



SPI Podcast Session #41 - Affiliate Marketing the Smart Way How to Stop Hoping and Start Earning

show notes at: <http://www.smartpassiveincome.com/session41>

Hey what's up this is Pat Flynn and welcome to session #41 of The Smart Passive Income Podcast.

Today's session is a revised version of my recent solo presentation at Blog World Expo in New York this past June (June 2012 for those of you listening to this in the future) and the reason this is not the *exact* recording of the presentation is - well, there are two reasons actually:

One, because of a technical error that happened at Blog World Expo, and I'm not going to get into the details, and I'm not blaming anyone, but due to unforeseen circumstances the session was not recorded like I wanted it to be, and any sort of recordings that WERE made by others who happened to be recording the session to were either LOST or the quality was just not good enough for me and the podcast.

The second reason this is not the exact recording is, well, I think for those of you listening it would be much easier to understand a podcast-tailored version of my presentation since there are slides that go along with it, and today I'll do my best to share the same information with you in a way where you don't really need the slides at all, so I'm not like "here you see this" or "as you can see on this slide", which, at least for me, would be really annoying if I were listening.

I will have slides available, however, on the blog and in a YouTube version, if not already, then very soon. Just check out the show notes for the links at <http://www.smartpassiveincome.com/session41>

Okay - let's jump right in.

So, I got this email a few months back which was really the spark that ignited the idea behind this entire talk, and this email comes from Vincent, an SPI fan who sent me these exact words:

He said: Pat, please be straight with me, how do you make so much money through affiliate marketing when it seems like I never see or hear you pitch anything? How?

Vincent, thank you for that question because like I said it gave me a big challenge to really figure out exactly how I really make this happen, how I'm able to pull off between 30-40k per month from affiliate marketing, and most importantly, do it in such



a way where I don't put people off or send them away for good with aggressive marketing tactics, but rather make this kind of money while at the same time strengthen the relationships I have with my audience, and keep them coming back for more.

That's what I wanted to figure out.

Cause there a ton of people involved with affiliate marketing, people promoting other peoples products and earning a commission, a cut from the sales they help generate, and there's sort of this negative vibe that comes with "affiliate marketing", that it's scammy, that it's heartless that the people promoting those products don't really care about the end user they just want the commissions and will go through great lengths to get those commissions, and unfortunately that's true in a lot of cases, and of course a few bad apples spoil it for the bunch, but in the case of affiliate marketing, I would guess that most of the apples are bad, which is why the term "affiliate marketing" has such a negative connotation to it..

But I'm saying, it doesn't have to be that way.

You can promote other people's products in a legit way that doesn't have the heads of your readers shaking back and forth saying "no no no, I'm tired of this please stop, don't treat me like I'm just a wallet", but rather they're shaking their heads up and down as if in agreement with you and your recommendation.

You can be an affiliate marketer that can sleep at night because you know you're helping people, not duping them.

And I'm saying, that in most cases, if you're not involved in affiliate marketing already, you should because it can be a very rewarding experience not only for you, this really isn't even about you - it's about your audience, your readers, your subscribers, your existing customers, you can recommend products to them that will help them achieve their goals, products that aren't necessarily your own, and as a result, the byproduct is more commissions.

Now, in the presentation at Blog World Expo I had one particular slide that became the core idea or theme behind the entire presentation, a graphic that I like to call:

The Soft Pitch Pipeline

Again, if you're listening to this on the podcast, as opposed to reading this on the transcript, you can see an image of The Soft Pitch Pipeline in the shownotes at <http://www.smartpassiveincome.com/session41>, but I'll do my best to describe it here for you:

Imagine a series of pipes, a series of pipes that represent the *experience* or *flow* that



you can take people once they visit your site or are first introduced to you and your brand.

On one end, you have traffic coming to your site entering the pipeline, and on the other end, you have, at the "exit" end of the pipeline, the sale, or the conversion.

And in between the point of entry and the point of exit, you have various segments that all add up to the total experience of your brand, and these segments include:

- The Relationship
- The Products you Promote
- The Experience you Have With Those Products that You Promote
- Proof
- The Pitch, or the Sell

And these inner segments can vary in strength and size, for example, you know that if you have an amazing relationship with someone, it doesn't take much to convince that person to do something for you, so if the relationship segment is extremely long, the pitch segment, the "pitch pipe", doesn't have to be long at all.

For example, the relationship I have with my wife, if she wants me to do something for her, especially now that she's pregnant, if it's 2 in the morning and she wants me to go to the store and buy a Little Debbie's Fudge Brownie, I'm off to the store to buy a Little Debbie's Fudge Brownie - there's not much pitch or convincing needed at all. And yeah, I'm pretty whipped anyways...so, what can you do? ;)

Now let's take the other extreme, maybe you're familiar with this, someone or a company you don't have a deep relationship with is going to need to pitch you a little more, try to convince you a little bit harder, and often times in ways that don't really make us feel comfortable, or just get plain annoying...that's not what we want.

And like I said there are other things that can help decrease the amount of aggressiveness you need to put toward the pitch, those are: the products you promote, the experience you have with them, and actual proof that they work.

And that's the **Soft Pitch Pipeline**, "soft" because if you have a well-balanced, segmented pipeline, hardly any pitch is needed at all in order to get your audience, your readers and subscribers to click through your affiliate links and make a purchase.

The commission becomes this sort of natural end result of this process, so let's start at the beginning:



The Relationship

Like I said earlier my wife is pregnant, and a lot of you already knew that, but what I haven't actually announced yet is the fact that we're having a baby girl!

Yeah! We're having a girl, and it's going to be awesome, it's going to be scary, it's crazy. And so when I found out we were going to have a girl, I immediately thought to myself - hmm, who do I know who has a girl already, because I want to know what it's like, and so I thought of a couple of friends who had girls already and called them up or met up with them and chatted with them, got to know a little bit about what to expect. Got some good advice, especially from those who had to juggle two kids, which is what I'm about to do too.

So the point of this story is that when I knew I was going to get into something new - having a girl in addition to our son, I sought out the advice from my friends, people who I already had a pre-existing relationship with, people who I trusted.

Online, you need to become friends with the people who visit your site, you need to develop a relationship with them.

Without that relationship, no transactions will ever happen - and I'm not just talking sales, I'm talking about subscribing to your email list, comments, links, clicks, likes, follows, shares and retweets (especially shares and retweets - because if someone doesn't know you and trust you they're definitely not going to share you with their friends and followers).

There needs to be some sort of relationship there, and the hard part is - the relationship takes time to build.

Now, affiliate marketing, for a *long* time, has always been taught to be quick and easy - one of the quickest and easiest ways to make money online. Just find a product, put the link on your site and send traffic through it - wham bam shabam, you're earning commissions. No need to create a product, no need to deal with customer service. All you need to do is send traffic through a special affiliate link.

That's the mechanics of how affiliate marketing works, but in order to make it work, you've got to build those relationships, and that takes time.

The GOOD NEWS for you though, is that there are ways to speed up the relationship building process.

Sometimes, when you meet someone for the first time, you almost feel like you've known them for a long time, right? Has that ever happened to you?

You just have this immediate connection with this person - so the question is - why?



Why do we connect with some people more quickly than others?

Or rather, for those of you listening, HOW can you connect with your audience more quickly?

Three things:

1. Be Personable

People connect with people, and the more you can become a person online in your brand, the easier it is for your audience to connect with you - it's as plain and as simple as that.

Why would YOU buy something from someone you didn't know, especially if they're selling a product that they didn't make themselves?

Let me ask you, if this was the first time you listened to the podcast, if you've never even heard of me before (maybe that's true, maybe it's not), but what do you know about me right now? You know that I'm a dad, I have a daughter on the way, and so I'm sure a lot of you out there can easily relate to that, and as a result, you're more connected to me already than if I were to just say "these are the steps that lead to a successful affiliate marketing campaign".

What do my kids have to do with affiliate marketing - nothing, but what does that part of my life have to do with my brand - everything, because "building a brand is the equivalent of building relationships".

Plus, for those of you listening, you're hearing my voice, my *real* voice, not just reading text on a computer screen.

On video, you see faces, and you get an even deeper immediate connection with people. Video is probably the closest thing you can get to meeting someone in real life, so I really hope you're adding video to your repertoire.

That's what I mean by being personable.

2. Tell Stories

You have to tell stories. People are programmed to listen to them - I mean, just think about the last time you heard a story, or watched a movie or read a book - you as the audience put yourself in that story, it puts things into context that people can relate to, it's "personable", and the thing is, it's easy.

I mean, here's a quick story, when I was at Blog World Expo - not at the conference but at social functions and parties - whenever I met someone new and had a chat



that was longer than 3 minutes, stories were always being told. We weren't talking about the latest trends in marketing or the top 5 tips for Pinterest or Twitter or Facebook - we were talking about cool, interesting things that happened in our lives. I remember talking to someone about our golf handicap and we swapped stories about how we got started, and I remember talking to another person about roller blading, and skydiving (which I've never done yet).

And you know you don't have to dedicate entire posts to stories about random things to connect with people. Instead, be creative and tell honest stories that relate to whatever message you're trying to get across, like I just did, and so you can provide information in your content, while at the same time build those important relationships.

3. R.A.O.K.

RAOK is short for "Random Acts of Kindness", and it's one of my all-time favorite things to do?

Why? Because it always gets a reaction from people.

When you do something for someone - something *unexpected* - it always leaves an amazing impression, and there are things you can do online that are quick but can have people react like - "Wow", or "That was really nice.." - and it's those small things that can lead to a quicker and deeper relationship with your audience.

Some things I like to do is reply to comments, both on the blog and especially on Facebook - it's where people can see that I'm a real person, and if someone has a question, and I answer it - I help them save a little bit of time, that's going to go a long way and they're going to remember who I am - and you can do the same thing.

Sometimes I take it a step further and leave comments on blogs owned by those who have left comments on my posts. That's totally unexpected by most, and when it happens, I usually get a very surprised reaction, which is good, that's exactly what I'm going for.

So you might have to step back for a second and ask yourself, what kinds of RAOK can I do for my audience? What favors can I do for them that are totally unexpected?

Think about it.

So that's 3 ways to quickly build a relationship with your audience: be personable, tell stories, and random acts of kindness. The most important thing, of course, is just being real - be yourself and actually care for those who take the time to



consume the content on your site.

“Building a brand is the equivalent of building relationships”.

Next up in the pipeline, is **The Products you Promote as an Affiliate**

And to help you get in the right frame of mind here, I want to ask you a question. Actually, I want to *challenge* you to answer this:

Think about a brand new, a completely brand new visitor that comes to your site for the first time - what is it you want that person to ultimately achieve?

What do you want a new visitor to ultimately achieve?

This might be a tough question for you to answer, but you need to know where you want your visitors to do, because if you don't, then everything you tell them, everything you recommend is just going to seem a bit random, and you don't want the products you recommend to be random, you want them to be precisely what they need in order to reach their goals.

So think about that - what do you want a new visitor on your site to ultimately achieve? Pause this audio if you need time to think about it.

After you have what you want your new visitor to ultimately achieve, I want you to think about - how they are going to get there? What's the roadmap like for them? What path are you going to show them?

It's that roadmap that you create, the actual steps or path that's involved that will tell you exactly what kinds of products you can and should be promoting as an affiliate, if they aren't products you can create on your own.

Don't start with the products, start with THEIR goal - and just use the products to help them get there.

My best and most famous example of how this was done was when I shared the steps that are required to build a niche site, obviously starting with selecting the proper keyword and market to get into, and then where to get domain and hosting to setup a WordPress site, and so on and so forth. - those are tools and services that are necessary in order to reach that end goal, which is a high ranking site in Google - and what better way to share these steps than to actually perform these steps on my own and publicly share my real life experience with how to use these products and what the results were like, which I'll get into more in a little bit when we start to talk about experience and proof.

But yeah, because it was all a part of the process, there was no doubt that those



are the types of products that I should use, and so there was no pitch involved whatsoever - it was simply a matter of showing what I did and what I used in a particular process that I was sharing on the blog, and if you're interested, you can see all that documented, step by step at <http://www.nichesiteduel.com>.

The big idea here is this:

You have to think of promoting these products that are a part of the "success path" like you're doing your audience a favor, because again - you actually want to help them, and you and your knowledge and your pre-existing relationship with your audience can help them filter through all the noise and listen to you, because YOU know what's best for them. By *not* providing these solutions you'd actually be holding your readers back.

It's not a mind trick; that's actually how it should be, and of course, if a product doesn't make sense to promote, if it's not a part of the path to ultimate success, then you shouldn't promote it - no matter how generous the affiliate commissions may be.

Next up, let's get into **the Experience You Have with the Products You're Promoting.**

Again, just to reiterate, that's the experience that YOU have with those products, and how important that is and how much that can help you decrease the amount of pitch you need even more.

2 words:

Experience Sells.

Experience Sells.

On Amazon, we look at other people's reviews to help us make a decision to either buy something or not buy something - sometimes individual reviews from people we've never met before, people we have no relationship with can influence our decision - that's powerful stuff, so just imagine how even more powerful your real life experience with a particular product can be, a product your promoting as an affiliate, combined with the relationship that you have with this person already.

Very, very powerful.

So what does this mean - do you have to use a product before you promote it?

Well, yea!



Or, at least I really encourage you to.

Why?

For 3 Reasons:

1. For your protection.

Anything that you promote directly reflects on you and your brand. It doesn't matter if that product is your own or somebody else's - if you're promoting it, your reputation is on the line.

By using and experiencing a product, you'll see if it's worth taking on the risk to promote it to your audience. If you truly care about them, you owe them that favor.

2. To Become a Resource.

By actually using and experiencing a product, you'll be able to answer specific questions about it much better, you become a resource (which is incredibly important, because if someone asks you a question about a product, that means they're 'thinking' about buying it, they're a "hot lead", and your answer could easily help turn an interested person into a buyer.

3. (And most importantly) To Get Rid of the Mystery

If you have that product and used it, you'll be able to **show them** exactly what they're gonna get when they make a purchase.

And by "show them" I literally mean, show them: what it looks like, how to use it, how not to use it, the good, the bad, the tips, the tricks, everything.

Why is this important?

Science, and these little things in our brains called [Mirror Neurons](#).

Mirror Neurons are a special set of brain cells that respond when we see other people do stuff, a way of having us understand what it feels like to do something by watching other people do it.

For example, when we watch sports and we get so fired up and involved and excited in what's going on, as if we were in the game ourselves - that's all thanks to our mirror neurons. Or, when you see a dude on a skateboard grind down a handrail, fall off and land on the rail between his legs, and you just can't help but cringe (and many of the dudes, including myself will actually feel like we did it ourselves), same phenomenon.



So when you have a product you're promoting as an affiliate, show it. Walk through how it's used because by doing that you can influence your audience and have them imagine what it's like to use that product themselves, and if it helps you get results, they'll want those same results too. Activate those mirror neurons!

Just think about all of those "unboxing videos" on YouTube - the ones where someone buys something like an iPad or new Android Phone and just records unwrapping the plastic and taking out all the parts and firing it up - those video are extremely popular! There are specific channels on YouTube that are dedicated to just unboxing new things, one I found just randomly just now has over 14,000,000 views and like a hundred thousand subscribers!

People like to see exactly what they're going to buy, so do your audience a favor (and yourself a favor too) and "unbox" (I'm using air quotes here...) "unbox" the products you're promoting as an affiliate.

Write extensive blog posts about products and everything there is to know about them. Videos, podcast sessions with the owners with relevant questions that everyone else would want to know the answers to, things like that. A webinar, even, that you can do live with real questions from the audience and then you can use that replay later, sort of like what I did at <http://www.keywordresearchwebinar.com>.

Unbox the products - it's that easy.

Next in the pipeline, let's talk about **PROOF**.

And I'm not just talking about any old kind of proof, I'm talking about tangible proof. Real proof, undeniable results that you can feel, that you can taste, smell and touch.

A couple months ago I stumbled upon this documentary on Netflix called "Fat, Sick and Nearly Dead."

When I asked who had seen it at my presentation, about half the room raised their hand.

It's about a guy, named Joe Cross, an Australian guy who was - well, Fat, Sick and Nearly Dead.

Really overweight, had a rare chronic skin disease and was really dying, as a result of his eating habits. Well, long story short, for 60 days he went on this juicing diet - just drinking pure vegetable and fruit juice, usually stuff like kale, carrots, celery, cucumber, apples, lemon that he'd buy and just juice right there and drink it. Just juice, and by the end of film, he lost a ton of weight, didn't need to take any more



pills, looked fantastic and was back to living again. He also found another guy and helped him get on the same diet, and he achieved similar, amazing results.

Let me tell you, it was only 30 minutes after watching that documentary that I had a receipt from Amazon in my inbox for my new Breville Juicer.

All thanks to Joe Cross who was doing this because he was actually trying to change people's lives, and he did it in such a dramatic, bold, emotional, personal way.

And when you think about this documentary, it's almost the perfect example of exactly what we're talking about today - in the film we really get to know Joe Cross, and almost develop a relationship with him. He exposes himself and becomes very relatable, and you really start rooting for him, and then he does this demonstration, shares his experiences with it, how hard it was in the beginning, the temptations to eat things like when he's walk into a place and people were there eating burgers and just how much he wanted one, all the way to the data and proof and before and after images - I didn't need any pitch at all, that did it all for me, and I'm telling you if there was an affiliate link mentioned at the end of that documentary, I would have been more than happy to use it.

Joe's platform was a documentary, yours is your blog, or maybe a podcast, or video, or a combination of all three.

You see - the soft pitch, along with taking bold actions to demonstrate and truly change people's lives - that's how you can become a successful affiliate marketer, and be thanked for the products that you recommend. So Mr. Joe Cross, if for some reason you ever listen to this podcast, thank you.!

So that's tangible proof - data and demonstration.

I talked about my niche site duel already - but just to give you an example of how powerful tangible proof can be, after starting that whole series and documenting my journey from selecting a niche to building a website, researching and writing content for it, building backlinks and climbing the ranks of Google, when I finally got to #1 in Google about 73 days later, my affiliate sales for many of the products that I shared that I used went through the roof - like that DAY.

Even just with the web hosting company I promote, [Bluehost](#) my earnings went from \$4000 per month, to \$15,000 a month.

It blew my mind! But you know what people did? People went to Google, typed in "security guard training", found my site, and were convinced, and even today you can still type in security guard training and see my site at number one.

So you'll have to think for a second: what kind of proof can you introduce to your



audience? Really, how have these products that you're choosing to recommend - how have they helped you?

And the last part of the pipeline, before you get to a conversion or sale, is **The Pitch** or **The Sell**.

And like I mentioned earlier the more of a relationship you build with your audience, the more the products you recommend align with their success path, the more experience you can share using that product and the more tangible proof you have, the less pitching you'll actually have to do - but you still have to pitch - you still need to "sell" - you still need to provide opportunities to click on those affiliate links and you need to still provide calls to actions, or else no one's going to click through.

So to finish up today, I want to give you 5 tips that you can use at the point-of-sale, at the point at which you are placing affiliate links on your site here at the end of this pipeline:

1. **Be Honest**

When you provide a link, tell `em it's an affiliate link and that you'll earn a commission if they go through it. In fact, if you do everything in the pipeline leading up to this point, that will actually help you, because people will want to pay you back for everything you're doing for them.

Some people don't even know about affiliate links and commissions and will sometimes open a new window to buy a product. This way, you know that you're getting all the affiliate commissions you deserve.

2. **Provide Support**

In addition to telling them it's an affiliate link, offer to answer questions and provide support if needed. This is a great way to show them, RIGHT at the point of sale, that there's someone there to help them if they need it. Someone to blame if things don't go well, and you should take on that responsibility, and hopefully know that by recommending that product, there's nothing to worry about.

3. **Multiple Opportunities**

Give people multiple opportunities to click through your affiliate link. A lot of times people will just link the first mention of an affiliate product, and what happens, people read the post, scroll down, link gets lost, people get lazy and don't want to scroll all the way back up, and you've lost your sale.

Try to keep an active link somewhere in the beginning, middle and end of a post.



Now beyond just in a blog post, there are other ways to get people through your affiliate links:

- YouTube videos
- Emails
- Podcasts
- Resource Page - And actually my resource page on the blog at <http://www.smartpassiveincome.com/resources/> is the most profitable page on the blog. Extremely passive, people go there looking for stuff they need and find it, and so I've helped them, they've helped me - it's a beautiful thing! If you don't have a resources page on your blog, you're crazy!

4. Offer a Bonus

Offering a bonus to an affiliate product is a great way to make sure they go through your link and not someone else's, and it allows word of mouth to play in your favor too.

Lots of people use the bonus technique, but many don't use it to its greatest potential. Many times, people will throw in random things that aren't necessarily something that the potential buyer needs, it's just a little random thing that seems to increase the value of the purchase, but if you really want to knock bonuses out of the park, create a bonus that compliments the product you're promoting as an affiliate, possibly an addition to it.

-Maybe it's a quick start guide PDF on how to use it, or a best practices type of thing. Maybe it reveals where there are some weak spots and your bonus is the thing that fills in those holes.

-Maybe it's access to something you have that perfectly complements the product. For example, if you're selling a juicer, maybe you provide your own recipe guide to go along with it.

-Maybe it's a coupon code or discount to something related to it.

Get creative!

My best example is when [Opt-in Skin](#) came out, which is a WordPress plugin that helps people easily place good looking opt-in forms wherever you'd like on your blog. Well, when I heard Glen Allsop was creating this plugin, I knew it was something I was going to use and probably share with my readers, so I wanted to give something a little extra to those who would be purchasing it through my affiliate link, so I created a WordPress plugin expansion pack, an actual WordPress plugin that adds 5 additional opt-in form skins to the product, ones that mimic the forms on my blog, and within 24 hours after Glen launched the plugin and I came out with my bonus, I earned about \$3,000 in commissions, from a product that was being sold for \$40.00.



Again, I have a deep relationship with my readers, the plugin made absolute sense for what they're trying to achieve, I shared a video unboxing exactly what it looked like and how it was used, I showed proof that it worked (it's actually being used live right now on my blog, you can see it fade in at the bottom of any of my blog posts), and I included a solid bonus to go along with it.

Again, \$3,000 in 24 hours, and I continue to get emails from people thanks me for sharing the plugin and including the bonus. It's awesome.

And lastly, number 5: **Remember Why**

Whenever you throw up an affiliate link, remember why you're doing it.

It's not for the commissions, it's for your audience, to help them achieve something. This is your responsibility as someone who has a platform and has earned an audience who trusts you - to give them the products they need to achieve and only the products they need to achieve.

Your commissions become a byproduct of exactly how helpful you are, so be incredibly helpful and you will earn more in the long-run, especially because you'll be doing it in a way that keeps people around and doesn't rely on the pitch, but rather everything that happens before that - the relationship, the product, your experience, and the proof.

If there's one thing I want you to do after hearing the outro music of this podcast in just a minute, it's to think of that roadmap to success for your readers, and then find a product opportunity within that roadmap and really go big on sharing it with your readers. Hopefully you've built and are continuing to build those deep relationships, so unbox that product and gather tangible proof to get people off the fence, and you too can see incredible results from affiliate marketing, and just remember, it's all about being helpful, you just happen to be using other people's products and services along the way.

This is Pat Flynn from Smart Passive Income - let me know what you think on Twitter at twitter.com/patflynn, and I'll see you in the next session.

Thanks for listening, and take care! Bye!

(please leave comments at show notes at:
<http://www.smartpassiveincome.com/session41>)