

The DOs & DON'Ts of Building an Affiliate Network

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The DOs:

Make doing business with you EASY:

- Set EXPECTATIONS for payment/service deviations/etc. during the on-boarding process.
- Create Simple and concise affiliate package.
- Communicate all affiliate-specific procedures to your entire team.

Handle incidents & disputes in a timely manner:

- Create a policy for handling affiliate incidents in 24 hrs or less.
- Be proactive in communicating service deviations to affiliates.

Create a process for VETTING & SELECTING your outbound affiliate partners:

- Start small – pick top-10 potential destinations & Select a minimum of TWO companies per market.
- Establish your internal vetting process. (site visits, client feedback, secret shops)
- Seek out help & ask for recommendations from MULTIPLE industry peers and friends.

Create Service Level Agreements (SLAs) for all your outbound affiliate partnerships:

- Spell out your expectations about service standards, vehicles requirements, status updates, etc.
- Set procedures for invoice/payment processing, service deviations, etc.

Maintain & enforce strict compliance policies for all your outbound affiliate partnerships:

- Enforce zero-tolerance policies: “No COI / No business”, Employee-model only, etc.
- Automate document expiration tracking. (internally or thru a third-party vendor)

Establish & maintain OPEN COMMUNICATION at all times:

- Train your chauffeurs on handling affiliate services.
- Assign a key employee to manage the services & maintain relationships.
- Own up to your mistakes – if anyone can understand, it's your partners in the same line of business.

Manage your company image carefully:

- Your company brand is a reflection of your own personal brand.
- “How would I like to be perceived?” vs. “How am I perceived?”
- Engage in activities that further industry causes, not just yours. (associations, day-on-the hill, etc.)

Aspire to become an industry expert:

- What is your field of expertise? (Affiliate business, DOT compliance, Weddings, Meetings & Events, etc.)
- Be kind & generous with your time. Be a mentor to others when possible.
- Engage in activities that further industry causes, not just yours. (Day-on-the-hill, mentorship events, association roles, etc.)

Be Kevin Bacon:

- Think six-degrees of separation, not the movie *Footloose*!
- Play matchmaker: connecting your peers to others in your trusted circles is beneficial to all parties involved.

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The DON'Ts

Don't over-promise & under-deliver:

- Know your limitations – i.e.: if you can't handle large volume events YET, be honest about it.
- Don't promise outbound business if you don't have it YET.

Don't break trust:

- Trust is crucial in affiliate partnerships; if you break it, it's impossible to recover!
- When unsure of how an action may be perceived, err on the side of caution.

Don't focus all of your networking efforts on the big networks:

- "Do unto others as you would have them do unto you." - Treat everyone the same, regardless of the size of their business.
- Hedge your bets: there are hundreds of smaller operators and only a handful of large networks.

Don't bash your local competitors:

- You may be the best-in-town but let your work and reputation do the talking on your behalf.
- "Do unto others as you would have them do unto you."

Don't become dependent on revenue from a single affiliate partner:

- While it can be profitable, inbound affiliate business is still third-party business.
- Affiliate revenue is the fastest to go in an economic downturn as businesses and consumers look for ways to cut costs.

Don't become synonymous with delinquent payments:

- Being late on a single payment is understandable, habitual delinquency is not.
- Affiliate partners are not your banker: don't finance your cash flow needs through them.

Don't be the drunken guy stumbling to the bar at the tradeshow venues:

- This is one of the fastest ways to lose control of your company brand.
- Find a balance between being your "fun" self and your "business" self.

Don't behave like a used-car salesman:

- Building inbound affiliate business requires patience. Do not attempt to circumvent the process of trust-building.
- Don't expect an immediate ROI on your networking activities.

Don't collect business cards at tradeshow:

- Instead, collect relationships.
- Connect with your peers & build genuine friendships without any preconceived expectations.