

## **THE MOTIVATION FRAMEWORK TOWARDS INTERNET MARKETING: A QUALITATIVE APPROACH**

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### **Abstract**

With the growing trends of purchases online, affiliate startups are also on the rise. This purpose of this paper is to investigate the motivations of affiliate marketers, who are also affiliate business owners. Focus groups were conducted in Wealthy Affiliate during October 2016. The focus groups of affiliate marketers owners were posed questions about the motivations of their niche selection. The blog question was viewed and discussed by premium, regular, new Wealthy Affiliate members. The author's empirical work shows that respondents are motivated by health recovery, health prevention, awareness education and opportunity discovery. Internet marketers understood the need to build an authority site by creating quality content, by doing product/site reviews to generate site traffic. A group of internet marketers was keen to be internet marketers but was undecided on the type of niche. This group of internet marketers was asked to do more site research in the niche of their interests. A framework on the internet markets was generated.

**Keywords: Internet, Affiliate marketing, Online marketing, Niche markets, motivation**

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## 1. Background

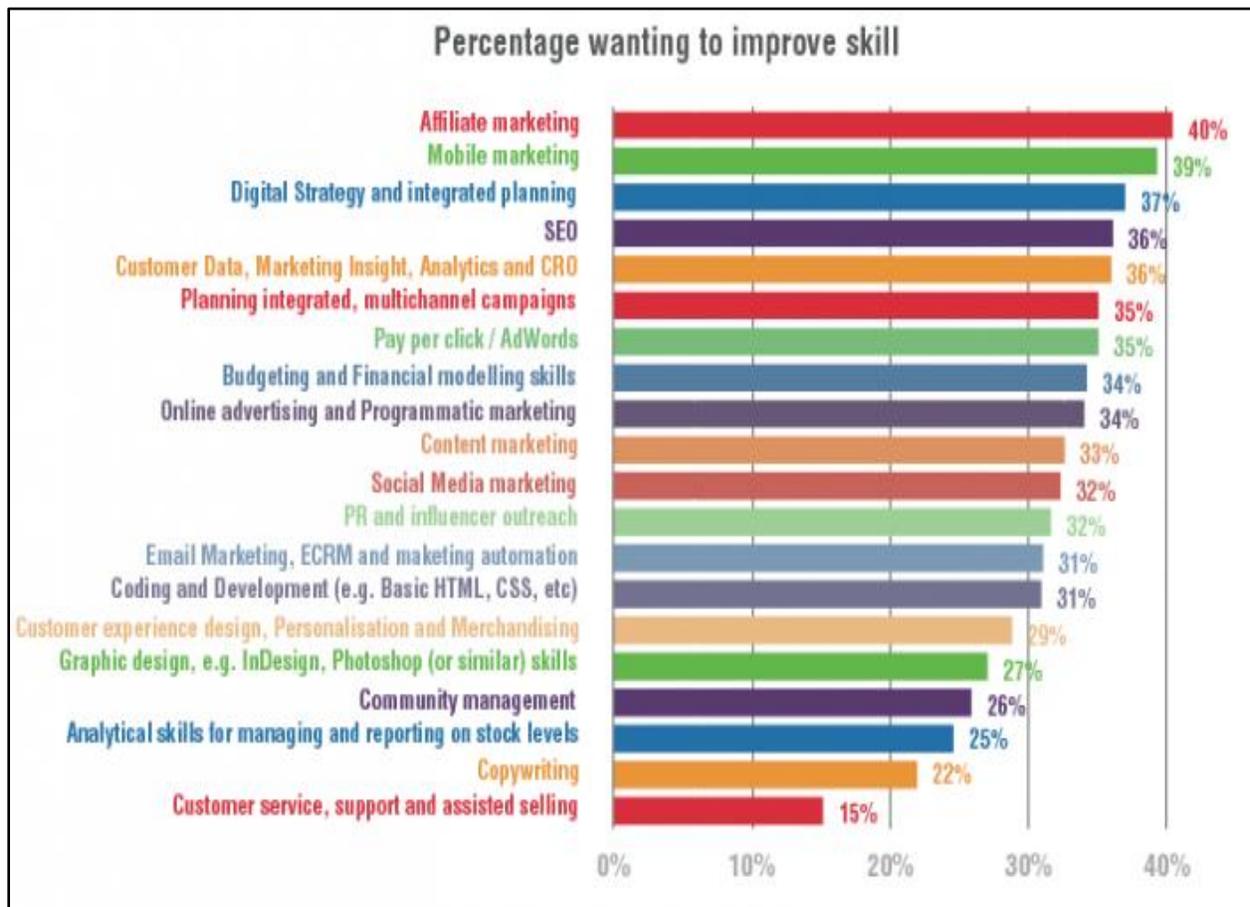
Affiliate marketing is a result-based marketing method where an Affiliate performs online marketing on behalf of a Merchant (Cabage& Zhang 2013). When a Shopper clicks a link in the Affiliate platform and makes a purchase in the Merchant's web shop, orders a newsletter or makes some other desired action, the Merchant compensates the Affiliate with a commission through an Affiliate network (Gregori, Daniele &Altinay, 2014; IAB UK 2014b). The compensation can be given for certain actions (cost-per-action or CPA); newsletter subscriptions (cost-per-lead or CPL) or for every click (cost-per-click) (Gregori, Daniele &Altinay, 2014). Affiliate marketing is commonly confused with referral marketing, as both forms of marketing use third parties to drive sales to the retailer. Both are distinct forms of marketing and the main difference between them is that affiliate marketing relies purely on financial motivations to drive sales while referral marketing relies on trust and personal relationships to drive sales. Affiliate marketing is frequently overlooked by advertisers(Prussakov, 2007) and carries a much lower profile. Affiliates, however, continued to play a significant role in e-retailers' marketing strategies.

In the report published by e-Marketer.com <https://www.emarketer.com/>, retail ecommerce sales in North America increased 15.6% to reach \$423.34 billion in 2016, maintaining the area's status as the world's second largest regional ecommerce market. The region will see consistent double-digit growth through 2020, fueled by increased spending from existing digital buyers, expansion into new categories such as grocery, and growing mobile commerce sales. According to Interactive Advertising Bureau<https://www.iab.com/>, affiliate marketing and lead generation in the United Kingdom drove £16.9 billion in sales during 2014 and rose 5.4% to £17.7 billion in 2015.It highlighted that consumer spend growing at nearly twice the rate of advertiser spend, indicated the online performance marketing market is maturing and brands are becoming more efficient in how they drive consumer spending,

## 2. Business Opportunity

### 2.1 Affiliate Marketing

A survey polled by Smart Insights, eCommerce Expo and Technology for Marketing & Advertising on 14 September 2015 found that the top three desired after digital skills were not search engine optimization, content marketing or conversion rate optimization. The skills that few marketers possessed, which marketers would most wanted to improve and considered as the most important were affiliate marketing, mobile marketing, digital strategy and integrated planning of the digital business. Affiliate marketing



Source: Smart Insights, eCommerce Expo & Technology for Marketing & Advertising, September 2015

## 2.2 Affiliate Category

Affiliate Marketing Navigator <https://www.amnavigator.com/> analysed 550 top affiliate network programs and revealed that a abroad 20 hot niches categories were determined. Over 50 per cent of the top affiliate programs fall into five categories. The top five affiliate niches pursued was

fashion (23.27%), sports and outdoors (18.16%), health & beauty (13.81%), travel (10.73%) and home & garden (8.7%).

With 3.5 million network transactions across 2,100 advertisers within the retail, travel and telecoms sectors, 14% of sales and 21.5% of sales came from a smartphone and a mobile device respectively, with sales traffic of 30.1% and 48.3% during the first quarter of 2015. <https://www.awin.com/us/news-and-events/industry-news/quarterly-mobile-update-q1-2016>

The statistics showed more consumers are shopping using mobile electronic devices and more purchases are expected to accelerate from the affiliate programs. Companies may consider expanding their business using affiliate program channel.



Source: Affiliate Marketing Navigator, <https://www.amnavigator.com/blog/2015/09/25/analysis-of-best-affiliate-programs-top-20-niches/>

### **3. Wealthy Affiliate Education**

Wealthy Affiliate (WA) is an educational platform offering training to members to create and build a sustainable business online from scratch with SiteRubix website platform. The SiteRubix platform at WA has more than 3000 website templates. With 24 hour support worldwide and hosting experience, the dual objectives were creating impactful online education and Affiliate Program for the members. The business model enabled personal empowerment among the community an additional value where members participate its affiliate membership program to focus on building businesses while strengthening its position as one of the Securely while learning to build websites effectively. Members are offered two types of educational membership: regular (free access for 7 days) and premium membership (paid annually).

### **4. Methodology**

Participants in the study were asked about how they select niches and why they select their niches. The group focus was held in the online forum at Wealthy Affiliate. Recommendations were sought and provided by the focus group to help ease of understanding towards identifying niches and to assess various market segments that had interests the focus group.

### **5. Findings and Discussions**

#### **5.1 Authority first, passion second!**

Respondent #63, a professional executive, lamented slow progress on his site and blamed his lacking of prioritize skills on his niche and personal problems despite able to provide a list of niches of his personal interests, and executing his niche: *'I have already reached Course 2 of the training. Now, I have doubts on the choice of my niche. I chose the law of attraction niche but realized that I am not an authority on this niche. I am a health freak. I eat healthily, cycle, run..... I am a Human Resource Manager and love motivating people and assisting them to achieve success in their jobs and careers. Three years ago I underwent a divorce and went through lots of pains.... I do not know if divorce is a niche out there.'* Respondent #63 was recommended to pick the one niche he felt the most passionate about and he know can write a lot

of content on. The focus group member, who is Live Training Coach at Wealthy Affiliates shared that picking a niche is a personal choice. He had 3 niches he wanted to do and had picked the least favorable one first. *'I knew that my second website would be better than my first and wanted my most passionate one to be the best it could be.'*

Weight loss, despite not known as life threatening topic but crucial for personal self-esteem and living, remained a popular topic among retirees. An elderly respondent #10 personal life had become better and he believed his experience in weight loss would be able to help others, *'My journey has changed my life. I had lost weight, no longer on required medical consumption. Now, I have more energy and am more alert than ever. The past few years of my life have been amazing and I want to share that.'* An elderly respondent #2, who had not achieved success despite numerous years of trying, was aware that she should build a trustable weight loss authority within her peers in this age group by being a role model in her niche. She was still motivated on the weight loss niche. According to Respondent 2, *'I am over 50 years old. In the last 18 months, I had a very difficult time losing 20 pounds that I have gained because of retiring from teaching the 5 year olds in the kindergarten. I have not had success losing weight yet, but I am still interested in helping women over 50 or almost 60 lose weight for more health benefits and for longer lives'.*

Respondent #9 felt Wealthy Affiliate Education could establish a broader reach and he wanted to build a community of affiliate marketers, for others to share their insights with a chain of others people. Respondent R9 had started by building his email list and pursuing networking to obtain contacts to achieve his purpose. He believed his membership at Wealthy Affiliate Education is a testimonial to the younger group to influence others using the same platform to succeed, *'I want to contact younger people to see where their interests lie as Wealthy Affiliate Education maybe an avenue for them. Currently, I am progressing with building my email list and doing some networking to obtain as many contacts as possible...'* Respondent #10 was also helping new entrepreneurs fuel passion online.

One of the respondents, her niche on dogs, was a beginner affiliate 7 years ago was aiming on building her site. The respondent experimented with various site tools and constantly added more

content to her affiliate site and her aim was to generate traffic more than 100 per day. By driving up visitors' traffic, respondent believed she might achieve a moderate success to convert them to sales. According to Respondent #36 *'My first niche is Miniature Schnauzer. I have a great love and respect of dogs so, as a beginner at affiliate marketing this suited me nicely, and still does. This was my first WordPress website that I started in 2010. I have had success with this site although it has declined a little of recent times. I am currently working towards extending it by adding more content and an autoresponder with the intent of building a list. I used Aweber in the early days but did not have enough knowledge about list building. The good thing is that this website gets a fair amount of traffic up to 130 per day, although that is less than a year ago. At the present moment I have Google Analytics open on my second screen and can see the Real Time visitors. But what are they doing on my site!! I would like to know as conversion is not up to moderate expectations!'*

## **5.2 Health (Recovery) Authority, with high quality content**

Dealing and coping with cancer, depression, loss of a loved one was perceived as emotionally and physically hard. Cancer, depressions and loss of family members' survivors knew the journey was difficult and in the early stage, support groups or counsellors were required for them to express the intense feelings. Respondents who had recovered from the painful past were perceived as highly reliable and had more authority than others who had not been there yet as the sufferers knew the moments of self-deprecating and lacked of support had resulted in self-blaming, lost the sense of control and inability to enjoy life in the painful journey of treatment.

With 'know-how' techniques of helping others, it was found that the painful recovery support groups were most highly sought. This had resulted in the ability to make money within 60 days on the affiliate / referral marketing. Respondent #50 achieved an average monthly sale of USD100 during the first 60 days of Wealthy Affiliate membership. His authority site created hope for the cancer community: *'My niche is healing with turmeric. My website is called Turmeric Heals. I was able to heal prostate cancer nearly 5 years ago without medical intervention and turmeric played a huge part in the healing. I basically ate loads of fruit and vegetables, fresh juice, smoothies, did some fasting, meditation, fresh air, sunshine and exercise. I am now fitter and stronger than I ever was. Health and the micro niche healing with turmeric is*

*what I am passionate about. I have been in other niches before but keep coming back to health. I am now focusing 100% on this website and after 2 months I am earning an average of \$100 month. I know that is going to increase massively over the next 6 months.* For Respondent #50, initial money making success validated the 3-step psychology theoretical criteria on purchase informational online goods process by Eben Pagan: the targeted market must be experiencing some kind of pain or irrational passion for the subject, the same target market must be actively searching for solutions and must be very few perceived options they can go to solve the problem.

The challenge to gain self-control during depression was concurred by Respondent #17. From his personal experience, the respondent expressed frustrations on how to deal with severe depressions and had hoped to develop a forum for parents to help each other via their authority sites.

*'I have struggled with depression and dissatisfaction with life through periods. There were a few times when my thoughts wanted to do me in. At the same time there was always some change of attitude that made the difference to keep going. I am a rational enough person to realize that perspective changes the world. So the goal of my niche is to share my development and light a lamp for others. I want to share tools and advice I come across that have given me strength and direction and freedom. I have friends and acquaintances who are stuck in their paradigm and cannot see out of it. They have no interests in delving into books and articles in order to make a change so I want to boil down some key aids for personal satisfaction in a simple form that will reach them. My blogs and posts are going to be varied in content but with the same repetitive message that we are in control if we want to be. I will use my own photos and put inspirational text to get the message across. I will write for my friends and try to open their eyes to better thinking. There is a psychically developed side to me.....I was a trained healer for twenty years and can easily connect with other people intuitively. I hope to connect with others needing some guidance or inspiration. My goal would be to turn my site into an instrument of spirit.'*

*Respondent #17, male*

Some respondents expressed frustrations in their abilities to resolve depression and anxiety of their loved ones. They felt not adequately prepared to deal with the problems and the affiliate site was to help parents of teens with adolescent mental health issues and these parents were able to support one another. Respondent #2, who was a female, revealed:

*'This topic is very near and dear to my heart. My daughter suffers from depression and anxiety stemming primarily from very aggressive bullying that she suffered in school. In the past two years she has been hospitalized 5 times after suicide attempts. Fortunately none were successful. After very intense therapy she is finally rising from the ashes and we are beginning to move on with our lives. One of my biggest frustrations is the lack of information available to parents-what to expect, what to do, on treatment options, help centers and care options. I did not know how to deal with anything that was going on and I felt lost. I do not want other parent to have to feel like this as they deal with the same frustrations. My hope is to develop a forum where parents can unite to help each other through the trials they are facing with adolescent mental health. Discuss what they have found works and what does not work. In conjunction with this blog/forum I will be creating a web-store that specializes in relaxation and distraction items as well as "self-help books" recommended for various diagnoses. I will be using a drop-shipping format for the web-store'*

Addiction towards drugs by youths was a continuing concern among family members who had grieved when one of the family members succumbed to death due to drugs undertakings. Pledging to reduce the pain and loss of youths, one of the respondents was motivated to speak on drug prevention. Respondent #15, male, created his one and only niche for parents with children in drug addiction and drug prevention. The grief experienced on the loss of his son became the source of motivation to help others; and depended his execution on the school teachers and parents communities to connect his site authority information to his target market effectively: *'I lost a son to a drug overdose. This has been declared an epidemic in 2015 by the AG and it's only become worse since then...much worse. My niche involves teaching 3 ways to improve your life outcomes: Stay positive, discover and live your passion, and learn new skills the way top professionals do--up to 6 times faster than you do now. The revelations of these success systems came to me over the years after my other, also addicted son learned to think*

*positively, discovered his passion, and became a champion in his field of Nascar driving. Because my market is largely addicts and youth (for use of my systems as a means of both recovery and/or prevention), and this market largely depends on parents and teachers to bring my info to them, it's a challenge reaching my market. Glad to learn how to reach my market from WA lessons and community.'*

### **5.3 Education: A Resource Site**

With numerous information provided by individuals and professionals online, consumers continued to seek deeper reason(s) to purchase or continue to use the existing brand. Consumer products remained popular interest among half of the respondents. Individuals can still empower themselves and rely on more credible guide using the affiliate reviews on the brand or on the existing affiliate sites before deciding on a new purchase which was proven effective. As a result of the growing market towards beverage, the mass production and sales of coffee was observed and the genuine coffee beans were not fully understood. Respondent #31 had worked in a coffee chain and wished to share his insights on Fair Trade, Sustainability on Coffee Beans and interesting facts and professional reviews on coffee, coffee makers and espresso machine on his affiliate site. While hair beauty products were sought, respondent #11 reminded that using natural hair products to boost personal beauty and self-confidence was more important than using chemical enhanced hair products. Respondent #13 said that employees can be encouraged to be self-empowered to increase work productivity, while Respondent #16 believed beginners will have a confident start in forex trade with his guide.

*'My niche is about coffee. I developed <http://onlinekeurigstore.com/> Coffee Info Spot to share interesting facts about coffee and how so many of us tolerate horrible coffee to get our caffeine fix every day. I have tried many different coffees from almost every region of the coffee growing world and there are a lot of really good ones along with the mass produce warehouse coffees.....I had worked for Green Mountain Keurig in Vermont and I was inspired by their views of Fair Trade, Sustainability and how they produce the freshest coffee on the market and by using the perfect coffee beans. My goal with my niche is to provide a great resource of information about coffee and reviews of what coffee makers and espresso machine give a barista quality beverage in your own kitchen....'* Respondent #31, male

*'As a woman of color, I spent more than 30 years using chemical processes, products to 'enhance' my natural hair texture. What did I achieve? Focus on society's idea of beauty, lots of money spent on products that did not always help my tresses, hair insecurity and self-image confidence issues. Now, I am a fully natural and loving my chemical-free hair journey. I love the confidence of wearing my hair as it suits me and feeling great in my own skin. Knowing how to maintain a healthy head of hair from the inside and out, I hope to empower women about natural products that hair is beautiful without any chemical enhancement. The main trick is to know how to main it.'*

*Respondent #11, Female*

*'My niche is Productivity Lounge - a personal blog which focuses on improving productivity in the workplace. The reason for choosing this is that I witness on a regular basis how many people struggles with meeting specific deadlines or goals at different level of organizational hierarchy. Every entrepreneurs or leaders knows that when employees' productivity nosedive, the implication may be negative impact on the company bottom-line, credibility and lost of market share due low quality services or products, lack of respond to complain, reviews or feedback.I want to use this platform to create high quality blog posts, provide review on relevant products that provide information to help individual or business owner (especially small business owners) solve this personal or business pain'*

*Respondent #13, male*

*'There are a few reasons I chose to teach people Forex Trading niche, who are new to the concept but interested in finding out more. I have always been interested in numbers and calculations and the way that they interact in many different ways. Fibonacci is a fascinating subject in itself. I have traded the markets for a while now and when I first started out, it was very difficult to learn all of the different aspects involved and very little of it seemed to be aimed at beginners. Things have improved a little since then but I am convinced that there is room for this kind of site I am aiming to build where all of the information required is together in one place. There are many courses available where I can promote on my site as well as the trading platforms themselves, many of which run their own affiliate programs. I can give new beginners enough knowledge to go ahead under their own steam. One thing I will definitely not be doing is making actual trading predictions or forecasts as that is a matter of personal opinion.'*

*Respondent #16, Male*

#### 5.4 Opportunity Discovery

The young respondents perceived the trend and market will result in the growing industry and popularity of the niche industry. They also believed various pricing strategies will not deter them from venturing into the niche. According to Respondent 26, a 13 year old male:

*'Video games are becoming increasingly popular and the technology behind them is being improved at a phenomenal rate. The industry is expected to grow 5% a year up to 2020 and in 2012, it grew 4 times more than the US economy. There is always something to write. New games are always being brought out and there are endless amounts of guides to write, even just within the shooter niche, which is what I chose. This means that there are always a ton of good keywords out there, regardless of the fact that there are so many gaming related sites out there. It is quite an easy niche to branch out and there are plenty of opportunities to link to high priced products, rather than just the video games themselves. For example, in a guide on how to get better at Game A, one of the tips might be to have a decent headset, or a certain type of controller. This would give me opportunities to branch my site out to include reviews of gaming equipment that is useful for playing shooter games. Video marketing is extremely effective within this niche, meaning that I would always have an effective alternative content creation method, or just to support my main posts. I already had most of the equipment to do this in a professional manner. I liked playing video games, the sole reason behind my decision.'*

As a game player enthusiast, the young video emphasized his professional reviews on gaming equipment and video contents creation could be the source of authority within his niche.

#### 5.5 Lacked of product to promote? Do research!

Despite finding passion niche, a few respondents expressed their doubts on their niche. Beginners who had not completed the Course 2 of the training lessons were still exploring for a product/service fit. Selecting a niche that individuals could recommend was still be a challenge. According to Respondent 62 *'I was passionate on eating healthy ..... there weren't really specific products to promote ..... only healthy habits I could teach. A better niche would be camping or hiking, where I can talk about staying active but link the products I recommend at the same time'*. When a product or service in a niche could not be determined, the focus group suggested shop for similar niche website.' R62 was recommended to examine similar websites

about healthy eating and observed. This technique was believed to enable the member to get ideas on the products/services to promote on the site.

## 6.0 Conclusion

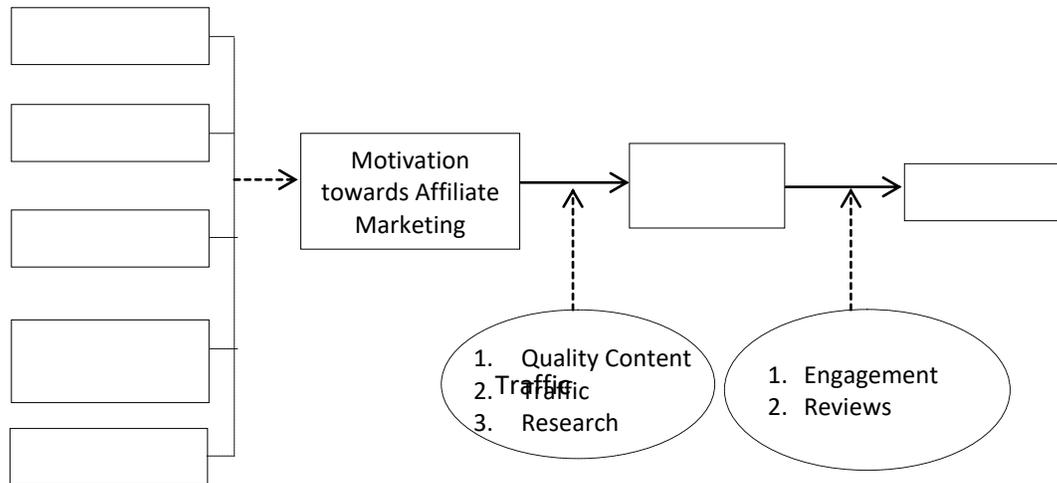


Figure 1: Theoretical Framework – Motivation towards Affiliate Marketing

This study aims to provide an in-depth understanding on the motivations of affiliate marketer. The framework above has been developed to accentuate the motivations. Broadly, the motivations could fall under five main categories. They are health recovery, health prevention, education, opportunity and opportunity discovery.

One group of respondents was found to be highly motivated towards the affiliate marketing networks. Somehow this group of respondents were found to have a few niche interests or unsure of the personal niches. As this group of internet marketers had shown moderate – high level of motivation towards affiliate marketing, they were included in this study. This group was considered legitimate and will not contribute to the framework as they were strongly urged to conduct further research to determine the area of nich(es).

The focus groups were found that an authority sites which attracts strong followers may require them to provide quality contents, affiliate traffic, engagement and reviews (on other sites or on other affiliate networks) to fuel motivation towards a sustainable internet marketing efforts. To support the internet marketer's journey, Wealthy Education Affiliate program with more than

100,000 members presented a structured learning journey for members to access its continuous coaching and mentorship on internet marketing from beginner, intermediate to advanced level.

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