

**DRAFT**

# Session 3

How to Make More Money with  
Affiliate Marketing



## How to Make More Money with Affiliate Marketing - Session 3

David Perdeu: Hey, it's David. This is, the how to make money, how to make more money with affiliate marketing workshop. And we're back with session three. And, in this session, we're going to talk about language and affiliate marketing, really digs into a lot of data detail. And when you get into data detail, people use acronyms all the time for determining, the kind of things that you need to follow up on. And so we've got a short presentation here on acronyms that we're gonna jump through, and really give you a good education in how to speak affiliate basically. So, give me just a second, we're going to move to the next slide. So yeah. So understanding the acronyms and why it's the basis of your evaluation process. Now you might be asking what evaluation process are we talking about Well, this leads into tomorrow, tomorrow, by the way, or sessions four, five through eight are all about building out affiliate offers and creating, creating, creating affiliate promotions that work and getting the right products and creating the right relationships with people getting approved and doing all those things.

David Perdeu: And the evaluation process is figuring out where your market is, what products are converting and knowing what products are converting helps you understand what the problems are in those niches as well. So this is, this is really important for you to understand when you're looking at product, libraries or, or somebody comes to you with an idea to promote a product. You'll be able to ask some questions and understand quickly whether it's going to be worth doing or not. So that is what this is all about today, understanding the language. So we're gonna look at some acronyms here, and I've got a list, a couple of pages of a list of acronyms. And then we go through into some specific ones which are really important. I think I, and we spend some time with those because it's, these are the ones that really drive your, drive your evaluation process, as we said.

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David Perdeu: So let's just run through these pretty quickly. AOV is average order value. Now you heard me say earlier that when we did our last workshop, the \$1 workshop, that the affiliates were looking at the \$1 and thinking, why would I want to promote this? Well, the AOV was why they should have promoted it. And they should have looked at what the AOV was because the average order value means that when somebody purchased a \$1 front end, they weren't done, they ended up buying the replays or the other things in the funnel. And the average order value was over \$30. I think on this one, the average order value is over 50. It's pretty close to that when I was looking at it on the break. Yeah. So, you know, that's a heck of an order value, for every click that you sent out for every sale that goes through.

David Perdeu: So that's what AOV stands for average order value. It's an important one for you to remember B2B is business to business. That means that's what we are. We're a B2B company here we are. We're a company that sells business products to other businesses, B to C is business to consumer. Now, if you're selling supplements or consumables or, any kind of a product that is a consumer based product, that's a B to C. So, you know, like jewelry or crafting supplies or whatever it is, that's B to C. CAC people call this a CAC. It is a CAC, and it's a customer acquisition cost. So if you spend \$500 getting 50 customers, what is your customer acquisition cost? \$10 per customer, \$500 to get 50 customers is \$10 per customer acquisition cost. So it's a simple thing CAC. And that helps you understand pretty much how much you can spend on your advertising.

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David Perdew: CPA is cost per action, a cost per action. You know, this can be anything, actually, it doesn't necessarily mean there's a sale. It can be cost per action being, they took the response that you wanted the cost getting a click, the cost of getting an opt-in, the cost of getting an, an application. Those are cost per actions. You just define what the action is. CPA cost per action. There's a lot of CPA advertising or affiliate programs out there that are, based on calls. You know, if I, if you get somebody to call in, you get \$7 or \$3 for \$2 per, per call. Now the it guys, it does get drilled down. So cost per action is, is up there and cost per call would be below it. So cost per action is like the umbrella and its cost per call, would be under that or cost per lead is another way to call that, CPC is cost per click. This is the one that we're more familiar with because cost per click is a payment model where an advertiser pays for each click on an online ad. So for example, if I buy a hundred clicks for a hundred dollars from you and I put a banner on your site, and you're going to show it only until I get a hundred clicks, that's a cost per click of \$1, a hundred for a hundred. And, if you could get that, that'd be a good deal.

Jennifer Perdew-Houlik: Solo ads are typically a cost per click yep. Proposition.

David Perdew: Yep. That CPL is the next one is that we didn't talk about, but it's cost per lead and that's similar to cost per click, but it's actually, when you get the lead, there's a, what is that opt intelligence Is that the company that only charges you on, advertising when you get the lead Correct. So, yeah, so it's a fairly inexpensive model to do, to get leads in. All right. let's see. CR conversion rate conversion rate is, is anytime somebody takes the next step, whatever that is. So if somebody, just, once you talk about this, because we use the conversion rate on about 17 different metrics.

Jennifer Perdew-Houlik: Yeah. Conversion rate is not an overall arching single metric conversion rate is a metric that you use throughout your entire funnel. And I actually have an example of this, of, of a, of a couple of conversion rates, for an email sequence. I think two slides from now,

David Perdew: Okay. CTR is click through rate. So click through rate is, in general, what you're talking about this because you're, you're the conversion queen.

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Jennifer Perdew-Houlik: Well, so click through rate and you can use the measurement of click-through rate on, in lots of different scenarios, but essentially click through being clicking through to the next action. And, you know, we can, we can look at that in, for affiliate marketing in two different ways. are there two primary examples One is through email and the email funnel is the one that we're going to look at here in a couple of slides, but the other is, for example, a bridge page, and, you know, you would measure the number of people that let's say that a hundred people reached your bridge page, where you were doing a product review of an affiliate product. So a hundred people hit the bridge page and 10 people clicked your continue button to go to the actual product sales page. So your click-through rate is 10% 10 people clicked through to the next step, out of a hundred that came to the site. So that's going to be your click through rate

David Perdew: And lifetime value LTV. This is a, kind of a wishy washy thing, and you can pretty much make it be what you want it to be. But, lifetime value is I'll give you an example. Let's say you've sold \$10,000 worth of product, and you've sold it to a hundred people. And that is over the life of your program, whatever that is. So the life of that program is the lifetime value of the customers in that program. Well, let's say \$10,000 to a hundred people. That's what is that That's a hundred dollars. I have to do math. That's a hundred dollars. I didn't mean to do math. That's a hundred dollars, that's a hundred dollars. So the lifetime value would be a hundred dollars per of that. And it's similar to average order value, but this is order specific and they may have purchased five or six different products. And it ended up being in lifetime value as a customer, not as an order. So lifetime value is a, is an important metric because when you are doing advertising and, and lawyers do this a lot, they, they will spend 20 bucks or a hundred bucks to get a, a lead because the lifetime value of a customer is much, much more than that. So if they can convert a lead to a customer, their lifetime value is in the thousands.

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Jennifer Perdew-Houlik: Yeah. And if you remember in the last session, when I told you like a really good metric, just to kind of assume in your head, is that every person on your list is worth a dollar to you every month. when you have really good numbers in place and you are able to, start consistently selling products, you know, like right now for us, we know, you know, we've had lifetime value of our customers be almost \$200 and those numbers change around a little bit based on what your average ticket prices are. when we move over to a more coaching based business, our life, our lifetime value of our customers go up, when we are promoting or selling lower ticket products, our lifetime value goes down. And so the one thing that you have to understand about some of these numbers is that you have complete control over them.

Jennifer Perdew-Houlik: if you're promoting an affiliate product, you don't really have control over how the sales page converts, but you do have control over your advertising methods. So you might be using a bridge page and you have complete 100% control over the bridge page. and the content that you're delivering and the call to actions that, that you're giving, but you don't have control over, the affiliates sales pages. So you want to make sure when you're understanding and you're using these numbers in your business to, to come up with your metrics, that you really focus on the metrics that you have a hundred percent control over,

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David Perdeu: You may have seen me email or two for me, and I've done this maybe half a dozen times in the last few years, I'll send an email out and say, this is an outstanding product. And the sales page sucks. So here's what you're going to see when you get over there. And here's why you should ignore the sales page and get this product anyway. And I'll give you a demo or whatever, because the person who did the sales page was getting really low conversions on the sales page, but I really wanted to promote the product because it was a really good product. And, and if it, if the sales page is not good and doesn't convert well, I'll just tell you to bypass it and try to do the whole thing on a pre-sale. And that's kind of what Jennifer's talking about there. All right. So the next thing is RO S R O H S return on advertising spend. So if you spend, well, if you're doing Facebook ads, especially Roaz comes in, to play quite a bit here. So we spend a lot on Facebook advertising this year. So why don't you talk about how, our return on advertising really determines how much we do spend and whether we keep ads or not keep ads.

Jennifer Perdeu-Houlik: Yeah. And as your business matures, your return on advertising spent can be a longer period of time. And when, if you're just getting started and you're doing advertising, you really need your return on advertising to occur fairly quickly. typically within seven days, most people can't, when they're getting started, you can't afford to push that ad spend out to 30 days. And what I find that, yeah, it's, it's totally a cashflow issue. And what I mean by that is, you know, for example, for Mar number, for return on advertising, when we're promoting our insiders club membership, for example, I can afford to spend 40 or \$50 to get a new lead or new customer. I'm sorry to get a new customer in the insider's club, because I know it's monthly recurring. And, but I also know that if I spent \$50, for example, it's going to be the second month before I actually start making money from my advertising.

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Jennifer Perdew-Houlik: And so when you see ads that you click on Facebook that are, for example, like a lead magnet, and they immediately take you to a thank you, low cost offer seven, \$10. The reason for that is that that is, paying for their advertising. And so if you can make a product sale at that seven or \$10 rate, and you typically are going to break even on your cost, on your, on your advertising spend. So if you were to spend a hundred dollars on advertising and you let's just say that you need to make that a hundred dollars back in seven days, how are you going to do that And, that's kind of where that metric comes into play. Is that what,

David Perdew: Yeah, exactly. Let me give you a real world example of this. When I was a consultant I was at, at and T when at and T rolled out the iPhone, they were the first company to roll out the iPhone as an exclusive contract with Apple for over a year. So they rolled out the iPhone and it was a subsidized cost on the iPhone, but it wasn't, it wasn't cheap the next year or the second year. I can't remember. Verizon got the ability to roll it out. Verizon came out and they rolled it out as a free phone with your new account at the horizon. And so at and T did the same thing. And because I was there, I was able to understand and find out the numbers and stuff. The phone was subsidized. So the return advertising spend for them was the cost of getting you as a customer was the cost of the phone. And so I'm on a two year contract. They didn't make their money back on the phone because it was free until 18 months out. So they had a six month return on that phone. Now that didn't include the two year monthly contract. So, that was the return on advertising spend. And the advertising in this case was the phone itself, the subsidy of the phone. So, it's really, it really is all about when am I getting my money back,

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Jennifer Perdew-Houlik: Right Yeah. And so Dominique said, so \$7 ad spend equals seven, \$7 entry level offer. No, not really. it means that how much, how what's the return on what the advertising. So let's just say you spend a hundred dollars and you make no sales. Then your return on advertising is zero. let's say that you spend a hundred dollars on advertising and you make a hundred dollars in sales. no matter what that time period is, or no matter how much the price of the product is, you spend a hundred and you make a hundred, then your return on advertising is a hundred percent because you've made a hundred percent of your money back. so that's just the number. And from an affiliate marketing standpoint, you will probably use this number, this return on advertising for, actual Facebook ads. Once you are a little more advanced, when you want to do demos with, or YouTube ads, for example, doing a demo of a product, and you want to get that, that demo out on an advertising platform. And, so you have to understand that if you know the affiliate product, like the one I just told you about, we were averaging over \$5 per visitor to our sales page. Well, that means that you can typically afford to spend \$5 to get a customer and break even.

David Perdew: Yeah. So our ROAS and ROI are pretty much the same, except Roas is about advertising. So that's return on your advertising, spend ROI is return on investment. So for example, you put in, this let's say we build a piece of software, we spend \$20,000 on the software and, we go out and we try to sell it. And we only make 10,000. So we have a negative ROI of 50%, but if we go out and sell it and it makes a hundred thousand dollars, we have a positive ROI of 500%. So did that make sense that, you know, if you spend \$20,000 and you make a hundred thousand dollars, that's positive 500% because 20 into a hundred goes five times. whereas it goes both ways. It could be a negative ROI, it could be a positive ROI, ROI. You always want to be positive, or you want to cut your losses really fast.

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David Perdeu: Okay. SEM is search engine marketing. Now this is important to you because you want to know, from an SEO perspective, which is the next one, how valuable is it for you to focus on both free and paid traffic through the search engines and SCM is, is really focusing on search engines for your marketing effort. It's a great way to drive traffic if you do it correctly, and to do it correctly, you use the right SEO, which is search engine optimization. So you're optimizing your pages and your, your demos and all of your affiliate material, even your images for search engine optimization, to be able to, to sell your products, or get people in to sign up for your list. SERP CRP is search engine results, page search engine results page. So where are you landing on the search engine

David Perdeu: Results. Tos is terms of service and that's one that's used all the time. What are the terms of service UV is unique visitor. So sometimes you'll see in stats that you have 150 visits to this link, but only 50 of them are unique visitors. What that means is it is somebody from a unique IP address and individual 50 times came to this link. Somebody with 50 different individuals came to this link, but they might've come three times. And the reason that that's important to know the difference between unique and overall visitors is people come back and if they come back, they're coming back because they're interested. Right. So if you've got, go ahead, Jen.

Jennifer Perdeu-Houlik: Well, I was gonna say, and on the flip side, if it's taking four and five times for somebody to come back to your page to actually purchase, and you may have a conversion problem, and those are, those are different ways to know that, you know, if you had, if you were promoting a product that had 50 visitors and 50 unique visitors, that means that the sales messaging and you had really good sales on that conversion sales, that means that the messaging on that sales page is so good that people don't have to leave and come back. And so those are just kinds of different ways to read those numbers.

David Perdew: Yup. Yup. Okay. So the next one is earnings per click. This is a big boy. It gets its own slide. Earnings per click has had an affiliate evaluates the value of the promotion. So in other words, let's see, when we go to searching for the right products, we're going to talk about earnings per click a lot. In fact, I think, let me just make sure I might have an here. I do. I have an example here at the end of this, about earnings per click as well. And other metrics that we'll look at, but earnings per click is, can be essentially, it is how much money do you make per click. So if you send one click, you make \$1, it's a \$1 EPC, right. But if you send a hundred and you make thousand, you've got a \$10 EPC. So, all you do is divide the, the sales, the amount of money by the clicks, by the unique clicks, not all the, all the clicks by the unique clicks. So that's math again, and it's pretty simple math, but you just have to understand that you're trying to evaluate with this. how much, how valuable is this promotion going to be to me, if I'm a good, if my list is good, if my material is good, if I'm a good communicator with email, with, the right kind of messages to these people, I know from this number that I should be able to make this amount of money in this, with this number of clicks. Now, go ahead.

Jennifer Perdew-Houlk: Well, the thing I don't want people to get to get confused about is that this is not This doesn't mean that you send a click, you get paid. That's not, that means this isn't, this isn't pay-per-click marketing, right This is a way for you to estimate how much money you think you're going to make. And a prime example of this is again, I'm going to use myself as well as vendor one or affiliate one, and I'm going to use my dad as, as affiliate too. So I have a really good list and my list converts like crazy. So I make a lot of sales. Well, when I make those sales, I'm helping the affiliate. The vendor increase their earnings per click because I have a highly dedicated list. They trust me. They like, they like what I'm weighing down. Right Well, dad has a list that he bought.

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Jennifer Perdew-Houlik: He doesn't have a good relationship with them. And he sends the same amount of traffic that I do. And he makes no sales. That doesn't mean he gets paid. That means that he has just dropped their earnings per click for everybody else that is promoting this offer. And this is why vendors are so picky about who they approve as affiliates to promote their offers. This is why traffic is so important and why building a list is so important. And so this earnings per is a number that moves it's liquid, it's fluid. It's all dependent on the kind of traffic that the affiliate partners are sending to the offer.

David Perdew: So when you go to a vendors where you go to a platform and you look at the vendor, you're going to see an aggregate of the earnings per click from every affiliate, lumped into one space. So I'll give here, I'm going to move to the next page. But before I do that, I wanted to say that some platforms give you the seven day EPC and a 30 day EPC, which means over a seven day period, you can expect to earn this much. And over 30 days you can expect to earn this much. And often those numbers will be very different because, once people come in and they get cookie'd and they see the offer over and over, you can make more sales in 30 days than you can in seven days. So, that's

Jennifer Perdew-Houlik: And we're going to show you some live examples of that in the next session, when we actually go start looking at platforms.

David Perdew: Yeah. So remember this slide where we had the \$37 EPC on this woman. And, Jeremy was saying, we have affiliates making anywhere from \$10 EPC all the way up to \$37 GPC on this. So, let's say that I I'm making, I probably had a, let's say a hundred sales on this. So I got a hundred sales on this and at \$37 EPC, I have done a really good job of focusing the traffic that hit that, that hit that product so that we had a low number of clicks, but a high number of sales and the person who did \$10 EPC while \$10 is still really good. the person who did \$10 GPC didn't park nearly as much as I did, or maybe they sent, no, they, they didn't target nearly as much as I did. so that's the difference between a high EPC and a low EPC, not since right here in this line below, don't miss this.

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David Perdeu: Seeing as most affiliate offers barely make one to \$2 EPC. And that's true. When you go into the platform, you're going to see a lot of things that are like 50 cents EPC. and you know, you look at those things and you think, well, what's the problem here. There's one of two problems. The first is they're getting crap traffic. People are sending just garbage traffic. we're going to see an example. I think Jen, aren't, we have a 0.4% conversion as somebody trying to become our affiliate and they've got thousands of sales and we won't, we won't approve them because that's going to be crap traffic. but my point is that Lowey PCs means it's either terrible traffic or there's a sales page problem, serious sales page problem, where the product is terrible. It doesn't solve any problems. Okay.

Jennifer Perdeu-Houlik: Yeah. Yes. And, but you're right in saying that, but also at the same time, if you are in the midst of a product launch and you're, you're actually jumping on board with a promotion, ABCs of \$2 are still not anything to turn your nose up at, in the, in the JV zoo to kind of online business training software world. And, you know, yes, we, we prefer to grab a jump onto products that are, that have like over a \$5 EPC when we're looking at which products to look, you know, to actually promote. But you know, we're also not going to always, what's the right word. We're not gonna, we're not going to turn our nose up at a vendor who also doesn't have a whole lot of control on the kind of traffic that's coming to their offer. So, you know, there's a lot of different things here about EPC that we can talk about, but for somebody that's new in affiliate marketing, you're not going to get a \$37 EPC on your first year.

David Perdeu: Nope. and, and the thing about this \$37 UPC is that because we did so well with this, you know, Jeremy hits us up with everything he's got these days because he wants us to promote because we did such a good job here. so \$37 EPC is way above and beyond. \$10 is, is way above and beyond a \$1 to \$2, like Jennifer said is pretty normal, but anything below a buck is kind of problematic. So be very careful about that. And, and, and you, you have to find out why it could be, it also could be that it's brand new and the test traffic wasn't, wasn't converting like the vendor wanted it to or something you just never know. Okay. Yep. All right. So ABC, any questions about EPC

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Jennifer Perdedew-Houlk: No. Paul said he didn't appreciate the volatility of EPC. This isn't true.

David Perdedew: I don't understand, appreciate the volatility. Oh, Oh, it didn't. It didn't appreciate that. I was like, I'm mad at DPC because of the volatility. He means he didn't appreciate it. That that was a, a fluid dump. Got it. Yep. Okay. Got it. Okay. So the next one is, we're going to talk about email. This is your bailiwick, Jen.

Jennifer Perdedew-Houlk: Yeah. So email is huge, and this is why having an email list is so important. And there are so many people that don't really understand how to read conversions that with email. So I wanted to make sure that you understood this in a pretty slide. So this is straight email marketing terminology. And when you're measuring how your offers are doing, or your promotions are doing, you're going to look at three things. You want to look at the email open rate. You want to look at the email click rate and the sales conversion rate. And so below, I just give you a very simple equation or a simple example. And, email conversions are just, again, very basic math. So our example here is that we sent out a hundred emails and we had 40 people open the email. That means that we have an open rate of 40% to 40 divided by a hundred.

Jennifer Perdedew-Houlk: And that's our open rate. when we move on into the funnels tomorrow, we're going to talk about how to actually affect these numbers a little more, that you have more control over these numbers. And we're going to show you how to, how to do that. but most people are really happy with a 40% open rate. Now this is where you have to do a little manual calculation because most auto responder systems like to con they like to calculate your click-through rate based on the number of emails that you've sent, not based on the number of emails that are open now. And I'm going to explain to you why I don't like the way they do this. so we're going to just say here though, that we, so we had 40 people who opened our email and of those 40 10% people, 10 people clicked on the email. Well, that gives us a click through rate. And if you remember on our couple of slides ago, that was our CTR was our acronym. Their CTR equals 25%.

David Perdedew: Now

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Jennifer Perdew-Houlik: In most AAR's autoresponder systems, they're going to tell you that your click-through rate was actually 10%, not 25%. And they get that number because they're dividing the total number of clicks by the total number of emails that you sent. And the reason why I don't like that calculation is because you are putting a click-through rate on the whole. And so you can't really calculate the click-through rate on people who never actually opened your emails. And so I prefer, and most marketers actually use the opens though. So the number of clicks divided by the number of opens to come up with their click-through rate, because it really helps give you a better idea of the people that have eyeballs on your content and are taking action on your content versus people who aren't opening at all. So before we move on, I want to make sure that that made sense. Does that make sense to you Dan

David Perdew: It does, but I want you to explain why it's important,

Jennifer Perdew-Houlik: The click-through rate or the differentiation,

David Perdew: Why the differentiator is important 10 versus 25. So the click click

Jennifer Perdew-Houlik: Through rate is really, really important because it tells you how well you've communicated with your audience in your email copy. And the reason why email is such a huge driver in marketing and why it has the highest ROI is because it is the best way for you to really build a relationship and a rapport with your, with your readers. And so when we send an email and we actually haven't had one that we did the other day that, the sales conversions weren't bad, but the click-through rate wasn't good on the email. And when something like that happens, I personally am always looking for a click-through rate between 10 and 20%. If I'm higher than that, I'm really happy if I'm lower than that, then we really start looking at what's happening. but if I have a, if I have a low click-through rate, it means that we just missed the Mark with communicating with our list. And so that's why the click-through rate becomes important for you is opens or opens are super important too. and opens are really effected by, you know, your subject line, the past relationships that you've had with people, that you've been marketing to, but really the click-through rate to me is kind of a prime example of your overall relationship with your list. Is that where you want to,

David Perdew: Okay. Yep. It is. And I want to go, I'm going to take over this conversation for just a second. Okay. So I'm go back over here to this one conversion rate, we talked about conversion rate, where was the pro one action to another It was the next action that we're after being different from the click-through rate. This is what we're talking about. So when you have a conversion rate of 40 opens on a hundred emails, so 40%, your conversion rate is 40%. If I want that to be 50%, what do I have to do I have to go back to my email and improve the subject line. There is a direct one-on-one correlation between these numbers and what you have to do because opens, like Jennifer said are a result of subject lines.

David Perdew: It's a result of subject line effectiveness. And it also, when you look at these numbers, these numbers tell you how to communicate with your list, because we've tried to be cute with our subject lines and the subject line. I mean, the open rates drop like a rock. People don't necessarily want cute from us. What they want is straight forward. Here's the problem. Here's the solution. Look at this. so we get a much better open rate when we do that kind of thing. And when you have a click through, go ahead, want to, I want to finish

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Jennifer Perdew-Houlik: Here for a second, this last section, because I want you to, I want to make sure that everybody really understands that this entire funnel flow and how you have like 100% control over what's happening here. So our, my very last line here, my very last line here says that you ended up having five sales. So you had 10 people click to the offer and you had five sales. That's a 50% conversion rate, which is huge, right So if you look at this as a whole and you want more sales, what's the first thing that you're going to do. Where's the first thing you can affect change in this email marketing campaign. And I'm asking you guys, I want you to put in the chat box. What's the very first thing that you can do to affect more change, affect change in this email funnel, you guys aren't answering.

Jennifer Perdew-Houlik: All right, there we go. Yep. This is exactly right. Attract more opens because if you increase your open rate here, the numbers below should hold. So that means you should still hold the 20%, 25% click through rate. You should still hold. You know, that 50, that would be really nice if you held that 50% sales conversion rate. And so that is the only thing right now. If we were going to try to make more sales, looking at these numbers that we have, we want more opens, which means we need a better subject line. That's the only thing that we would test,

David Perdew: Oh, you guys didn't get this. I mean, a lot of you guys gave different answers, like send more mail, that kind of stuff. That's not it that's, that's where we get stuck with. my problem is, I mean, more traffic. Your problem is not, you need more traffic. Your problem is in your conversion rates. His problem is that you need a better subject line. You have to really get down into the nitty gritty of what you're doing. So you have to understand this is step one. Step one is email open rate, and that is dictated by your subject line effectiveness.

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Jennifer Perdew-Houlik: And the reason you guys, why this is so, so important is because from an affiliate marketing perspective, this front part of your funnel is where you have all the control, because you don't have the control. When, when your visitor goes to the vendor sales page, you have a hundred percent control over how you are communicating with them. And how are you are getting them pre-sold into the affiliate offer. And so making sure that you really, really, really get this is super, super important. This is how you make money with affiliate marketing. And this is how you make more money with affiliate marketing.

David Perdew: Okay. So let's that, you get, we're going to spend a little time here by the way. so let's say you improved your open rates. You do a new, you do another new subject line. You go to a, fresh title, title analyzer, or a CoSchedule headline analyzer. And you decided to build a, an emotional headline that, that works and an emotional subject line, and you get it up to 50. Let's see you get up to 60%, which is unbelievable. And it works by the way. You do get 60%, if you are in a, if you segmented your email well, and we do that on our campaigns a lot. We get really good open rates on our campaigns like this. So you're going to get 60% now, not 40%, right So now you've got a click through rate of 25% automatically because you haven't changed anything.

David Perdew: So how does that improve your clicks So we have 15 clicks now instead of 10 that's right So you've got 15 here, except I can pick a five. There we go. Got 15. So you got 15 clicks and you still have, let's see, you still have a 50% sale. So what have you got You got a seven and a half sales. So remember this is on per hundred. So if you send out more than that, you're going to get more sales. But what you've done is increased this 50% by another 25%. So, I mean, that's, that'd become 75% now on your 10 clicks. That's real money. That's how you improve. Okay. So now let's go back to, to this for a second. We're going to look at something else here, because there's a great book that I, I tell you guys all the time that you should read.

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David Perdeu: How do I get rid of this I think I just do, you know, do that. I can bring to patients. I want to discard, oops, there we go. Messed it up. So, there's a great book that I tell you to read all the time and it's called the goal. And the goal is about, bottlenecks and what this is, is this is an example of bottlenecks and the goal is about bottlenecks in manufacturing. And it's exactly the same here. So you have a bottleneck right here. This is, this is the first bottleneck. And then you have a bottleneck here, which is your click through rate. And then you have a bottleneck down here, which is your sales conversion. So those are the three bottlenecks that you want to evaluate and improve. So we've improved this one to 60% here. So if we want to improve our click-through rate, we made this 15. If we want to improve our click-through rate to 50%, let's say, what would that be. In 50% on 30 would be a 50% and 60 would be 30. Right Right. Okay. So we've got 30 clicks now, which makes this 50%. And so that makes us with the 50% down here, we get 15 sales.

David Perdeu: We would have 15. What is this for 30 clicks, five sales on 10 clicks and 20%. Yeah. So 50% of it. Yeah, it'd be 15. So there you go. So that'd be 15. Sales is what that would be. So, you know, you're improving your numbers all along the way. And you just follow through each time you improve a bottleneck, you prove this bottleneck, then you improve this bottleneck and then you approve this bottleneck and you're going to make more and more money with the same traffic.

Jennifer Perdeu-Houlk: And that's the point. I want to make sure everybody understands here, because so many of you said in our pre-event survey, that traffic was your problem. But if you look at this traffic, isn't always your problem. You, you, we all need traffic. You're always going to need traffic every minute of every day to be in, to have an online business, you're going to need traffic. The goal here is to do the best that you can with the traffic that you've got. And instead of going out and buying more traffic and begging and borrowing, you know, for more traffic, you come in here and you figure out how you can improve your conversions with the traffic that you have first, because then when you get this nailed. So what happens if you go out and you've got these numbers nailed, you're super happy with a 60% open rate, you're super happy with a 50% click through rate. You're super happy with a 50% sales conversion. So now what do we do now We get more traffic. So I want to make sure that makes sense for everybody.

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David Perdew: Yeah. And, and the reason I'm going to go backwards again, one more time is here this 37% that are \$37 EPC here was with a much smaller list than we have right now. So we won this contest. We did a really good job here because we, we really had our, bottlenecks honed in. We really mastered the bottlenecks on that one. Okay.

Jennifer Perdew-Houlik: Yep. So Martin asked a great question. He said, do you re do you resend the broadcast each time So this is our technique. Doesn't mean you have to do this. If I send out email number one, and I'm not happy with my, my open rates or my click-through rates or whatever, we make the change. And we typically try to make one change unless the entire thing just fell apart, which does happen sometimes. but typically when something isn't working in our email campaigns, I can typically find the one thing that it is and it's by knowing my numbers really. and so typically what we do is we can fix the one thing that we see as an issue. And then we resend to unopens and that way we're testing it on a different audience. So we can see if the numbers hold true again.

Jennifer Perdew-Houlik: And I did a promotion like this two days ago, where the first one had really poor click-through rates. And, so we retested it using some different content and we ended up doubling the click-through rates. And then we almost doubled our sales conversion rates because, we just put better content together. And so this is a lot of testing and it's a lot of you getting to know your list and the people who are on your list and what their expectations are from you. you typically are gonna find that fairly quickly. Once you start really trying to build a relationship with the people on your list, you're going to know what they expect, and you're going to see very quickly if they don't like what you've done. And we have enough of a relationship with, especially with our insiders club members, that if we send out a promotion, sometimes I get private messages from people who are in our insiders club, who are like, you know, I just wanted to let you know, you guys really missed the Mark on this one, or, you know, I just want to tell you that I thought that subject line sucked and, you know, because we have, we've built that kind of relationship with our lists, that, that we ask them to be honest with us about those kinds of things.

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David Perdeu: Okay. So, I don't want to beat this to death, but I want you to understand how important this is. Now. I will give you one example of why people say open rates don't matter. And we have a mentor. We had a mentor who said, Oh, I don't ever pay attention to open rates. I only look at click-through rates, well, get a list of a million people. And he got lazy with that on the open rates, because the open rates, he didn't care. As long as he got enough click-through rates to make them the money that he wanted to bank. He was. Okay. So, and then we'd have our other mentor was, was Matt who, who, he, he split test every email he sends. So he gets the most out of everything and open rates, click through rates and sales. He knows all those numbers, and we knew all those numbers as well. And we focus even more than Matt does on the opens because, opens drive the entire funnel. That's really the front door to the entire funnel. And so when people say that opens don't matter, it's all about sales. That's true. But if you really want to do the work once and get paid forever, there's no reason to redo it. We can add an, an email that has a great subject line and a great open rate to our evergreen autoresponder series and continue to make sales for a long, long time with that. So,

Jennifer Perdeu-Houlik: Yeah, so we've actually spent way more time in this section than I had planned on. and so we should go ahead and let's try to move forward here, cause I want to make sure we get our breakout sessions done.

David Perdeu: Okay. So here we are other terminology, but with your affiliate link, this is a no-no Jen, this is your slide.

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Jennifer Perdew-Houlik: Yeah. So this is just something I want you to know, because a lot of you said that you haven't really done much with affiliate marketing yet. And this may seem like in the back of your mind, like, Oh, this is a great way for me to make some sales and I can save a little money. Most platforms will automatically ban you for, I'm not paying you, but they won't let you actually purchase using your own affiliate link. If you sneak it through. And a vendor reports, you, you do have, you are at risk of being banned from a platform and people talk on these platforms. And so, there's actually, there's some band and blacklisted groups. And so really my point here is don't buy somebody's product with your affiliate link. It just, it's not worth the extra commissions that, that you might get in your account to go through this.

Jennifer Perdew-Houlik: This really, really is a, is a bad thing to do and can get you in a lot of trouble. So just don't do it now, something that may happen. And I have had people reach out to me before, because they're testing their links and then they've gone to buy something else. And they're cookied already with my affiliate link and they go to buy another product and they'll message me right back and be like, Oh my gosh, I just bought something from you. And I was testing my affiliate links before I bought through my own affiliate link. How do we, how do you fix this And, you know, mistakes happen and vendors appreciate that when you do that. but just don't let it, don't let it try not to let it happen.

David Perdew: Yep. All right. And so the next one is split testing. Now I told you about math. Who's with test everything mats system is, is really wild. He, he split, he sends an email in the morning, with three subject lines and he split test all the subject lines. So he does three separate segments with the, three different subject lines. And then, he'll send that in the morning and 11 o'clock he'll check it. And the winner of that subject line gets recent on an open wound around noon-ish. And then, in the evening he goes back and he rechecks the original email to make sure that the subject line winners still holds. And if it doesn't, he changes it out. And does it again. So when we talk about split testing, you take a list of 120 people, and if you're going to do it, let's just do an AB split test.

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David Perdeu: So we'll do a hundred people. So you're going to send 50 subject line one, what we're doing a now, cause it's ABC split. So we joined send 50 emails with subject line one, and you're going to send 50 emails with subject line two. And you're going to see which one does better. Now, subject line one, can't be Mary had a little lamb and subject line two is Mary had a little lamb yesterday. you have to have radical test for a B split test. So subject line one, we'll be married, had a lamb. And somebody assigned to is Tom bought a cow. You know, it's two different things, two different radical tests. so that's the way you do AB split testing because you want to know which is working. these are, these are called radical or, screaming test versus whisper test. A whisper is the Mary had a little lamb and, and you know, all uppercase and then Mary had a little landmark case. So that's always, that's probably more than we wanted to know here.

David Perdeu: Okay. So we have one more slide. I think that's it. This one I wanted to show you how this looks in a, this is from today. I looked at, or your plus, and here's some, some numbers that we need to look at that when you go into warrior plus or any other platform, you're going to see what's being offered today. You're going to see a marketplace. And so you can go in here and you can see that this number is important conversion rate, right This is number of sales. So if it's conversion rate of 24% on 50 sales, okay, great. But it doesn't give me a whole lot of confidence, but if it's got a lot of sales on it already, that's great. the visitor value, this is their EPC distinguishing factor, visitor value. This is what they use. And you'll find this.

David Perdeu: Every platform has a different terminology referring. They try to make it their own. So this is visitor value, which is EPC. The average sale is AOV average order value, \$30 and 29 cents. So we don't even know what the price is of this front end thing. all we know is that for each sale, you're going to get about \$30 and 29 cents probably. And for each click, each visitor, you're going to get about \$7 and 29 cents. This is not a bad thing. I haven't looked at it at all. It's got, that's a rating over there. That's pretty good. This is a good vendor. I don't know who this is. they've had that. So they're, they're big time promoter and they've got a 1% refund rate, which is really good. So this is like, how hot is this product And, you know, you get 141 that's that's outstanding. So that's good. Okay. So does this make sense to people What was the terminology that we've been talking about Okay, good. Good.

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Jennifer Perdew-Houlik: Okay. Great. Phillip said that this is actually a \$17 front end offer. So that's great to know that. So that means that \$17 front end. So the average funnel sale is worth \$30 to you, which is almost double of what the front ends is. Yeah.

David Perdew: Okay. So somebody just told me, who this is. And, I have to say you still have to be really careful because the, the, the pages, the sales pages can be really, really, really good. And you have to look at what the customer experiences in the backend. So this is one of those places where you always want to change, check everything, and you want to do average. I want to talk about this one specifically, I'm talking about this. the way you, you engage in you build relationships, which is our next session, by the way. So.

# Ebook title

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