboarding Process:
A Comprehensive Guide for Your Affiliate Network

Technical Implementation for Onboarding

Technical implementation is a crucial component of a successful onboarding process. This process typically involves the following tasks:

- Creating user accounts
- Configuring user permissions
- Setting up authentication and security protocols
- Configuring user interfaces
- Integrating with legacy systems or platforms

Furthermore, the technical implementation process also ensures that your platform is scalable and capable of housing a large number of users.



Ensuring a Seamless Onboarding Process:
A Comprehensive Guide for Your Affiliate Network

Facilitate Onboarding With Phonexa's Comprehensive Marketing Automation Platform

The most effective approach for facilitating the onboarding process is white labeling Phonexa's all-encompassing platform. Doing so provides users with a direct registration link to the Phonexa platform, allowing them to utilize our in-house questionnaire tools and collect additional data on prospective publishers.

By leveraging our in-house questionnaire tools, affiliate networks can require publishers to provide answers regarding where their leads come from, the sites they use, if they provide unsubscribe links when marketing via email, how often they scrub their unsubscribe list, and so forth.

Gauging this information allows Phonexa clients to vet publishers before onboarding them into their network by confirming if they fully comply with industry-specific consumer protection regulations. In addition, Phonexa's automated marketing solutions ensure publishers stay aligned with the network's customer roadmap.

Setting up publishers as seamlessly and straightforwardly as possible ultimately guarantees an efficient onboarding process.

Did you miss our Guide on Affiliate Marketing?
Dive into the most exhaustive affiliate marketing cheat sheet to learn affiliate marketing through and through.

Evaluating Publisher Performance

As the affiliate marketing industry evolves and expands into niche markets across various verticals — insurance, finance, and home services being among the most popular — affiliate networks must possess a solid understanding of how to evaluate the performance of their publishers.

With a variety of metrics to consider, it can be challenging to identify which are the most critical indicators of success. However, by taking a data-driven approach to determine and analyze the right KPIs, affiliate networks can make informed decisions and optimize their partnerships for maximum profitability.

Let’s explore key metrics to consider when evaluating publishers, as well as the top reports used by affiliate networks to measure the efficacy of their partnerships.

Evaluating Publisher Performance

Critical KPIs to Monitor

Key Performance Indicators (KPIs) must be specified before evaluating affiliate publisher performance. KPIs critical to success depend on the nature of your affiliate program. Monitoring KPIs is crucial to verify whether publishers produce the desired results defined by the goals and objectives outlined in the terms of the partnership.

Critical KPIs regularly monitored by affiliate networks include the following metrics: conversion rate, click-through rate, cost per acquisition, and earnings per lead.

Conversion Rate

Conversion rate — the percentage of users who take the desired action on the affiliate site — measures your program's effectiveness in converting leads into customers.
The conversion rate is determined by dividing the number of conversions by the number of total visitors.

> **Conversion rate = Number of conversions / Total number of visitors**

High conversion rates indicate that a publisher effectively engages their target audience and guides them through the sales funnel — which Phonexa's LMS Sync platform for lead tracking and distribution can be leveraged to track and analyze — leading to increased revenue.

Furthermore, monitoring conversion rates can help flag significant increases in conversions associated with a particular publisher, which may indicate click spam, transaction fraud, or other fraudulent activity.

Evaluating Publisher Performance

Critical KPIs to Monitor

Click-Through Rate

Click-through rate (CTR) determines the number of clicks generated by an affiliate publisher's ads or links by dividing the number of clicks by the number of views.

> **CTR = Number of clicks / Number of impressions**

An ad that resonates with a target audience is more likely to yield a high CTR, making it imperative that publishers optimize their ad messaging to boost the efficacy of their marketing efforts. Tracking a publisher's CTR is essential to verify that they send high-quality traffic to your site. Affiliate networks can simplify the process of tracking and analyzing ads by employing Phonexa's comprehensive click tracking platform Lynx to identify which campaigns are compelling and relevant to the target audience.

Lynx is among the most advanced affiliate tracking software solutions, allowing seamless integration with a Customer Relationship Management (CRM) or lead management system like LMS Sync. Integrating Lynx with LMS Sync creates a lead management system that powers an affiliate network's marketing campaigns and provides more control over the customer journey.

Cost Per Acquisition

Cost per acquisition (CPA) measures your program's cost of acquiring a new customer. Monitoring this KPI allows you to assess how efficiently your network acquires new customers while keeping costs in line.

CPA is determined by dividing the total cost of a marketing campaign by the number of acquisitions resulting from that campaign.

> **CPA = Total cost of campaign / Number of acquisitions**

Evaluating Publisher Performance

Critical KPIs to Monitor

Earnings Per Lead

Earning Per Lead (EPL) measures the average revenue the affiliate network earns per lead — also referred to as the transaction fee per publisher or campaign. EPL is calculated by dividing the total revenue generated by the number of generated leads.

> **EPL = Total revenue generated / Number of leads generated**

Affiliate networks often negotiate fees with advertisers and publishers upfront.

In addition to monitoring critical KPIs, publishers can leverage A/B testing, reporting and analytics, and other analytical tools to maximize their output. The most optimal tools for tracking and analyzing metrics depend on your network's demands and your affiliate program's size.

Did you miss our guide on Advanced Ways to Grow Your Affiliate Network? Learn how advanced affiliate link tracking can grow your affiliate network, granting you ever-increasing revenues and eliminating extra effort.

Evaluating Publisher Performance: Top Reports Used by Affiliate Networks

The Marketing Automation Report 2021 published by the ZHAW School of Management and Law found that marketing automation increased efficiency and ROI for 45% of respondents. The report also showed that marketing automation resulted in higher lead quality for 39% of respondents.

This section examines reports used by affiliate networks to evaluate publishers and make data-driven decisions to optimize the program and drive more revenue. These reports provide valuable insights into which publishers drive traffic and conversions, identify rejected leads, monitor fraudulent activities, and analyze the demographics and geographics of accepted leads.

From traffic and conversion metrics to rejected leads and fraudulent activities, these reports help networks determine how well publishers perform, where improvements can be made, and what strategies work best. Let's explore the top reports affiliate networks use to evaluate publisher performance.

You can snag a **free publisher performance report** if you're not currently using Phonexa **here**.

Evaluating Publisher Performance: Top Reports Used by Affiliate Networks

Traffic Flow and Comparison Reports

Traffic flow and comparison reports — both powered by Call Logic — provide insights into the amount of traffic each publisher drives, the conversion rate for each campaign, and the revenue generated from specific campaigns.

- Traffic Flow Reports put a publisher's quality in perspective by verifying if the leads they generate are new or duplicates.
- Comparison Reports help affiliate networks pinpoint potential blind spots by examining different datasets.

Together, these reports help networks identify top-performing affiliates and can be used to optimize performance by identifying trends, such as high-performing geolocations or device preferences.

Lead Details Report for Top Demographics and Geographics

The Lead Details Report offers a detailed assessment of each lead and provides information on site visitors' geographical location, age, gender, or other useful data. This report provides an overall profile of individual consumers based on the information gathered.

Phonexa clients can use our system to track that data and uncover areas of high performance, where publishers are having success matching with their target audiences, and where there's underperformance. Affiliates can then use this data to optimize their campaigns further and identify their target demographics.

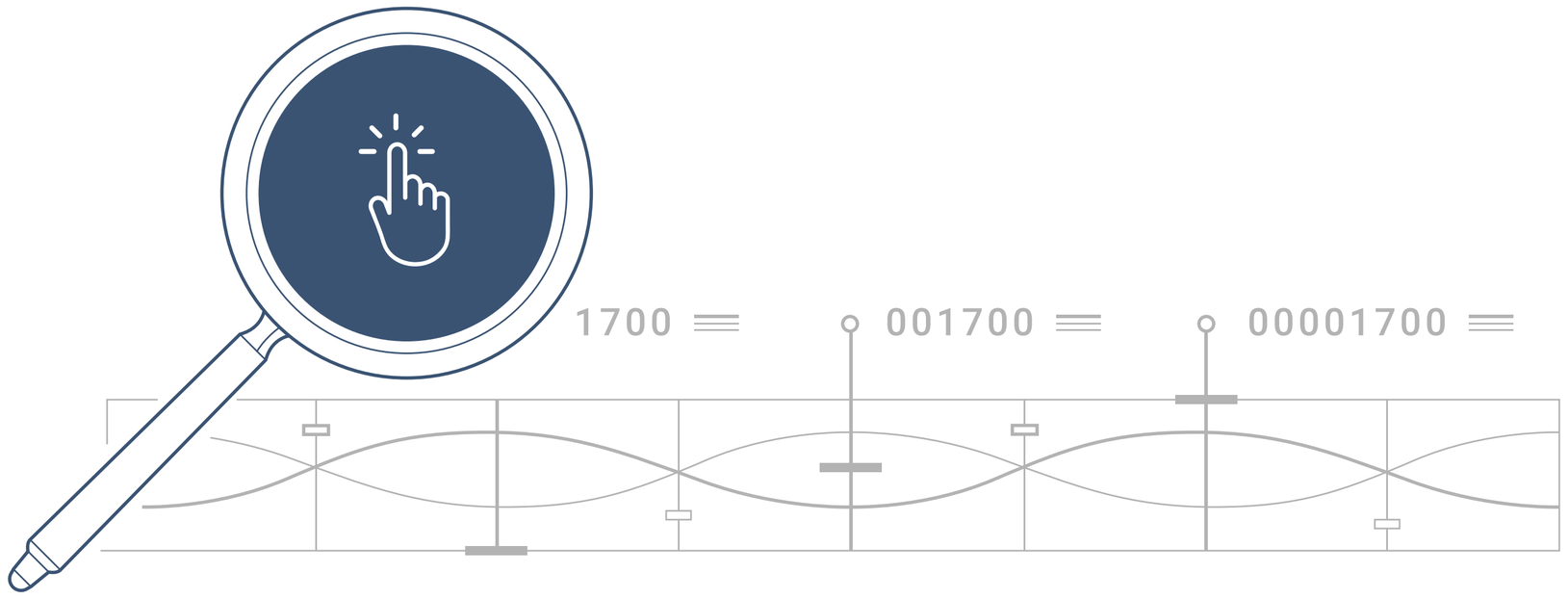
Evaluating Publisher Performance: Top Reports Used by Affiliate Networks

Pings & Posts by Publisher

These reports track advertisers' bid proposals. Publishers use a link code or an API, which could be included in the tracking code of the affiliate's platform, to generate ads. Publishers usually measure their performance on pings or posts, which they then offer to the advertisers. Affiliates use these response reports to achieve excellent results for peak and off-peak hours, optimize systems quickly, and fund new ad slots.

Rejected Leads Reports & Fraudulent Data

Rejected leads reports are essential because they help networks identify reasons for a high number of rejected leads. This report allows networks to identify gaps in traffic quality and which publishers may be generating low-quality, incentivized, or fake leads.



Evaluating Publisher Performance: Top Reports Used by Affiliate Networks

Performance Summary

The Performance Summary — a key component of Phonexa's lead management system — details where lead traffic comes from and where it subsequently goes, enabling affiliate networks to gain deep insight into their publishers and advertisers.

Users can group lead data according to date, hour, or source by obtaining a granular view of its dataset provided by the Performance Summary. After grouping the lead data, users can filter summaries based on specified parameters, such as date range and publisher source.

Users can then analyze lead quality by examining various metrics, including duplicate lead percentage, average call time, and the number of leads sent compared to the number of leads sold.

Scale Your Affiliate Network With Phonexa's Automated Solutions

Affiliate networks can benefit from leveraging Phonexa's industry-leading performance marketing automation solutions to generate reports that facilitate real-time adjustments to marketing campaigns. Critical adjustments can include doubling down on high-performing campaigns or offering incentives to your most profitable affiliates.

Using Call Logic, affiliate networks can analyze and compare traffic flow reports that uncover blind spots in the lead management ecosystem. Call Logic collects data on an inbound caller, including what stage they are in the sales funnel, their level of engagement, demographics, and psychographics, in addition to data on the duration and result of the call.

Contact us or schedule a consultation to learn more about the customized features and other components of LMS Sync.

LMS Sync integrates with Phonexa's email & SMS marketing solution E-Delivery, to further scale an affiliate network's operations. E-Delivery fosters a growing customer base by refining and cultivating email lists based on how recipients respond to your email marketing campaigns.

Evaluating Publisher Performance: Top Reports Used by Affiliate Networks

Scale Your Affiliate Network With Phonexa's Automated Solutions

Phonexa's email marketing platform generates reports that detail how an email delivery service impacts performance. Insights from these reports reveal data on when recipients open your emails, allowing affiliates to optimize future campaigns and improve deliverability rates. When integrated with LMS Sync, E-Delivery reporting enables affiliates to retarget existing leads through revamped engagement campaigns.

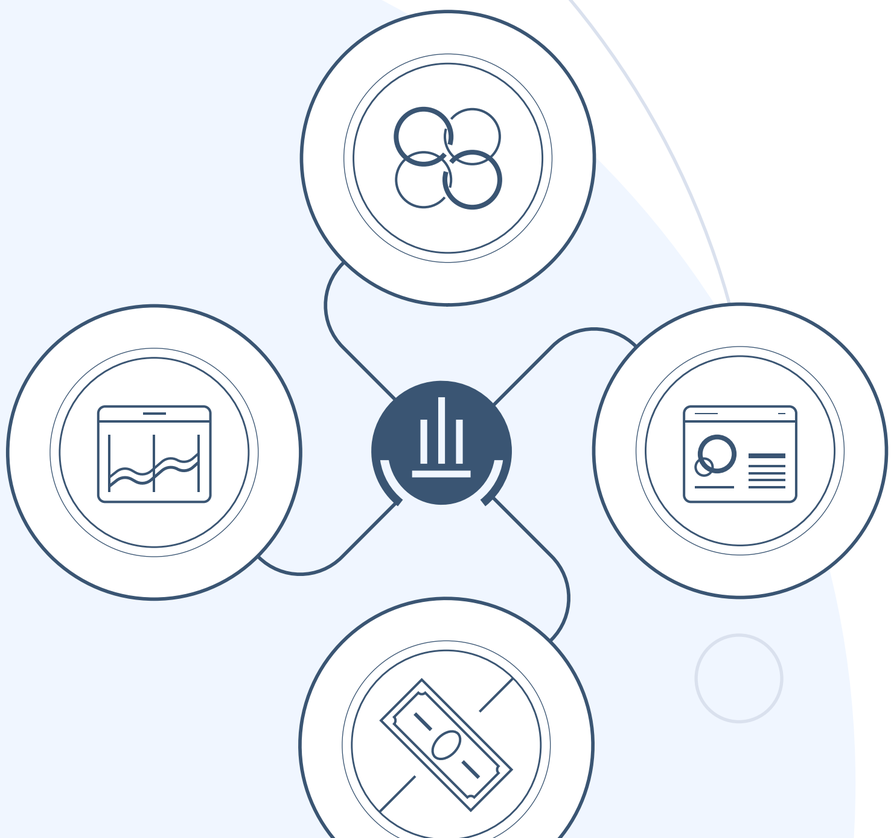
Phonexa clients can also leverage analytic reports to streamline their lead generation initiatives. The Lead Parameter Report identifies traffic as a whole to determine which leads are converting.

Let's say a consumer fills one of your forms for home services. Depending on the information provided, affiliates can then track and use that data to market additional services based on the needs communicated by the consumer. Since all that data is housed in our system, users can analyze it and identify who they can retarget and remarket to later down the line to retain them as regular customers.

Users can also utilize Waves, Phonexa's unique Predictive Modeling feature, to test campaign strategies before implementing them. Waves uses real-time data to exhibit probable outcomes by adjusting certain variables, such as targeted age groups. By utilizing this data to eliminate trial-and-error processes from your marketing approach, users can change their marketing channels to increase monetization outcomes.

Phonexa's automated performance marketing suite, including LMS Sync, E-Delivery, and six additional turnkey solutions, provides guidance on generating revenue, thereby ensuring the long-term financial viability of your affiliate network.

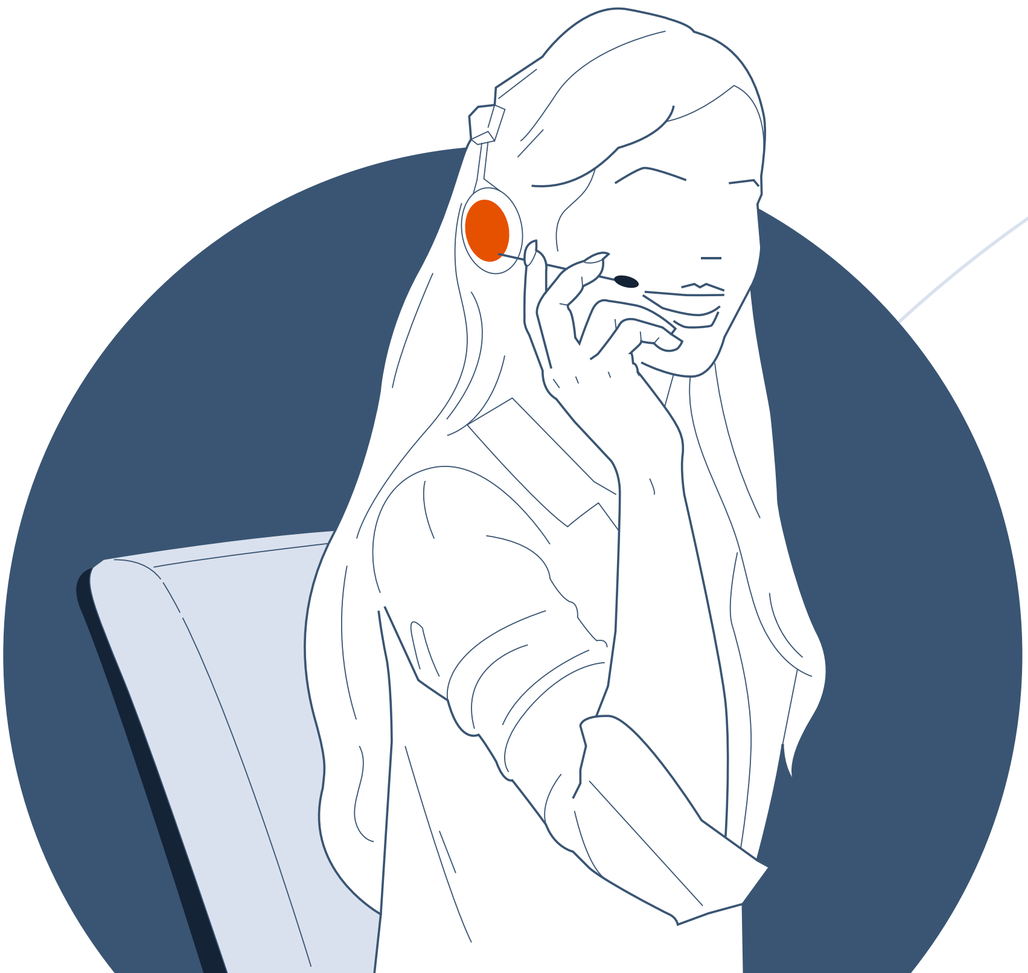
Did you miss our guide on Email Marketing Automation?
Learn how email marketing automation helps marketers secure great ROI performance through automation and omnichannel marketing.



Follow Phonexa's Content Hub to ensure your Affiliate Network always remains equipped for success with the latest news, trends, and guides.

Phonexa is a performance marketing software and all-in-one marketing automation solution for calls, leads, clicks, email, SMS, accounting, and more. The company powers direct advertisers and lead generators alike across all businesses and industries by optimizing inbound web and call campaigns, and outbound call, email, and SMS campaigns — all while having the ability to enhance the consumer journey along every step of the way.

Complete with a suite of turnkey marketing products and solutions, Phonexa's customizable tools are uniquely designed to maximize workflow efficiency and revenue. Phonexa has the scalability, tools, and partnerships to serve clients across industries, especially those with high consumer demand products and services. The company is headquartered in Los Angeles, with additional offices in the United Kingdom and Ukraine. For more information, please visit www.Phonexa.com.



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Schedule a Consultation