What is the Best Affiliate system for Magento 2?



Magento is one of the leading Content Management Systems developed explicitly for eCommerce purposes. The platform is now powering more than 250,000 active online stores, accounting for nearly 12% of all eCommerce sites.

Magento 2 offers a wide range of powerful built-in functions that cover almost all business needs. Besides, it allows store owners to add more advanced features from third-party modules.

Among thousands of extensions, an affiliate system is a must-have as long as you want to expand your customer base, generate more revenue, and grow your business.

Along with the popularity of affiliate marketing, Magento 2 affiliate extension has become an extremely effective marketing solution. The importance is what factors you have to concern when choosing the most appropriate affiliate plugin for your store. In this article, you will learn reasons why the Magento 2 Affiliate system is a must-have for your store. Moreover, we will guide you to choose a system that could help you set up proper affiliate programs with ease and maximize your campaigns' effectiveness.

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What is a Magento 2 Affiliate system?



Affiliate marketing is an **advertising model** in which affiliates promote others' products or services in return for a commission.

Affiliates, often known as publishers, can be bloggers, webmasters, influencers, etc. These people always seek profitable products relevant to their expertise, then recommend them to their audience, followers, or clients.

By implementing affiliate programs, merchants allow and motivate third-party publishers to advertise their products, services, or sites effortlessly.

A typical affiliate system involves four parties, including merchants, affiliates, customers, and affiliate networks. However, by integrating an affiliate extension for Magento 2, store owners can build and run their affiliate programs without hiring affiliate networks.

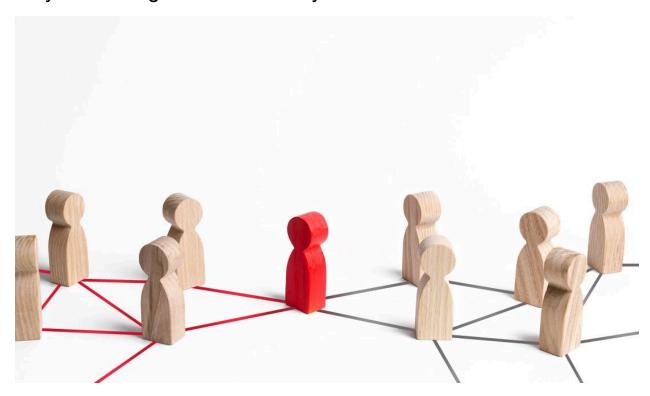
With 100% control over your affiliate programs, you approve only people who satisfy your criteria. You decide your commission payout policy, such as how much and for what you will pay.

You create promotional resources and guide your affiliates about acceptable advertising methods.

A Magento 2 affiliate system often works as below.

- Online publishers register your brand's affiliate programs. After being approved, affiliates are provided with a unique ID or affiliate link.
- Affiliates use available promotional materials like text links, banners, etc. to promote the brand's products via multiple channels such as blogs, websites, email marketing, and social media.
- Customers click on referral links and are redirected to your store through a tracking system, then complete orders.
- Affiliates get a commission for sales associated with their affiliate accounts.

Why is the Magento 2 Affiliate system a must-have?



Affiliate marketing, often known as a **performance-based marketing approach**, has become a profit-yielding model. As the commission is paid when sales or traffic is generated, affiliate programs can bring a secure ROI.

As being utilized by <u>81% of enterprises and 84% of publishers</u>, generating up to 30% sales for businesses, bringing on average <u>a 10% annual growth</u> in revenue, affiliate programs have proven to be one of the most economical marketing strategies.

In the following section, we would like to dive deeper into why an affiliate system is a <u>must-have</u> <u>extension for Magento 2 stores</u> to boost sales and explode profits.

Boost online sales significantly



Compared to other marketing approaches, affiliate campaigns seem to be the best way to create **positive sales motivation**. Because affiliates only get a commission once referees perform a specific desired action, they are encouraged to try effortlessly to drive the conversion.

Your authorized affiliates, who have their own websites, loyal followers, and opt-in lists, can bring massive traffic to your site. The more links that redirect to your Magento 2 store, the more visitors come. Obviously, you get more opportunities to convert these potential prospects into paid customers.

Word-of-mouth advertising is still the most effective form of marketing. <u>92% of people</u> rely on recommendations from whom they know. Consumers who visit your site via referral links are also easier to convert. If your products and services can satisfy these customers, they are more likely to be loyal to your store.

Well-managed, an affiliate system can help you generate traffic and revenue quickly and effectively.

A cost-effective marketing method

It's no double that a Magento 2 affiliate system is one of the most cost-effective marketing approaches. It enables businesses to boost sales dramatically while **reducing advertising costs effectively**.

By taking advantage of affiliate programs, you do not have to invest a considerable amount of money in implementing an entire marketing campaign. Paying a commission for only successful referrals, you can obtain a 100% return on investment.

Recruiting affiliates, who ceaselessly promote your products or services, means that you do not have to rely on a large sales team. Therefore, you can save budgets spent on selling allocation.

When entering a new industry or field, recruiting affiliates, who are experts in that industry, is also the best strategy to reduce the risk.

Extend brand exposure

Brand exposure is a vital component of a marketing strategy. As a business owner, you probably love to expose your brand to as many people as possible, strengthen your brand's presence, and build up its reputation.

Having affiliates share your products or services over the internet, your brand can quickly reach a more extensive audience base. More potential consumers are aware of and recognize your brand.

With the support of trusted publishers, your brand's image is also improved. Creating long-lasting impressions, you can acquire more new customers and keep them coming back for more.

Increase site rank on search engines



Another benefit of affiliate marketing is that it can enhance your rankings on search engines and maximize SEO efficiency.

By leveraging affiliate programs' power, you obtain a massive number of backlinks to your store site. Ultimately, these links come from high domain authority websites; more value is added. As a result, your site achieves more top rankings on search engine result pages.

Know customer insights

An advanced Magento 2 affiliate system allows you to gather detailed reports on the campaign's effectiveness and customer behaviors. You can see how your affiliates perform and understand how your targeted consumers are reacting to your offerings.

Knowing when and where visitors are likely to click and buy your products, you come up with appropriate adjustments to get more new customers, keep current ones, and grow your business.

What is the Best Affiliate system for Magento 2?



When the customer acquisition cost continues to increase, affiliate marketing has proven to be an extremely effective yet economical marketing tool. Running affiliate campaigns is a low-risk and affordable way to drive more sales and scale up the business.

With the key benefits discussed above and much more, no doubt, integrating an affiliate system is essential for any Magento 2 stores.

The importance here is finding an excellent module that allows you to set up proper affiliate programs with ease and maximize your campaigns' effectiveness.

After investigating this matter deeply, we highly recommend <u>Magento 2 Affiliate Extension by Mageplaza</u>.

We would also like to note down critical factors that build up an efficient Magento 2 affiliate extension as below.

Enable multiple affiliate campaigns

When having different affiliate groups promote various products on your store, offering a flat commission rate seems not a wise strategy. The performance of diverse affiliate groups is not similar. The profits generated from individual products or categories are also not the same.

Therefore, to make your affiliate campaigns more appealing and maximize profits, your comprehensive affiliate system must enable you to:

- Create unlimited affiliate programs
- Assign each program to a specific affiliate group
- Freely set commission payout for each campaign based on active affiliate groups and product categories
- Calculate commission as a percent of sales or a fixed amount of money
- Grant commission for the first purchase only or all revenue stream
- Pay different amount for different types of orders, first purchase and next purchases
- Configure exact duration for each campaign

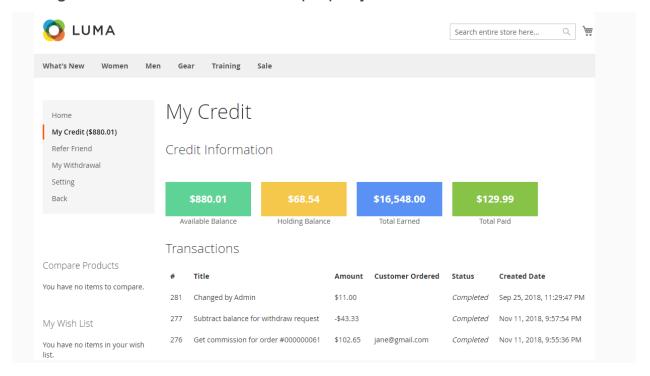
Allow multiple commission tiers

Multi-tier is an enticing feature that allows affiliates to register additional affiliates below them. When the sub-affiliates generate successful orders and earn a commission, the affiliates above receive a commission too.

Multi-level affiliate programs help you to establish a strong network of affiliates and maximize your system's potential. You do not need to put much time and resources on finding and recruiting talent partners. Affiliates from different levels will try effortlessly to drive more sales and acquire new affiliates.

A comprehensive affiliate system must allow you to add unlimited tiers and flexibly set different commission levels for each tier. It is also critical to create a transparent and concrete commission structure to prevent any possible manipulations.

Manage commission and withdraw properly



Affiliate marketing is a win-win solution. Affiliates benefit your business by actively promoting your products; you reward their effort with a handsome commission amount. Therefore, the more transparent your affiliate programs are, the more affiliates you can recruit, and the better they can perform.

It would be essential for all participators to acknowledge and understand your affiliate programs' terms and conditions before joining your system. If there is a threshold or expiration time for commission withdrawal, your affiliates must be fully aware of them. Affiliates should have access to their transactions and commission earned and paid from their accounts.

A functional affiliate system must allow affiliates to easily and conveniently withdraw commission via popular payment method such as:

- Paypal
- Bank Transfer
- Offline payment

Motivate affiliates to expand the network

Having more and more dedicated online publishers sharing your brand over the internet would be any business's desire. As mentioned earlier, affiliates will recommend others register your programs as long as they get flourish benefits. However, you can even encourage them more by offering them ready-to-use means to refer to their friends.

Make sure your advanced module enables affiliates to create an extensive network across channels by:

- Sending the referral URL to friends
- Sending invitation emails to friends
- Sharing on social media
- Embedding snippet on affiliate websites
- Inserting a banner with a referral link

Create useful promotional materials

In this dynamic business environment, you have to implement proper strategies to convince potential publishers to promote your products or services. When you are building an affiliate system, many of your competitors are doing the same. Then you have to put effort into designing appealing programs.

One practical strategy is providing your affiliates with valuable promotion resources, typically referral links, graphic banners, FAQs related to your offerings, and other marketing templates.

With your great support, your affiliate will perform much better and generate more sales.

Provides vital statistics and reports



Comprehensive reports are a critical element of any marketing strategy; affiliate marketing is not an exception. Gathering and analyzing real-time statistics allows merchants to make accurate data-driven decisions.

Every Magento 2 affiliate program should provide all information about accounts, sales, transactions, impressions, clicks, conversions, etc.

Visualizing these data allows the admin to overview, measure the effectiveness of campaigns, and adjust appropriately.

Include advances features

Besides principle functions, it would be perfect if the affiliate system is powered with advanced features like import/export or API.

Backing up affiliate data when updating the system, or importing affiliate accounts and transactions from other systems automatically will help store admins reduce workload significantly.

API supported, which allows users to get filterable data in the selected format, can help enhance affiliates' experience when working on your store.

Final thoughts

To sum up, affiliate programs can boost your Magento 2 store's sales and profits effectively. To optimize your affiliate system's potential, you have to invest time searching for an advanced module that supports you in building a robust affiliate system and comprehensive campaigns.

We hope that this article has provided you with some suggestions for the desired solution.