041 Affiliate Marketing: How to revive your existing Affiliate Account with Rick Magennis
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Today, I'm chatting with affiliate marketing expert Rick Magennis. Rick has been in affiliate marketing for nearly 10 years, growing sales the right way for his clients. He's the president and founder of BearCatMedia, which is an affiliate marketing agency, platform-agnostic, they're all about driving the right results for each client. And he recently ran a whole event sharing Affiliate Management Best Practices, called Affiliate Management Expo.

Hello, Rick?

Hi, Chloe. How are you doing?

I'm good.

It's great to have you here. How was the event?

The event was phenomenal. I really didn't know what to expect. I put it on in like five weeks or so. I put it all together and got all my speakers and then had to get attendees to attend to actually listen to the event and learn. But it was, it was a lot of work for five weeks. And then the event was a success. I had almost but just under 600 people there learning. And the feedback has been phenomenal. I'm going to be expanding upon it in the future, making it more robust with networking sessions, live sessions, Q&A's and things like that.
[00:02:52.920] - Rick Magennis
But for my first time doing it, I really didn't know what to expect, but it went really well and I look forward to doing it again, probably in September.

[00:03:01.680] - Chloe Thomas
Oh, very cool.

[00:03:02.880] - Chloe Thomas
Well, look, I'm guessing you may have picked up some tips and tricks from your own speakers. So hopefully we've got you at just the right time to record this interview. But before we get into all of that, how did you get into affiliate marketing?

[00:03:16.290] - Rick Magennis
It was pretty much accidental. I was laid off from a corporate job that was a pharmaceutical sales representative. My wife was pregnant at the time with our first child. There was no jobs in my field that we're hiring at the moment. And I just, it was desperation and desperation at that point, I had to earn money because my wife was going to be bringing our daughter into the world in a few months. So I just started searching online how to make money.

[00:03:44.820] - Rick Magennis
And I found Affiliate Marketing and I built my first affiliate site around baby strollers, which was like it kind of made sense because at the time I was going to be a new father. So I would review baby strollers and rank them in Google and then link it to Amazon's associate program and make it make a few bucks. And then I decided that I wasn't really where my passion was. I wanted to work on the actual side of, like managing neophilia programs.

[00:04:13.800] - Rick Magennis
So I literally just cold-called agencies and asked if they needed any help or were willing to hire me with really no experience. And I had one person that would give me the shot. And then from there, I moved on to another agency for about six years. And then here I am at my own agency managing programs. And I've run programs from startups up to multibillion-dollar organizations like MetLife and things like that.

[00:04:42.600] - Rick Magennis
So I have my experience of all areas of the business.
[00:04:48.090] - Chloe Thomas
I love that, almost hunter turned or poacher turned gamekeeper as I don't know if you have that phrase in the sights, you're smiling that means I'm guessing you do. You come in as an affiliate and then you go, actually, I'm going to manage.

[00:04:58.380] - Chloe Thomas
I'm going to turn, turn into the game keeper.

[00:05:02.010] - Chloe Thomas
OK, we are here to talk about a situation which I think a lot of retailers are in, which is at some point someone in the business when let's do affiliate marketing and they create an account with trade doubler, a win or affiliate window, probably all the way back then, like you know Web gangs or somebody or another, they created this sort, this account on the software. They created a program and it does something possibly not very much, possibly quite a lot, but they haven't logged in in a while and they're not really sure what it's doing and what's going on.

[00:05:34.590] - Chloe Thomas
So how can, how can we take that kind of neglected probably not doing great things for us channel and turn it into something really good, because that's what you spend a lot of your time doing, isn't it?

[00:05:47.880] - Rick Magennis
Yeah. Yeah. Most of my time is spent coming on board with brands that have affiliate programs already. But the problem you're outlining is not uncommon. Unfortunately, it happens so often and it's sad because they hear that hey you need an affiliate program, so go set it up. We have our program here. They're good, set it up there. So they go ahead and set it up and then they have the old coupon discount deal sites come and join the program and start generating sales.

[00:06:23.910] - Rick Magennis
But it's not quality sales and traffic. So they get frustrated. They don't know how to go out and recruit the proper affiliates for the program. They don't know the techniques to do it, where to find them, how to communicate with them. They don't know what to do with them. If they do get them on board somehow they don't know how to interact with them and engage with them to make it a fruitful partnership, so there's many aspects that are overlooked and a lot of times when they're set up and neglected, it's just from a lack of education and a lack of time being spent on an affiliate program.
And that’s why, unfortunately, it gets a bad rap to fill your marketing programs, get labeled as something that is lower level. And they don’t really put a lot of time in is because there’s no one really out there that there’s experts out there obviously, but there’s no one out there that is going to be starting a program from a brand and just saying, oh, this is exactly how we do this. We’re going to do it just it doesn’t happen like that.

It’s a bit like it always, always strikes me as just setting up an affiliate account and then just waiting to see what happens. You know, as you say, you end up with all the voucher code sites coming in, which nothing against the voucher codes sites, but there’s ways of using them in ways you don’t want to use them. And they would just kind of come in and start sending you traffic. And you don’t if the traffic’s any good or not.

It’s a bit like the Google ads equivalent of just setting up an account and bidding on your own brand name and then claiming that a great sales acquisition success. There’s a good place for bidding on your brand name. But unless you’re managing the account, you’re not getting the sales you want. So what’s the first step you take in reviving an account? Is it to get the right team on board to manage it? Is it to audit?

Is it to cancel it and start totally from scratch? What would you do? Where would you start?

Well, you brought up something good in there. The audit is typically where we start when we are looking at an affiliate program. And then after the audit that we did, it depends on what we find. If we should close it down and start a new one somewhere else. But the audit is necessary to understand what’s going on in the program. So you look at everything from what commissions they’re paying their affiliates to how the program set up like if the program let’s any affiliate without approving the application, like they call it, auto-approve, that's never a good thing.

So you want to get the commission, the approval process, the diversity of affiliates that are in the program, coming back to the voucher codes, content, email, paid search affiliates, all those types. You want to see where they are in that realm, because a lot of the ones that are not successful don’t have a diverse base. They have a lot of one kind of affiliate and they’re driving a lot of the revenue.
And then we look at their communication strategy with their affiliates, what kind of engagement they're having with them, how many times and what they communicate with them, and what optimizing strategies they're actually putting in place, if any. Well, in this case, the neglected one, they're putting none in. But we go through all those pieces to try and determine what the next steps are, what their recommendations are to move forward. And it could be various things.

It could be like you said starting over again, closing it down, moving to a different platform. The network or platform that they're on may not be a good fit, there may be a better fit for another platform.

As you say, about different platforms being a different fit, is that because I don't know, all these sofa affiliates are on one and all the fashion affiliates are on another. Is that what you mean? As in if we want to hit affiliates who want to sell this product, we'd be better off moving somewhere.

Yeah, so certain networks specialize in specific affiliates. So there's one in the United States called "Share A Sale". They're big into the content blogger community.

Yeah, I think I have a Share A Sale account.

Yeah. Yeah, they're one of the bigger ones in the United States and they're one of the more user-friendly ones as well. That's my preferable one. If I'm going to be bringing clients on, I tell them to look at share a sale and we figure out it's going to be a fit but share a sale they have a lot of content orientated affiliates, of course, they have the voucher codes and all that stuff, too.

But yeah, then specific ones have like there's one called a Val link in the US as well. They're outdoor-oriented. So most of their advertisers and brands on there are outdoor brands like camping and hiking and fitness and things like that. So if you have a brand that is outdoor-oriented, you're probably going to be working more towards onelink(sp). And if you're looking for more like fashion, beauty, Share A Sale might be the one for you. It just depends.
[00:11:21.680] - Rick Magennis
And that's a job of an agency. When we come in to look at these programs and see what their goals are and what's going to be the best place for them, because they decided from the platform just because it's either inexpensive or something they were told to do, but it just wasn't the right decision.

[00:11:42.540] - Chloe Thomas
So platform change could both be because of the vertical in which we're selling. But it could also be about the types of affiliates we're trying to attract, so if we're trying to get away from discounting then moving to a platform like Share A Sale, which is more about content, is probably going to be a potentially good move.

[00:11:58.410] - Chloe Thomas
So, so platform might be something we want to change. Let's assume we're on the right platform. You mentioned about commissions. So how, I'm going to assume because this is how you revive, should people have a little bit of knowledge.

[00:12:15.090] - Chloe Thomas
So how complex should you make a commission structure in an affiliate account? Because you have the possibility these days to make it pretty complex with unique commission structures for specific affiliates, tier levels of if you achieve this, you get more, you can pay bonuses for starting. How complicated, is there a danger to going too complicated or how do we even start getting our commissions? I think that's what I'm really trying to ask you Rick.

[00:12:44.880] - Rick Magennis
Yeah, no, there's definitely danger in becoming too complex, of course, with anything you make too complex, it just doesn't work. But part of the process is looking at your competitors too. So you have, you we're just going to use the outdoors since that's the first thing I thought. So you have an outdoor brand. You want to find out your competitors and what they're doing in terms of their commission structure, because you may be at 10 percent, they may be at 14 percent. But you want to find out why that is and what they're doing differently to get to that 14 percent. They may be doing like a base percentage of 10 and tearing it up to 14, you don't know, based on sales revenue. So that's why you want to look at the different competitors, find out how they're setting up their commission structure. And I wouldn't say mimicking it exactly, but trying to make it as competitive or even more competitive than them just so that your program stands out, more so that when you're reaching out to potential affiliates to come on, you can say, hey, we have a commission structure that starts at 11 percent and tears up the 15 percent based on sales revenue.
[00:14:00.450] - Rick Magennis
We don’t think any specifics with them, but at least they know they have the opportunity to go up to 15 where there we go all your competitor, they top up a 14. So it might be a better fit, but it also comes back to conversion rate and things like that. So the affiliates don’t just look at commission.

[00:14:17.100] - Chloe Thomas
But I think you make a good point I think a lot of eCommerce marketers miss, is that you are competing as a merchant for the affiliates attention. You have to make the case to the good affiliates who are keeping with your outdoor theme. If you’ve, if they’ve got a site that’s all about the best tents, you know, they could send that tent traffic to you or to your competitors and they’re interested in where they’re going to make the most money.

[00:14:45.370] - Chloe Thomas
That’s putting it very, very simply for that traffic. So if you want them to test you, you want them to give you a guidance and your traffic, you have to be competitive. So, you know, keeping an eye on what the competition is doing is crucial to running an assessment account, isn’t it?

[00:15:29.040] - Rick Magennis
So they may be 15 percent for all sales. They don’t have to hit any of the sales escalators going up. It just depends on the affiliate and the quality of that affiliate and the relationship you build with them, because affiliate marketing is all about relationships. Whatever anyone tells you, it’s all about relationships. That’s what I preach, is without solid relationships, your affiliate program is going to be just average.

[00:16:00.330] - Chloe Thomas
That will be a bit of an explosion going off in some heads and I was I have to talk to people. I have, I can’t just optimize it like Google ads, because you said earlier about the communication program to your affiliates so there is blanket comms and there’s one on one comms to discover how you can help them and how they can help you. And what that set up looks like. So it’s a very intensive channel to manage, isn’t it?
[00:16:24.360] - Rick Magennis
It really is and that's unfortunately, that's where a lot of the brands get caught up is they're excited to get started and they have their program set up. And then they realize that it's a lot of work and they don't have the expertise to do it. And that's when it goes dormant for however long. And it's just the education and the affiliate management space is definitely lacking, but I'm trying to do my part in trying to bring that to the forefront and then provide some education.

[00:16:59.790] - Rick Magennis
But it's just, brand's got to realize that affiliate marketing is here. It's not dying. It's actually thriving right now, especially with covid and all the eCommerce trends going the way they're going. It's a lot of brands are actually cutting money from their paid search and social and investing into affiliates, into Influencer campaigns and things like that, they can run through their affiliate programs. So it's a booming channel and it's just a matter of having the brands understand that.

[00:17:38.740] - Rick Magennis
They need to learn the the real basics of affiliate marketing before they can just start throwing all the money they want at it.

[00:17:46.440] - Chloe Thomas
Yeah, I'm glad you mentioned the i-word Influencers there because I was going to say to you that it strikes me that there's an awful lot of overlap now happening between especially with the micro and the nano Influencer campaigns.

[00:17:58.200] - Chloe Thomas
People are running that really their affiliate campaigns in our old world speak. So is it, would it be true to say that the affiliate marketing team should be more closely aligned to the Influencer team than they should be to the paper clip team?

[00:18:13.800] - Rick Magennis
Oh, absolutely. And I would say they can be tied to the social team, too, because there are a lot of Influencer, social influencers, but they have to be in constant communication and in sync with what's going on, because what a lot of brands do is they run their Influencers through their affiliate programs because the affiliate program tracks all the clicks and tracks all the payments and things like that so that they don't have to worry about all that.

[00:18:39.390] - Rick Magennis
So the affiliate program is important for that, but also gives you the opportunity to build the relationship with them and understand what really drives them. Because influencers are human beings and they do want to have interaction and there's just some that's just all about the money
and things like that. But you do have many that that want to build a relationship with brands and be there for them and then help them grow as well. So I know I've said it many times, but it's all about the relationship.

[00:19:31.0] - Rick Magennis
And you got to just build relationship with the influencers, the affiliates, because the overlap is there, because an Affiliate can be the Influencer and an Influencer, can be an Affiliate. So it's, it really goes both ways. But you got to just keep in mind that when you're, when you're managing them from a social media team to the Influencer team to the affiliate team, it's got to be one united front where everyone knows what's going on. And if there's an issue, they got to figure it out together.

[00:19:44.7] - Chloe Thomas
We mentioned about communication. So we're talking about kind of reviving an accounts. If you've done your audit, you know, you're on the right platform. You know that. You know, you've relooked at your commission structure. And that's right. Guessing the next thing to do is to start communicating people with people, both potential new affiliates and the existing affiliates to find out what do you want them on your own, your business and how you can can get more for them.

[00:20:09.0] - Chloe Thomas
So once you've done those initial couple of steps, is it really just all about comms?

[00:20:14.4] - Rick Magennis
Yeah. So the next step would be to make sure that you're talking to the affiliates that are in the program because they joined the program for a reason. They're there for a reason. Whether you reached out to them or they joined themselves, they had a plan at some point to market your brand. So you want to find out if they're still interested because there's a lot of time that's elapsed you know, a program that was dormant. So you want to find out, you're so interested in what you can do to revive that relationship and build that trust again, because when the program goes dormant, the trust is broken.

[00:20:50.4] - Rick Magennis
And you've got to rebuild it and it may be with new management or a new manager of the program, and that's that comes with the with communicating with them. But then you've got to figure out who you're going to target for new affiliates. Are you going to be targeting content affiliates? Are you going to be having someone new affiliates to email paid searcher's? There's affiliates for everything nowadays. And you've got to have a strategy, a thought out strategy where you're each month you're going to be doing X, Y and Z and then figuring out if it's working or not and tweaking it so.
[00:21:28.090] - Rick Magennis
Generally recruiting and activation, which once they’re recruited and you activate them to get them to start sending traffic and sales, that takes up about 60 to 70 percent of the time of a person managing the program, because without affiliates, you don’t have a program. So you’re trying to get new ones in and optimize and activate the ones you have. So a majority of time is going there and then the rest of the time is going towards communicating with biweekly, monthly, with the affiliates, with updates on the program and optimizing in right there.

[00:22:00.550] - Rick Magennis
And there’s all your time and that’s where it comes back to the the very heart of this whole conversation is it goes dormant because not enough time is spent recruiting new affiliates, activating the ones you have optimizing the program and communicating with them. So, of course, it’s not going to work if you don’t do any of those. So it comes back to it. I like to think of five elements of failure management; recruiting, activation, communication, compliance and optimization.

[00:22:28.690] - Rick Magennis
We talked about four of them. The compliance is more of just making sure that the affiliates are playing by the rules are not bidding on your brand’s trademarks and typo squatting and all kinds of stuff like that. So that’s a small percentage of time. But, yeah, there’s definitely a system that needs to be put in place to manage a program effectively.

[00:22:51.270] - Chloe Thomas
Like you say, every single element of that is about building a relationship. You know, get them to sign up, get them to drive a sale, get them to keep driving sales and building that trust with them so they drive you ever better sales. It’s an ongoing process.

[00:23:06.040] - Chloe Thomas
But clearly, even if we’ve got a dormant account, we’re a little bit further ahead than someone who has no accounts at all in most cases, because we’ve got some data, we’ve got some relationships we may be able to revive. Well look, thank you for all of that, Rick. We’re now going to pause for a remind of our sponsors and then we’re going to talk about the ever wider world of affiliate marketing.

[00:23:27.890] - Chloe Thomas
Success in 2021 means building stronger relationships with your customers. Last year saw a lot of consumers switching to buy online, leading to surges in new customer acquisition. So how are you planning on turning your new first time buyers into profitable repeat customers? Well, that’s what Klaviyo is for. Klaviyo helps businesses create memorable marketing moments through email, SMS and personalized website experiences, and that is what creates repeat purchases. That’s why
Klaviyo, the ultimate eCommerce marketing platform, is used by over 50000 eCommerce brands around the world.

[00:24:02.840] - Chloe Thomas
Get started with your free account today. Visit Klaviyo.com/masterplan. That's KLAVIYO.com/masterplan.

[00:24:13.560] - Chloe Thomas
OK Rick, so far, we've gone deep into reviving a neglected affiliate account. Now you get to wow us with your insider knowledge about the whole world of affiliate marketing, which I think we've covered an awful lot of it thus far. But we'll see how much we can manage to get out of you. So for the following questions, your answer can be anything to do with affiliate marketing, which does, of course, include reviving a neglected affiliate account.

[00:24:35.370] - Rick Magennis
My advice to them would be to reach out to affiliate managers that are actually managing programs is it that they're interested in starting a program. They want to talk to someone that actually does it every day, whether it be an agency owner or the person within a brand that's managing the affiliate program. Talk to them, find out what it takes to start a program, what the daily responsibilities are, and just understand that it's not going to be set it up and just forget it and run itself.

[00:25:23.280] - Rick Magennis
It's going to be work. So you've got to understand hearing it from people that actually do it every day is probably the best way to do it.
[00:25:31.590] - Chloe Thomas
Nice. So a little bit of kind of on job training.

[00:25:34.500] - Rick Magennis
Yeah, most of you, most of the people that I know that manage affiliate programs, they get thrown into it without any education and they have to figure it out on their own. It's kind of like that. But but if you’re a newbie, you can reach out to the people that are doing it and they'll be happy to help. I've never heard anyone say they won't talk to anybody about it.

[00:25:55.920] - Chloe Thomas
Great tip, I like that one.

[00:25:57.650] - Chloe Thomas
OK, once you've started, of course, you've got to Keep Optimising. So what's your favorite way to improve affiliate marketing performance?

[00:26:05.250] - Rick Magennis
Well, we beat this one pretty hard. It's the relationships. No matter how much you optimize, no matter how much commission you throw at these affiliates, it comes down to the relationship. Without it, your program is going to be mediocre at best. My advice is just to just build relationships from the very beginning, from when you reach out to them initially, to get them to come to your program and build upon it all the way through, because the the affiliates will see that.

[00:26:34.510] - Rick Magennis
And they may get an offer from another program that may be slightly better in commission or terms may be better. But because you have that relationship with them and you take care of them, they'll stick with you.

[00:26:46.830] - Chloe Thomas
Yeah. It's a very human type of marketing, isn't it? Affiliate, very human indeed. OK, if someone listening wants to learn more about affiliate marketing is there one cheap or free resource you would recommend?

[00:26:59.700] - Rick Magennis
Oh yeah. To get started there's, we talked about earlier in my course segment, my course, my event that I did. It's free, there's there's no no obligation to pay in. As the listeners of the Keep Optimising podcast, I'll give it to you for, for free. You're going to just use a code that that Chloe will provide
you. But it goes from beginner down to experience and it gives you real, real insight on what it really takes to start a, start and grow an affiliate program.

[00:27:34.140] - Chloe Thomas
Can we use the code master plan, because that's the one we use for most things. Does that work for you Rick?

[00:27:39.180] - Rick Magennis
Yeah, that works for me, absolutely. I'll set it up and they can use it. It'll be a lifetime access so they can watch the videos for as long as they want. And it actually comes with notes already written about the sessions. So I had someone transcribe it and take all the important pieces out so they got the video, then you got the actual transcription of the video as well.

[00:28:04.890] - Chloe Thomas
Oh, very cool. Yeah, we'll make sure we've got links to all of that in the show notes. So guys you'll find those via keepoptimising.com and that's very cool of you. Thank you very much Rick.

[00:28:12.750] - Chloe Thomas
And finally, crystal ball time. What's coming up in the next 6 to 12 months that we should be getting ready for with our affiliate marketing?

[00:28:21.120] - Rick Magennis
I would say trying to make it more personal. Maybe they're trying to make your affiliate programs more and more personal to the individual affiliates and going more towards the content side of it, of the affiliates trying to get more of those on board, because that's where that's where a lot of the action is happening right now is the content piece. A lot of these mass media publish publications are coming in there and taking a lot of market share from the affiliates, but there's always room for high quality content.

[00:28:54.780] - Rick Magennis
And as an affiliate manager, you want, you're wanting to get those kind of publishers in your program. And I see that just becoming super important as just the content affiliates and moving more away from the the deal without your codes, things like that, because they had their place, but you can also use them within the content as well. But that's just my quick quick two cents on that.

[00:29:23.020] - Chloe Thomas
Excellent. Go after the content, guys. That's what we're saying.
[00:29:26.170] - Chloe Thomas
Well look Rick, we’re very nearly at the end of the show. So could you please let the listeners know where they can find you and your business on the Web and social media please?

[00:29:33.520] - Rick Magennis
Yeah, for my website. My agency's website is affiliateprogrammanagement.co pretty, pretty simple. And I'm pretty active on LinkedIn and you can just search my name Rick Magennis, MAGENNIS.

[00:29:52.000] - Chloe Thomas
Excellent. Well, we will add links to all of that to the show notes. And Rick, thank you so much for coming on the Keep Optimising podcast today. It's been great getting a good little masterclass here in affiliate marketing. So thank you.

[00:30:04.480] - Rick Magennis
No problem Chloe. Thank you so much. I appreciate the time.

[00:30:09.100] - Chloe Thomas
So there you have it, relationships, relationships, relationships. That's what is going to help you revive that dormant affiliate marketing account you've got going on. The steps which Rick was taking us through is first of all, a bit of an audit. Discover what you've got going on there. Are you on the right platform or for your vertical and the type of affiliates you want? Should you be somewhere else?

[00:30:28.490] - Chloe Thomas
And he also talked about then checking what your competitors are offering to affiliates. So then you can create the right commission structure, the right kind of pitch page. So as when those affiliates are considering joining you, they have no excuse not to. And then it's all about working on recruiting new affiliates, activating them, which means getting them to make that first sale and then optimizing your relationship with them from then on in.

[00:30:56.320] - Chloe Thomas
We have a whole month of further affiliate marketing content coming up here on the Keep Optimising podcast. So do stay tuned because we're going to explore lots of other areas of affiliate marketing this month. You can get links to everything that we discussed in this episode, the full transcript, the important notes and access to Rick's very kindly offered his virtual summit that he ran a couple of weeks ago, all about affiliate management, which, trust me, if you're, if this has wetted your appetite, you're going to want to go and get access to that right now.
[00:31:27.160] - Chloe Thomas
Links to all of that are at KeepOptimising.com. Click on the old episodes, then click on this episode and you will find it all. Now, as part of my mission to help you improve your marketing, I've invited all of our affiliate marketing specialists to join us for Q&A at the end of this month. That's going to be your chance to get even more of your questions answered about affiliates. So head to KeepOptimising.com to get yourself signed up for that.

[00:31:50.740] - Chloe Thomas
And thank you for tuning in. If you've enjoyed this episode, then stay tuned for the rest of our affiliate marketing episodes because they are really going to help you make affiliate marketing part of your success in twenty-twenty one. And please tell anyone else, you know who's struggling with our affiliate marketing to tune in too, because this is going to be a bit of a game changer for them, I think.

[00:32:14.080] - Chloe Thomas
Have a great week and make sure you listen to the next episode so I can help you to Keep Optimising your marketing.

[00:32:22.430] - Intro
Access everything Keep Optimising at KeepOptimising.com that's with an S not as Z.