

Affiliate Marketing — Workbook

This workbook turns the course into the real artifacts of running a program. Each section mirrors one course module with hands-on exercises, fill-in worksheets, and checklists you apply to your own business. Pick one product or service you actually sell and carry it through every section, and you will finish with a margin-based commission structure, a chosen platform, a vetted recruiting pipeline, an activation sequence, working server-side tracking, a compliance and disclosure policy, and a partner scorecard that tells you exactly whom to scale.

How Affiliate Marketing Actually Works

Build an accurate model of the channel — the players, the click-to-cookie-to-sale mechanics, and the commission economics — before you spend a dollar.

Worksheet: Find the Commission You Can Actually Afford

Work from margin and lifetime value, not the sticker price. Fill in your real numbers so your commission rate funds itself instead of quietly turning sales into losses.

Average order value (AOV) for the product you will promote

Cost of goods + shipping + payment fees per order = your gross margin

Customer lifetime value (LTV) if customers buy more than once

Share of margin you are willing to give to acquire a sale (e.g. one quarter)

Network/platform override you must add on top (e.g. ~25%)

Resulting commission you can post to partners — as a percent AND a flat amount

Exercise: Trace One Sale Through the Tracking Pipeline

Map a single sale end to end for your business so you understand exactly where credit is won or lost before you choose a tool.

- Write the link, cookie, browse, conversion, validation, and payout steps as they would happen on your site.
 - Decide your cookie/attribution window (7 / 30 / 60 / 90 days) and justify it from a cost vs recruiting standpoint.
 - Identify where browser-cookie tracking could fail for you (Safari ITP, ad blockers, cross-device) and note whether server-to-server tracking is needed.
 - Name the moment a commission should lock (after the return window) and what should reverse it.
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Worksheet: Choose Your Payout Model

Pick the payout model that fits your economics and explain why, using the numbers from the first worksheet.
Model chosen: revenue share / CPA (flat fee) / hybrid / recurring

The exact rate or fee (e.g. 8% of order, or 40 dollars per new subscriber, or 20% recurring for 12 months)

Why this model fits your margin and LTV

Competitive benchmark for your category (e.g. physical 5-15%, digital/SaaS 20-40%) and how yours compares

Checklist: Economics Gut Check

- My commission is priced against gross margin, not the sticker price.
- I have added the network/platform override on top of the partner commission in my cost.
- I know my AOV and (if relevant) my customer lifetime value as real numbers, not guesses.
- After paying commission and override, I still keep a margin I am happy with on every sale.
- My rate is at least competitive with the benchmark for my product category.

Setting Up the Program: Platforms and Structure

Choose the right technology, design commissions and terms that protect margin and attract partners, and build a partner experience that is ready to recruit into.

Worksheet: Select Your Platform

Decide between a network, a SaaS platform, an e-commerce app, or self-hosting based on what you are short on this year: partners, control, or budget.

What I most need: a pool of partners / management control / lowest cost

Shortlist of named options I will compare (e.g. ShareASale, Impact, PartnerStack, Refersion, AffiliateWP)

Costs of each: setup fee + monthly + override or flat fee

Does it support server-to-server (S2S) postback tracking with a click ID? (Y/N per option)

My choice and the one-sentence reason

Exercise: Design Your Commission Structure

Go beyond a flat rate. Build a structure that pays the most to partners who deliver incremental sales, using the affordable commission from Section 1.

- Set your base rate (the affordable commission you calculated).
- Add at least one tier or bonus: volume tiers, a new-customer rate, a milestone bonus, or category-specific rates.
- Decide how coupon/loyalty partners are paid (full / reduced / excluded from last click) and why.
- Write the one-line pitch a partner sees: rate + cookie window + who it is for.

Worksheet: Write the Program Terms That Protect You

Draft the clauses that prevent the classic margin leaks. These become your official program terms.
Cookie window and attribution rule (e.g. 30-day, last click)

Validation & reversal policy (when commissions lock; what voids them: refunds, chargebacks, fraud)

Trademark / paid-search policy (forbid bidding on your brand name in Google Ads?)

Coupon & discount-site rules (full / reduced commission; code restrictions)

Prohibited practices (cookie stuffing, spam, false claims) and your right to withhold payment

Checklist: Partner Experience Readiness

- I have a public program page with rate, cookie window, audience fit, and a one-click application.
- Partners can generate a tracking link to any product, plus a personal coupon code.
- Creative assets are ready: banners, product images, logos, approved copy, and a claims do/do-not list.
- A real-time dashboard shows clicks, conversions, earnings, and payment status.
- A welcome email sequence is written, naming the single best-converting product to start with.

Recruiting and Activating the Right Partners

Find, vet, and onboard partners who actually sell, then turn a quiet sign-up list into an active sales force through activation.

Worksheet: Build Your Partner Target List

Identify real, well-matched partners across types. Aim to recruit demand-creators hardest and treat demand-capturers as a controlled lower-rate tier.

5 content/niche/review sites in your space (search 'your keyword + review/best')

3 influencers/creators who fit by audience, not just follower count

2 coupon/loyalty/cashback partners (for volume, lower rate)

Where you found each (network marketplace / search / competitor backlinks via Ahrefs/Semrush / your own customers)

For each: do they CREATE demand or CAPTURE existing demand?

Exercise: Write a Personalized Recruiting Pitch

Recruiting is sales. Draft one pitch you could send to a specific target from your list, then pressure-test it against the rules.

- Open with a specific reference to their content (prove it is not a mass blast).
 - Lead with the earnings: state the commission rate plus a credibility number (conversion rate or AOV).
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- Reduce friction: include the direct application link and offer to set up their links and assets.
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- Add a head-start hook (welcome bonus / exclusive coupon / early access) and plan one follow-up a week later.
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Checklist: Vetting & Fraud-Screen Before Approval

- I visited the site/channel and confirmed it is real, active, and relevant.
- I know how they intend to promote me and it is allowed under my terms.
- I sanity-checked their traffic (Similarweb or direct ask) against their claims.
- I screened for red flags: brand-bidders, cookie-stuffing patterns, coupon-only harvesting.
- I approved, declined, or asked a clarifying question — not auto-approved everyone.

Worksheet: Design Your Activation Sequence

Most approved partners never sell. Plan the first-week and first-sale moves that convert sign-ups into producers, since activation is where revenue is made.

Day-0 welcome kit contents (link, best-bet product, ready-made copy + graphic, one tiny first action)

First-sale moment: the congratulations message + the next product you hand them

Ongoing education cadence (e.g. monthly partner newsletter with top products and angles)

Dormant win-back offer (limited-time bonus or fresh easy offer) and when it triggers

How you will reward active top partners (higher rate / exclusive coupon / bonus / early access)

Tracking, Compliance, and Scaling Revenue

Attribute sales correctly, catch fraud, stay on the right side of the FTC, and read the metrics that tell you what to scale.

Exercise: Verify Attribution and Server-Side Tracking

Before launch, confirm sales are counted correctly and credited to the right partner. Undercounting makes good partners quit.

- State your attribution model (default last click) and how you will avoid starving demand-creators (e.g. reduced coupon/loyalty commission on last click).
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- Confirm whether server-to-server (postback) tracking with a click ID is enabled on your platform.
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- Run a real test purchase through a partner link and record whether it appears, correctly attributed, in the dashboard.
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- List the fraud signals you will monitor monthly: cookie stuffing, brand bidding, fake/self-referred leads, code leakage, high reversal rate.
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Worksheet: FTC & Compliance Policy

Disclosure is the law and the brand can be liable too. Write the policy you will give partners and the tax basics for paying them.

Exact approved disclosure wording partners must use, and where it must appear (before the link, clearly visible)

Prohibited claims (false/exaggerated/unverified — especially health, finance, income)

How and how often you will monitor partner content for violations

Tax collection: W-9 (US domestic) / W-8 (foreign); 1099-NEC threshold (600 dollars/yr)

Payout schedule, minimum threshold, currency, and method (e.g. monthly, net-30, 50 dollar minimum)

Exercise: Score Your Partners and Find What to Scale

Use the program metrics to separate the partners worth fueling from the ones quietly costing you money. Focus especially on incrementality.

- For your top partners, record EPC (earnings per 100 clicks), conversion rate, AOV, and reversal rate.
 - Flag any partner whose commissions are likely NON-incremental (e.g. a last-click coupon extension on buyers already converting).
 - Identify your 2-3 highest-EPC, highest-incrementality partners — your scaling priority.
 - List one action each for: double down on winners, recruit lookalikes, prune/fix the rest.
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Checklist: Launch-Ready & Scaling Check

- Server-side tracking is tested with a real order and attributes correctly.
 - My attribution rules do not let last-click coupon sites starve demand-creating partners.
 - Partners have exact disclosure wording and a prohibited-claims list, and I will monitor compliance.
 - Tax forms (W-9/W-8) and payout terms (schedule, threshold, method) are set.
 - I track EPC, conversion rate, AOV, reversal rate, and program ROI per partner and overall, and I review them monthly.
 - I am asking 'is this sale incremental?' before celebrating any partner's commissions.
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Your Action Plan

1. Pick one product or service you sell and compute its gross margin and customer lifetime value.
2. Calculate the commission you can afford from margin (not sticker price), adding the platform override, and express it as a percent and a flat amount.
3. Choose your platform based on whether you most need partners, control, or low cost — and confirm it supports server-to-server tracking.
4. Design a commission structure with at least one tier or bonus, and write program terms covering cookie window, reversals, trademark/paid-search, and coupon rules.
5. Build the partner experience: program page, link generator, creative assets, real-time dashboard, and a welcome sequence that names the best starter product.
6. Build a target list of well-matched partners (mostly demand-creators), recruit ten per week with personalized pitches, and vet each before approving.
7. Run an activation sequence: day-0 welcome kit, first-sale follow-up, ongoing education, and a dormant win-back offer.
8. Implement and test server-side tracking with a real purchase, set your attribution rules, and stand up monthly fraud monitoring.
9. Write your FTC disclosure and prohibited-claims policy, give partners exact wording, and set tax forms and payout terms.
10. Score partners on EPC, conversion rate, AOV, reversal rate, and incrementality every month — double down on winners, recruit lookalikes, and prune what does not pay.

