

Above the Fold: Describes the part of an email message or web page that is visible without scrolling down the page. This term is important because all content above the fold is assumed to be more valuable to the reader as they see it first. The size of the "above the fold" area will depend on the resolution of the users computer monitor and the number of pixels their monitor displays.

Advertiser: The person selling the goods or service; also known as the merchant. The advertiser or merchant pays affiliates for sending traffic to the merchant's web site after a product or service is purchased.

Affiliate: A Web site owner that earns a commission or finders-fee for referring clicks, leads, or sales to a merchant.

Affiliate Agreement: terms between a merchant and an affiliate that govern the relationship. This includes the terms on which the affiliate will be rewarded for the traffic sent to the merchant's web site.

Affiliate Information Page: A page on your web site that explains the terms of your affiliate program including your commission rates, affiliate agreement, a link for existing affiliates to login, as well as a link to the signup page for new affiliates.

Affiliate Link: A URL tracking link that identifies the affiliate and sends traffic to the merchant's web site. For example, a link might look like <http://www.yourdomain.com/yourpage.asp?AffiliateID=5999>

These links are unique in order to track the traffic coming from the Affiliate site. Typically these links can be simple text links, images, product links, etc.

Affiliate Manager: The person responsible for running the merchant's affiliate program. This includes recruiting affiliates, establishing incentive programs, creating media for the affiliates, reporting on sales and paying affiliates.

Affiliate Program Can also be called an Associate Program, Partner, Referral or Revenue sharing program. In such a program the merchant rewards the affiliate for web traffic, sales or leads on a pay-per-click, pay-per-sale, or pay-per-lead basis.

Affiliate Program Directory: A comprehensive listing of merchants' affiliate programs. The directories are typically categorized by industry and include the typical payout or commission rates. Click here for a sample list of [affiliate program directories](#).

Affiliate Software: A software program such as [Affiliate Wiz](#) for running and managing an affiliate program. This typically includes signing up affiliates, managing links, tracking impressions, clicks, sales, leads. This also includes paying affiliates, etc.

Affiliate Solution Provider: 3rd party company that provides an affiliate tracking solution on a hosted basis. Typically an affiliate software solution is hosted by you with your web site. With an affiliate solution provider, they provide the hosting for you.

Affiliate Tracking: The process of tracking a link uniquely by affiliate using an Affiliate Link.

Associate: Synonym for **affiliate**.

Auto-Approve: Affiliate application process whereby all application are immediately accepted/approved upon submittal by the affiliate. This term can also

be used to describe the process of automatically accepting all sales recorded by affiliates.

Banner Ad: An electronic advertisement or billboard such as an animated GIF, Flash Movie, JPEG that advertises a product, service, or web site.

Browser: A client program (software), such as Internet Explorer, Netscape, or Opera, that is used to look at various kinds of Internet resources.

Charge Back: An invalid sale that results in the affiliate's commission being forfeited.

Click-through: The action when a user clicks on a link and follows through to the merchant's web site.

Click-Through Ratio (CTR): percentage of visitors who click-through on a link to visit the merchant's web site.

Cloaking: Hiding content on a webpage or hiding affiliate tracking code in links. Hiding content on a webpage is bad as it is against the guidelines of the mainstream search engines such as Google. Hiding affiliate tracking in a link is an acceptable and widely used practice. If you'd like more information, I wrote an article on why and how I cloak affiliate links.

Co-branding: situation where affiliates are able include their own logo and branding on the pages to which they send visitors through affiliate links.

Commission: Income an affiliate earns for generating a sale, lead or click-through to a merchant's website. Sometimes called a referral fee, a finder's fee or a bounty.

Cookies: small text files stored on the visitor's computer, which record information that is of interest to the merchant site. In affiliate software cookies are utilized to track which affiliate the web visitor came from and which banner or link they clicked. They can also store the date/time of the click for purposes of tracking the time elapsed between a click and a conversion to a sale or lead.

Cookie Expiration/Cookie Retention: When a cookie is planted on a web browser, a date when the cookie expires is defined. This date is important because affiliate sales can only be recorded before the cookie expiration date. This period will also determine if repeat sales will be recorded.

Contextual Link: Refers to a text link placed within your website or blog content versus a link that is placed in the sidebar as a more traditional advertisement.

Conversion Rate: Percentage of clicks that result in a commissionable activity (sale or lead).

CPA (Cost Per Action): The amount of cost for a conversion such as a sale or lead.

CPC (Cost Per Click): Cost of an individual click when paying on a per click basis.

CPM (Cost Per Thousand): The cost of 1000 banner impressions.

CPO (Cost Per Order): Same as CPA but refers specifically to sales.

Customer Bounty: Pays the affiliate partner for every new customer that they direct to a merchant.

Direct Linking: Refers to having your affiliates links go directly to the landing page rather than a redirect. This can help with your search engine ranking.

E-mail Link: An affiliate link to a merchant site in an e-mail newsletter, signature, or a dedicated e-mail blast.

EPC (Earnings Per click): Average earnings per 100 clicks. A relative rating that describes the ability to turn clicks into commissions.

HTML code: Refers to the lines of code that an affiliate places on their web page(s) for linking to the merchant's site. This HTML code contains the unique identifier that identifies the traffic as coming from the Affiliate's web site.

Impression: How many times a banner advertisement was displayed or viewed.

In-house: alternative to using an **affiliate** solution provider; building and managing your own affiliate program internal to your company. Typically this is accomplished by purchasing a 3rd-party product such as Affiliate Wiz.

Multiple Tiers: Refers to running a multiple tier affiliate program where affiliates who refer other affiliates earn commission off of those affiliates.

Manual Approval: Refers to the process of validating an affiliate application and then approving them after validation. This can also refer to the process of approving sales after they have been validated.

Merchant: The person selling the goods or service is referred to as the merchant. The merchant pays affiliates for sending traffic to the merchant's web site after a product or service is purchased.

P3P Privacy Policy -- Platform for Privacy Preferences (P3P). A protocol for sharing private information over the Internet from the World Wide Web Consortium (W3C). A Web site's privacy policy is defined by the Webmaster answering a standard set of multiple-choice questions, which result in tags embedded in the Web site's home page. Users also define their privacy requirements in their P3P-enabled browsers; for example, whether they allow their names disclosed to third parties. If the Web site policy and user preferences are not the same, the browser alerts the user.

P3P also assists with online sales. It lets users decide what specific data they are willing to divulge automatically to the site, such as shipping address and credit card number. If the site requests more data, the browser alerts the user, who can then decide whether to share it or not. For more information, visit www.w3.org/P3P.

Pay-Per-Sale: An affiliate marketing program that rewards affiliates based on each conversion to a sale such as when purchasing a product or service from the merchant's web site. Pay-per-sale programs usually offer the highest commissions but tend to have the lowest conversion rates.

Pay-Per-Lead: Affiliate program that rewards affiliates for conversions to leads. A lead might include a signup form, software download, survey, contest or sweepstakes entry, signup for a trial, etc. Pay-per-lead generally offers midrange commissions and midrange to high conversion ratios.

Pay-Per-Click: Rewards an affiliate for each unique click to the merchant's web site. This type of affiliate program is uncommon because of click fraud or fake clicks.

Performance-Based Marketing: Marketing in which the merchant only pays commissions for results such as conversions to sales or leads.

Recurring Commissions: The process of rewarding an affiliate on a recurring basis whenever the merchant charges a customer a recurring fee. For example, a web host that charges customers on a monthly basis might reward the affiliate a percentage of each month's payment from the customer.

Residual Earnings: Programs that pay affiliates not just for the first sale a shopper from their sites makes, but all additional sales made at the merchant's site over the life of the customer.

ROAS: stands for 'Return on Advertising Spending'. This is the amount of revenue generated for every dollar spent on advertising. For instance, a ROAS of \$1 means you're generating \$1 in sales for every \$1 in advertising spend, and a ROAS of \$5 means you generate \$5 in sales for every \$1 in spending.

ROI: stands for 'Return on Investment'. This is what all marketing managers want to see from the money they spend on their marketing and advertising campaigns. The higher the sales, the larger the number of shoppers and the greater the profit margin generated by sales ♦ the better the ROI.

Spider Detection: The process of detecting and ignoring automated spiders or bots such as search engines like Google/Googlebot.

Super Affiliates: The highest performing affiliates. Typically less than 1% of affiliates are super affiliates yet that 1% typically will bring more than 90% of your sales.

Targeted Marketing: Offering the right offer to the right customer at the right time.

Tracking Method: the way that a program tracks referred sales, leads or clicks. The most common are by using a unique web address (URL) for each affiliate, or by embedding an affiliate ID number into the link that is processed by the merchant's software. Some programs also use cookies for tracking.

Text Link: link that is not accompanied by a graphical image.

Tracking Code: Refers to the hidden 1X1 pixel tracking code that is placed on the confirmation page of your store for tracking sales conversions.

Two-tier: Affiliate marketing model that allows affiliates to sign up additional affiliates below themselves, so that when the second tier affiliates earn a commission, the affiliate above them also receives a commission.

Unique Click: The process of only counting unique clicks from each web visitor. Unique clicks are typically tracked by recording the IP address and browser header.

Viral Marketing: the rapid adoption of a product or passing on of an offer to friends and family through word-of-mouth (or word-of-email) networks. Any advertising that propagates itself the way viruses do.

Whitelabel: Whitelabeling refers to a merchant allowing an affiliate to sell products under their own brand with no mention of the actual merchant. Visitors to the affiliate's website would likely believe it was the affiliate who was actually selling the items or taking the leads since there is no mention of an outside merchant. This typically occurs by the merchant creating a website

branded solely to the affiliate on their own server under their control and allowing the affiliate to “mask” that website as appearing to be a subdomain on the affiliate website. Many times merchants limit Whitelabeling opportunities to only being available to Super Affiliates.

WSO: This stands for Warrior Special Offer and is specific to Warrior Forum – an affiliate forum site. Offers listed under the WSO board are supposed to be special offers made by members to promote their content with special deals. The true value of WSO opportunities is debated online, so proceed with caution.