

IAB Affiliate Marketing Council: Ethical Merchant Charter, September 2011

Affiliate marketing is an established part of the digital marketing mix. Working with merchants (or advertisers), affiliates (or publishers), networks and agencies, the IAB's Affiliate Marketing Council (AMC) is working to ensure the industry maintains its reputation and growth.

This best practice document offers guidance on how merchants can strengthen their relationships with affiliates through increased transparency. It should be viewed as one of the first documents to visit for those new to the channel or those looking to ensure they are running a best in class campaign.

Affiliate marketing is a partnership and transparency is fundamental to it being a professional and ethical one. Providing this can only improve the appeal and effectiveness of affiliate marketing, furthermore, it will avoid misunderstanding and subsequent infringements on programmes and industry standards.

The underlying goal is to protect and professionalise all parties involved; the commissions and partnership that affiliates rely on, the merchant's brand and customers and the overall reputation of the industry.

This document outlines some of the key areas and details that merchants should consider and make available to affiliates. The *Terms & Conditions* (normally displayed on the network or programme sign-up page) offer an ideal platform to outline the parameters for affiliate activity; it is essential that these are clear, comprehensive and regularly maintained.

Please bear in mind that not all of these categories will be relevant to every merchant, so guidance from an agency or network is recommended if in doubt.

The following document is actively supported and distributed by the member networks of the [Affiliate Marketing Council](#), namely, Affiliate Window, Affilinet, buy.at, Commission Junction, Linkshare, OMG, TradeDoubler, TradeTracker and Webgains.

Transparency in the following areas is considered critical to any affiliate programme:

1. What are affiliates paid for?

It is crucial to establish exactly what affiliates will and won't be rewarded for. This means defining what valid actions are, any costs that are excluded from the basket before commission is calculated (e.g. VAT and delivery), any products that are not included within the programme and any reasons why sales may be cancelled.

Merchants should provide reasons for every cancellation so that the affiliate can adapt their campaign accordingly. Some common examples:

- Failed credit check
- Sale cancelled by customer
- Item returned
- Item out of stock
- Duplicated order
- Breach of campaign terms and conditions

If there are products that are not offered commission on or that take customers to a separate site that doesn't carry the necessary tracking, then this should be apparent when affiliates sign up. It's best practice to consider the value of the traffic to the affiliate and avoid chances for leakage where possible.

The most common cause of leakage is online traffic that converts offline so it is preferable to suppress prominent phone numbers for affiliate traffic, or look into a call-tracking solution so that affiliates are rewarded for sales generated via this route.

Where additional/third-party payment systems exist (such as Google Checkout and Paypal) the same steps should ensure tracking is in place or the options aren't visible for affiliate traffic. The best results will come when you advise affiliates on the optimum landing pages to send their traffic to so that it converts.

Affiliates work hard to qualify the traffic on their own sites but this could be jeopardised if there is confusing/distracting content or out-bound links.

Validation periods should be stated so that affiliates know the expected timeframe for their returns and can optimise their activity accordingly. Prompt validations will naturally attract more affiliates and allow them to invest in further promotion.

2. De-duplication

Another reason for orders not being attributed to an affiliate is the de-duplication between marketing channels.

Many merchants will de-duplicate between affiliate networks but not all programmes de-duplicate between other online channels. It is important to consider which channels, what logic (e.g. 'last click wins') and what impact there might be before introducing such a setup.

Merchants should include networks and agencies (where applicable) in these discussions to ensure that the solution best fits the specific online strategy and investment, while understanding the roles of each channel in this process.

Finally, it should be evident whether the de-duplication occurs automatically by overriding cookies or manually at the time of validation (thus qualifying that some registered sales may later be deleted for that reason). Automated solutions are always recommended as they provide greater visibility to affiliates on which sales are actually theirs.

3. What type of affiliates will you work with?

Affiliates are adaptive and promote brands in a variety of ways so it is vital to consider all of these and whether you have restrictions on your own programme.

Some of the main affiliate types that we'd advise acknowledging in the Ts&Cs are listed below. Those listed are not exhaustive as the situation may differ by merchant and sector, so consult your network/agency to cover everything off:

- **Paid Search** – What search terms and URLs are restricted? It's advised that you state the presence of brand partners or groups since they may overwrite other affiliate cookies.
- **Voucher code sites** – Any bespoke terms for voucher and deal sites? Ensure that you provide full information, terms and expiry dates for offers. (see [Voucher Code, code of conduct](#)).
- **Incentive sites** – Any bespoke terms for loyalty and cashback sites? Commitment to dealing with any untracked transactions that occur should be considered. Again reasons for rejections are necessary so these can be fed back to customers.
- **Retargeting** – If you work with retargeting affiliates via display or email then this should be acknowledged with some reference to the cookie hierarchy if other affiliates stand to lose out.
- **Software applications** – Do you allow your campaign to be promoted by affiliates using consumer downloaded software applications? (see [Software Application, code of conduct](#)).
- **Email affiliates** – Are affiliates allowed to send solus emails to their databases as part of your programme?
- **Mobile** – Indicate whether you operate a special mobile site and whether the necessary tracking is in place.
- **Social Media** – Are affiliates allowed to promote your brand via social media platforms? Are they subject to any bespoke restrictions? This should distinguish between affiliates' own social media and affiliates operating within the merchant's social space. If merchants actively promote themselves on affiliates' social media then they should gain consent first and make sure the necessary terms and timelines are provided as usual.

Affiliate marketing is such a fast-moving channel that new promotional avenues are constantly coming to market and merchants, with the assistance of their networks/agencies, need to be ready to factor this in. If there are any other rules that govern the approval of affiliates onto your programme try to mention these.

4. Notice periods

Affiliates have a proven reputation in their flexibility but they should still receive fair warning of any changes that may alter the terms or status of their partnership.

Where possible, merchants should provide affiliates with reasonable notice on changes to any of the above terms that they agreed to upon sign-up. If anything could carry more severe and immediate ramifications then these should be flagged (when possible), as soon as possible.

Conclusion

The best practice guidance in this document is not intended as restrictive or exhaustive; instead it's an opportunity to set a programme up in the right way.

For new entrants into the market it is vital that merchants take time to understand the channel in order to reap its benefits. Meanwhile existing merchants have most likely developed so much, both in their affiliate and wider digital landscape, that some of this may need readdressing.

This should help establish the boundaries of an affiliate programme so that affiliates can focus on what they do best – driving traffic and conversions.

Affiliates will only ever be able to achieve their potential if they are offered a healthy level of visibility and a respectful approach to building partnerships. Remember to consult with networks and/or agencies and third parties if any assistance is required to achieve this.

Reading this document and adhering to the best practice principles shows a sign of your commitment to the affiliate channel. All AMC member affiliate networks have agreed to enforce the principles and spirit of the Charter. While you are not obliged to follow the advice, it will be referenced by affiliate marketing partners as cross network best practice within the channel.

Useful links

- [IAB: Affiliate Marketing Guide](#)
- [IAB: Affiliate Marketing Council Blog](#)