AFFILIATE PROGRAMS: LEGITIMATE BUSINESS OR FUELING CYBERCRIME?
AGENDA

» What are Affiliate programs?
» How much mullah?
» What effect can we have by going after affiliate programs?
» Determining the difference between the good ones and the not so good
» How to go after the not so good affiliate programs
HOW LEGITIMATE AFFILIATE PROGRAMS WORK

» Merchant wants to sell product

» Publisher/marketer wants to make money

» Affiliate Program brings these two together
HOW DODGY AFFILIATE PROGRAMS WORK

» Merchant wants to sell product
» Spammer wants to make money
» Affiliate Program brings these two together
TYPES OF AFFILIATE PROGRAMS

The Bad ones…
» Spam marketing
» Pay-per-install (PPI)

Examples of good…
» Selling books
» Gambling sites
» Selling/marketing about any legitimate product on the Internet
TYPES OF PAYMENTS

» PPI – Pay-per-install
» PPC – Pay-per-click
» CPO – Cost-per-order
» CPA – Cost-per-action
HOW MUCH MONEY CAN YOU MAKE?

» Glavmed generated US$150m in sales between May 2007 – June 2010

• Earn up to 40% through the affiliate program on sales
• This spammer made between US$5k to 50k p/month
HOW MUCH MONEY CAN YOU MAKE?

» Yabucks PPI

- Paid per successful, unique installs

<table>
<thead>
<tr>
<th>Country</th>
<th>Rate per 1,000 installs $US</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>170</td>
</tr>
<tr>
<td>Canada</td>
<td>120</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>110</td>
</tr>
<tr>
<td>Australia, Europe</td>
<td>50</td>
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</tbody>
</table>
HOW MUCH MONEY CAN YOU MAKE?

» Amazon (Legitimate) Affiliate program

- $US$1-25 or 4-10% for each completed order
WHAT EFFECT CAN WE HAVE?

» SpamIt closed late September 2010, overnight effect on Spam volumes…

» Very difficult to do!

- Products/services being offered?
- Method of payment?
- Business behind the program

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### Top 10 Affiliate Programs

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>CATEGORY</th>
<th>COMMISSION</th>
<th>REVIEW</th>
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</thead>
<tbody>
<tr>
<td>EuroPoker</td>
<td>Poker</td>
<td>$175 CPA</td>
<td>REVIEW</td>
</tr>
<tr>
<td>Betsson</td>
<td>Casino</td>
<td>50% CPO</td>
<td>REVIEW</td>
</tr>
<tr>
<td>CasinoRoom</td>
<td>Casino</td>
<td>$175 CPA</td>
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<td>AvaFX</td>
<td>Forex</td>
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<tr>
<td>Global Live Casino</td>
<td>Casino</td>
<td>35% CPO</td>
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<td>EasyDate</td>
<td>Dating</td>
<td>$80 CPA</td>
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<td>Victor Chandler</td>
<td>Casino</td>
<td>$160 CPA</td>
<td>REVIEW</td>
</tr>
<tr>
<td>MedStore</td>
<td>Health</td>
<td>29% CPO</td>
<td>REVIEW</td>
</tr>
<tr>
<td>AffiliateBOT.com</td>
<td>Affiliate network</td>
<td>$90 CPA</td>
<td>REVIEW</td>
</tr>
</tbody>
</table>

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Percentage of Affiliate Brands in Spam

May 2010

www.affiliatetips.com
OK, WHAT NOW?

» Make sure you have properly identified your target!

» Share this information with the authorities

» Embarrass them
  • Blogs, articles, press interviews…

» If that does not work, start on their business partners
  • Payment providers
  • Hosting partners
  • Their Merchants

» Make sure you stay on the right side of the law…
Thank you for your time and interest...