

MONETIZING ONLINE FORUMS

A PRACTICAL GUIDE TO GENERATING REVENUE FROM FORUMS – THE RIGHT WAY

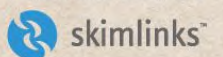


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PRESENTED BY



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Disclosure (How This Book Came to Be)

When [Skimlinks](#) approached me about this project, they brought with them an interesting pitch. They wanted me to author, with contributors, a useful, valuable guide to monetizing online forums. In order for it to be truly valuable, they recognized that it had to be independent and that is why they came to me. They told me, flat out, that they wanted me to mention their primary competitor. That caught my attention.

So, Skimlinks paid for this book. They paid me, they paid the contributors (even though they didn't get to pick them) and they put time and resources behind this project.

I've been a Skimlinks publisher since the spring of 2009. I am a fan of the company. At a conference, they once bought 10 copies of my book, which were given away at their booth, which I appeared at for an hour or so. I hold stock in [Amazon.com](#) and have been affiliated with [SitePoint](#) for many years. Both companies are mentioned in this book, along with others that I have a publishing relationship with. It is important that you know all of this, in the interest of full disclosure.

It's one thing to claim independence and another thing to actually have it. For that word to have meaning, before I agreed to take on the project, Skimlinks had to give me the control I wanted, which was complete, unquestioned editorial control. They wouldn't see the full work until it was finished and, no matter what, I had the final say on every word included, in addition to who was allowed to contribute those words.

Therefore, for example, when you see that Alicia Navarro, the CEO of Skimlinks, contributed to portions of this book, beyond the foreword, it is because I wanted her to, not because I had to allow her to do so or because that was part of the deal. It wasn't.

It's not that I don't trust Skimlinks; because I do. I like and respect them. I just wanted to eliminate as much perceived bias as I possibly could. Skimlinks gave me money and I went

away, wrote a lot of words, collaborated with people I respect and presented them with a finished product. Beyond being the only way I would have worked, that is precisely what they wanted, which in my view speaks volumes about the company.

All organizations mentioned in this book were included at my discretion. Other contributors to this work did not decide who would or would not be mentioned. They didn't even decide if their own company would be mentioned, let alone what, if any, competitors. A mention should not be taken as an endorsement by me or anyone involved with this project.

If you know me, you know that I care about forums and online community. I have been managing them for 12 years. I care about this space and I believe in it. I also believe in making money, but doing it in the right way and maintaining the right balance between member experience and revenue generation. That is how it must be, to be sustainable.

This is an important project to me because this isn't something I regularly do. In fact, prior to this, I had written precisely zero free ebooks and white papers. There is a certain perception of free ebooks that we can't get around: most of them are a marketing gimmick. They have some information, but it's perfunctory and the aim is to get you to ask for more. Not all of them are like this.

Personally, we wanted it to be more. I approached this project with the same seriousness and commitment as I would a book for a major publisher – and that is how I want it to be treated. I want you to review it like you would review a book you purchased. My nightmare would be for this to be some throwaway ebook that will be tweeted and retweeted for a few days and then forgotten.

No, I want this project to be useful long beyond the marketing cycle and for it to be referred to for years to come. I want it to be the most valuable resource for those looking to monetize online forums, to date. I realize that is an aggressive goal.

As you read this ebook and consider its value, please don't judge it as something you received for free. I want you to judge it as if you paid for it. Hold it to that standard. Review it online. Tell people what you think about it. And please let me know how we did.

Thank you.

Patrick O'Keefe
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Foreword

Managing an online community can be fun, but earning an income from it can seem prohibitively difficult and dull. But to survive, grow, and constantly provide a better experience for its members and visitors, forums require more than just hard work: they need financial support. Figuring out how to make money from a forum can be even more daunting than building the forum in the first place.

Should you run ads on your site, or do you want to keep distractions to a minimum? Is it wrong to make money from user-generated content? What is affiliate marketing, and how can you make money with it on user-generated content? Should you try to make money right away, or wait until you have an active reader base?

If having ads is a good idea, where in the world do you start in terms of finding advertisers and setting up space on your site? What's a leaderboard? 728x90?!

The reason I started [Skimlinks](#) four years ago is that I needed an easier way to monetize my first business, an online community about products. We had trouble working out how to make money, so we created a technology that helped us. But I wish I'd had this book at the time to learn about the alternatives and best practices. If I had, who knows, maybe that first business would have blossomed and become the first Pinterest.

There is so much to learn about making money as a forum owner, and I'm thrilled that Patrick O'Keefe was able to devote so much of his time and energy to creating a single resource to help publishers learn why generating revenue is important, explore all of the different ways it can be done and work out how it can be done appropriately and respectfully.

There is no one better than Patrick to write this book. Patrick has been writing about online communities – and managing them himself – for years, and is widely acknowledged as an expert in the field, giving entertaining talks at conferences and events. He is, most crucially, passionate about doing it the right way. I don't know anyone with more integrity in the space.

I'm honored that he agreed to put together this thorough and comprehensive guide. It's my hope that it will make its way into the hands of current and aspiring online community and forum owners everywhere, to help them create and grow successful, profitable forums of every conceivable kind.

Alicia Navarro

Co-Founder and CEO, Skimlinks

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Why Generate Revenue From Your Online Forums?

This book is about monetizing your online forums.

But, before we dive too deeply into the various methods that you can utilize to generate revenue from your online community, I want to first talk about why it can be important to do so and why making money from what you do isn't a bad thing to think about, even if some may tell you that it is.

Mentioning “money” alongside “online community” or “online forums” can sometimes be a contentious thing to do. I understand why, but at the same time, I don't think it's necessary to be on the defensive about money or monetization.

For some people, if they hear that you are considering how you can generate revenue, or more revenue, from your community, they leap to the worst possible conclusion. For example, they may interpret you as meaning:

- “I want to get every last penny I can out of my community.”
- “I am going to fill the page with advertisements!”
- “I don't care about the community or about usability – it's all about the money!”

While these things can be true, they are not always and they are certainly not true of every publisher.

If you know me, you know there is no greater champion of online community than me. I love this space, have invested in this space and care very deeply about it. I defend it vigorously from those looking to abuse it for a quick buck.

If one wishes to see revenue as an evil thing and to look at those who work to generate it as people who are trying to milk their community for all that it's worth, you can apply that to most anything that generates an income. A consultant can try to milk his clients for all

they are worth. A grocery store can try to milk their customers for all they are worth. A publication can try to milk their subscribers for all they are worth.

But, that probably shouldn't be your objective. Usually, it's not a great recipe for success. Generating revenue might be one of your goals, but milking people shouldn't be. That implies that you are trying to get as much money out of them as possible without any consideration of other factors.

That's bad and it ignores a simple truth: if someone feels like you are taking advantage of them, to some degree you lose them. And that's bad for the operation.

If a consultant wants to keep their clients and continue to generate an income, they must treat their clients with respect and deliver value. If the client feels that they are being taken advantage of, the client leaves.

Similarly, if someone who is managing an online forum wishes to generate an income, they must aim to create a valuable community or resource that delivers value to its members. If the members are unhappy with the experience of using the community, they may leave.

Balance. That's what it's all about. With that in mind, consider these two scenarios:

1. You place 500 ads on every page, charge people \$1,000 a month to access the community and don't care how people feel about the ads.
2. You don't generate any income at all.

Now, quite obviously, there is a very big gap between these two situations. There is a lot of room in between the two extremes.

It is exceptionally important that managing an online community should be approached as a serious responsibility, because it is one. If you want to do it well, it takes a lot of time and skill. Whether it is a hobby or your full time thing, it is serious and I believe it is appropriate for those managing an online community to generate revenue from it, in a manner in which they feel is appropriate.

If they do it in an unethical or shortsighted way, people will vote with their feet and leave. It is all part of the equation of community management. There is a line, which differs from forum to forum, and it is something that I am personally always very aware of. So should you be.

An online community is not some special, unique medium that is somehow meant to be devoid of revenue making. It is a website, like any other, that utilizes resources, both human resources and financial ones.

When I enjoy a website or forum, I don't think that the person or people behind it should have to toil away for the rest of their lives on what I enjoy and never earn an income. Instead, I want them to be as successful as they can be – wealthy even, if it's possible, without damaging their brand or community.

And I believe that a majority of people who partake in a free service of some kind understand that. If an online forum is not financially supported in some way, it is usually always a hobby or a side thing and when it comes time to cut things out of your life, because you have a family to feed, it makes sense for that side project to go.

Many great forums are run as hobbies. If you are able to sustain that, awesome. I have total respect for that. I just believe that you have the choice to do what you want, either way.

But, perhaps, even if it is a hobby, you reach a point where you can't dedicate the time you want to it because, well, you have to live. To be able to make it full time, you have to be able to live and accomplish your life goals. It's fine for managing a community to be a hobby, but all communities have financial and/or personal costs and if those costs become too much to bear, the stability of the forum is threatened. Revenue generation can be a natural part of the process of securing a forum's future.

An online community can take a lot of work to maintain, to the point where it can become a full time role. I believe that it is perfectly acceptable for that community to be monetized like any other web service – like [Twitter](#), [Facebook](#), [Flickr](#) and countless others. The purity of these services isn't threatened because the people behind them need to live.

Of course, some will disagree with all of what I have just said. The great thing is that you don't *have* to generate revenue. I wouldn't say anything negative about anyone who chooses not to generate any revenue from an online forum (whether it be through ads, leads for their business or something else) and I would hope, at the same time, that they would not say anything negative about those that do.

There is no one way. And with that said, let's get started.

Patrick O'Keefe

Display Advertising

When people first think about monetizing a forum, the place they commonly begin is with standard display advertising, which can include graphics, text and/or rich media. This is for good reason. It is a mature, established way of generating revenue and there are many tools and services that exist to facilitate it, which makes it easy to get started with.

Display advertising is a term that encompasses the various formats and techniques used by ad networks and advertisers to display ads to visitors of your forum. The techniques will vary, with each having its own upsides and downsides and it is important to understand the nuances of these techniques so that you are giving yourself the best chance for success.

Create a Privacy Policy

This may seem like an odd place to start, but let's just get it out there right away: create a privacy policy. Putting aside any legal reasons, it's a great idea, a best practice and is required by at least some of the companies that you may want to work with, not only for your display advertising, but for other forms of monetization that we'll discuss later in this book.

Your privacy policy describes your methods of gathering data from visitors and how that data is used and shared. It may sound scary, but as long as you understand your policy and stay true to it, it isn't. [Trust Guard](#) offers a great, free privacy policy generator at [FreePrivacyPolicy.com](#). Answer the questions in the form honestly and make sure that you indicate that cookies will be used for advertisements and to compile data – both of which will occur in the course of serving ads.

Though that should do the trick for most forums, this book should not be taken as legal advice. If you have any questions about your unique situation, you will want to seek out a qualified professional.

Do You Start with Advertisements or Do You Add Them Later?

This is a tricky question to wrestle with. Some people will tell you that you shouldn't have advertisements when you first open your forums. They will say that at the beginning you should be focused on traffic growth and that advertisements won't generate much revenue anyway, so you should hold off until later, until you are more established.

That viewpoint has merit, but the alternative view is that people aren't always fond of change. If you have people join your community when it has no ads, those people may expect that your forums will never have ads, as unfair as that may sound. So if you plan to have ads in the future, it may be a good idea to just add a few now.

While change is inevitable in most areas of your community – whether it be new members, new designs, new features or new ads – you want to try to make sure that when you change, it is meaningful. In some cases, it can be more beneficial to simply have ads at the start, even if they are placeholders and you aren't making much, if any, money.

This allows people to immediately come to the understanding that you will have ads and will lead to them being less likely to feel that you have betrayed them after they have already committed their time to your community.

If you are reading this, there is a good chance that you have already launched your forums and they may even be well established. But, if you happen to just be planning to launch your forums, keep these thoughts in mind.

Understanding Revenue Models

There are four basic revenue models that you will encounter in dealing with ad networks and advertisers. To firmly grasp their potential, you need to understand the differences between them and how they work.

You should not confine yourself to just one model. Instead, you should consider what will work best with your community and blend the different strategies to achieve optimal results. This may require some experimentation.

Sponsorship

The sponsorship model can also be referred to as “tenancy” and it works best on forums that have a niche audience. For example, let’s say you have a forum about blue widgets. It would be natural for an advertiser who sells blue widgets to place an ad directly on your forum since they already know that your audience is who they are trying to reach.

In this model, you are selling an ad for a fixed time period to the advertiser for a flat rate. Let’s say you have an ad zone on your forum that is 125 pixels in width by 125 pixels in height (normally written as “125x125”). You might sell that space to an advertiser for \$100 per 30 days. It doesn’t matter how many impressions the ad receives (how many times it is served to visitors), because you are selling time in that ad space, not impressions.

Sponsorships are typically sold on a guaranteed basis, meaning that you are guaranteeing exposure for the advertiser and they will not be outbid or replaced by a higher paying advertiser.

CPM

CPM stands for cost per thousand impressions (or, more technically, “cost per mille,” with “per mille” being Latin and meaning “by a thousand”). An impression occurs each time a visitor loads an ad on your forum.

To use some simple math, let’s assume an advertiser is paying you a \$1 CPM. This means, for every 1,000 ad impressions you serve to them, they will pay you \$1. So, if you serve 100,000 ad impressions, you will receive \$100 (100,000, divided by 1,000, multiplied by \$1).

CPA

This is cost per action or cost per acquisition and refers to the act of a user clicking an ad on your forum and then completing a very specific goal for the advertiser. An example of this would be the user buying a product from the advertiser or filling out a lead form – otherwise known as a conversion event. CPA can also be referred to as cost per lead, cost per sale, cost per engagement and cost per conversion. All of those terms mean pretty much the same thing.

CPC

Finally, CPC is the abbreviation for cost per click and, quite simply, it means that you are paid each time a visitor clicks on an advertisement.

Best Practices: Ad Sizes, Quantity and Placement

To sell ads, you have to have inventory. You need to decide what ad sizes you will serve, how many ads you should have on specific pages and where they should be placed.

The real challenge and the art of this task is in toeing the line between revenue growth and visitor experience. You must respect the need for both. Money is great, but making money at the cost of creating a poor visitor experience will cost you. On the other hand, if you aren't able to pay bills and have to close the community because of a lack of resources, there is no visitor experience anyway. It is all about balance.

Ad Sizes

Without a doubt, your best bet is to always stick to standard sizes for the majority of your ad zones. Standards scale much more easily than custom sizes. The [Internet Advertising Bureau](#) has created a handy guide for display ad standards, the [Display Advertising Creative Format Guidelines](#). Within those guidelines, the 728x90, 300x250 and 160x600 sizes are by far the most common amongst ad networks and advertisers. When selecting the ad sizes to use on your forum, keep in mind that selecting a size that is inconvenient for an advertiser could mean they won't advertise with you.

The only time it makes sense to use a custom size is if you are doing something special for a direct advertiser. Part of the value in selling ads directly to advertisers is that you can do special things for them and help them create a unique advertising experience that will potentially perform better or provide more brand value than standard ad sizes. We will be discussing various types of custom advertising throughout this book.

The reason why custom ads can be powerful is that they can help make advertising more interesting – not just for your bank account, but also for your advertisers and your visitors. When it comes to advertising, there can be a good way to surprise people, if you execute it properly. Not all ads are created equal – some feel less like advertising because they are actually useful. Custom ads don't scale well, in the sense that you aren't backfilling your

unsold custom ad spots with a third party ad network. That is a good thing: they are meant to be special and deliver a non-standard advertising experience.

Also, don't forget that you can sell and display advertising on more than just your forums. If you offer RSS feeds of your content, you can display advertising within your feed ([Pheedo](#) and [Google AdSense for Feeds](#) work in that area). You can do the same with email newsletters. It's not just the forums themselves, but also how people connect to them and subscribe to them. That isn't to say that you should have advertising on every outlet – just that it is a possibility. And if you offer it, you can bundle it with the ad campaigns that you sell to offer more value and make them juicier prospects for advertisers.

Ad Quantity

When it comes to the three most common ad sizes (728x90, 300x250 and 160x600), it is often a good idea not to have more than 3 per page. Maybe this is two 728x90s and one 160x600, or maybe it is two 300x250s and one 728x90. It will depend on your layout. There is a good chance that you will have more than 3 ads on the page once you consider additional sizes, but for the three main sizes, 3 (or sometimes 4) will probably work. It's always a fine line between what is too much and what is too little. If you have too many, each additional ad may start to cannibalize the effectiveness of the others.

It's very hard to say specifically what the right balance of ads is for any given website or forum. There isn't a magic formula or hard stop at a certain number of ads per page. This is really a decision that is in the hands of the forum owner. It's also a supply and demand issue: by adding more units, you're increasing the supply. If you don't have demand for those additional spaces, it probably doesn't make sense to add them, because it dilutes the value of the other placements, dilutes the perceived value of your forum and doesn't make it easy for you to sell the other ad spots that are suffering from a lack of demand. Adding new ad locations without proper demand adds an additional option for a prospective advertiser, but it has been proven many times that too many options will paralyze a buyer, making it harder to close a sale.

So, does this mean that having fewer ads can make you more money? Potentially, yes. Selling ads is one of the biggest tests of not succumbing to temptation. You see, the cost of adding one more ad unit to a page is not directly tangible. For example, when you are adding one more ad to your forum, do you think about what this will cost you? Doubtful. You think about how much it will make you. The true cost of "one more ad" is hard to put a number on.

As a publisher, you have the ability to create an endless amount of supply. You can continue to add more and more ad units to your forum. That also means you have the ability to limit the amount of supply that can help create more demand for your ad units and raise the effective CPM you can charge for your ads. If you are the only quality forum about blue widgets, it will be easier to create more advertising demand and raise your rates by shrinking the supply. If you are one of 20 forums about blue widgets, it will be harder to raise the demand by shrinking the supply. This all comes back to building a quality community with a high level of engagement, which will help you to stand out from the crowd.

Ad Placement

Forums pose an interesting challenge for managers and advertisers alike. On a blog, it's common to find the content together, on one page, each piece of content written by a specific author and everything appearing within a fixed layout. On a forum, however, it's quite the opposite. Each article (or thread) is on multiple pages, written by multiple authors, and most forums tend to have a fluid (or very wide) layout. Forums that have a fixed layout tend to not have a sidebar, which can be the most valuable ad location on a blog.

Forums, in general, are also more complicated systems than your typical blog. As such, they are harder to design for and, sometimes, ad placements are added via plugins for the given forum software. Most forum software is also not designed around monetization; it is designed around features that help build community. Some blogs, on the other hand, tend to be specifically designed with monetization in mind. These factors will naturally limit the forum owner's creativity in designing ads into the layout.

Let's run through some thought processes and strategies for ad placement to help you develop your own ideas.

You can start with a 728x90 leaderboard at the top of the page. This is a standard ad size that generally works well. You could then put 1 or 2 sponsor spots after the 728x90, but not directly below it. There should be some content or navigation between the 728x90 and these sponsor spots. ("Sponsor" meaning that they will most likely be smaller spots that are not sold on a CPM basis.)

Next, you could put a 300x250 inside the first post. Placing this on the left side will be more valuable, but also more intrusive for your users. Aligning it to the right will reduce

the feeling of intrusiveness. This ad may be a good candidate for display only to visitors who are not logged in (we'll discuss this more in a moment), making it disappear for logged in members.

It is possible that the 300x250 may not work in any context alongside the actual thread content. If this is the case, you could try placing a 728x90 after the first post, which is generally a friendlier placement. If the 300x250 does work, however, you could then look to place a 728x90 farther down in the thread or at the bottom of the thread, following the last post.

If you don't place ads between the posts and you have a sidebar, you would then have the ability to serve a 160x600 in that sidebar, which gives you additional flexibility. The same would apply if you have the sidebar throughout the entire community and not just on threads.

On non-thread pages, you can attempt similar formatting. For example, on your index, you could put a 728x90 after the first or second category of forums. In an individual forum, you could do the same after a certain number of threads or at the bottom of the list of threads.

At this point, we have reached the theoretical limit of 3 premium sizes on any given page and you will probably only want to add other sizes and sponsorship placements in the footer or sidebar.

In general, the closer that ads are to content, the better they will perform. That doesn't mean you should dump them next to your posted content and call it a day. Again, you need to find the balance of what will work for you and your community and that comes through testing.

A high impact placement might mean a 728x90 in the header, a 300x250 in the first post and a 160x600 in the sidebar. A low impact placement (meaning less ad exposure and revenue, but an improved experience for some audiences) may mean a 728x90 in the header and either a 728x90 in the footer and a 160x600 in the sidebar or two 300x250s in the footer. At the end of the day, you will have to decide what is best for your own forum.

Serving Different Ads to Different Levels of Visitor

You don't have to display every ad to every person who visits your forums. You can show different ads to guests who are not logged in and to visitors who come from search engines than you show to members who are logged in.

For example, you may want to serve more advertisements to guests who are not logged in than you do once a person has signed in. This can create a better experience for your registered members and can provide an incentive to register and login.

It is generally accepted that visitors coming from search engines are more likely to click ads than direct visitors. Because of this, even if you display ads to everyone, the lion's share of your revenue may still be coming from visitors who are not logged in. Some will argue that your regular visitors may develop blindness to your ads. For some, that may be true. For others, it won't be. This point also ignores the fact that some ads are CPM based and you will be paid for views – not for clicks.

That said, selective ad display can be a great strategy for some communities and can help you maintain the balance between wanting to grow your revenue and also needing to maintain a good user experience for your loyal members.

Selling Ads Directly to Advertisers

Forums, by their very nature, tend to have a specific content focus and are a great way for advertisers to reach very specific and engaged audiences.

When we talk about selling ads directly to advertisers, we are looking for the “premium” sale. This means that your aim should be to earn the highest CPM from these direct advertisers, since they are the most targeted advertisers you will have on the forum and they should therefore pay a premium for the exclusive, guaranteed access to your ad inventory.

There are a lot of great third parties that you can work with to sell ads on your behalf or fill your inventory. But, don't forget that these services also have to survive and make a profit. This means that they are taking a cut. In many cases, working with them will lead to an increase in your revenue. However, for many forums that sell advertising, the true power and the biggest strides in revenue growth come from taking control, direct selling to advertisers and having as few middlemen as possible, allowing you to keep more of the money.

How to Price Your Ads

There are many factors you need to take into account when pricing your ads. This includes the size of your ads, where they are located on your forums, the subject matter of your

community, how the ads are targeted and more. We are going to discuss each of these factors.

Ad Size

Generally speaking, the larger the ad, the higher you can set the price. A larger ad is worth more to an advertiser because they will have a larger area to brand their product or service and a better chance of being noticed by visitors. One way to sanitize your ad pricing is to break your rates down to the effective price per pixel. This may sound crazy, but here is a quick example:

Your website has 500,000 impressions per month. You have a 300x250 ad that you price at a \$5 CPM. You have a 728x90 ad that you price at a \$5 CPM. Both ads are above the fold and in a similar location on the page and have total potential earnings of \$2,500 each per month.

Which ad is more expensive? Let's break this down to an effective price per pixel.

The 300x250 has a total of 75,000 pixels (300 multiplied by 250 equals 75,000) and, for the month, an effective price per pixel of \$0.033.

The 728x90 has a total of 65,520 pixels (728 multiplied by 90 equals 65,520) and an effective price per pixel of \$0.038.

So, as you can see, the 728x90 is actually more expensive than the 300x250. It should probably be the other way around. The point I'm trying to illustrate here is that the ad size is very important when setting pricing. While it might be hard to tell the difference in surface area between a 728x90 and a 300x250, there is a difference and it is important.

Let's look at the difference between a 300x250 and a 125x125. We already know that a 300x250 has a total of 75,000 pixels. A 125x125 has a total of 15,625 pixels. The 125x125 is roughly 21% the size of a 300x250. As such, all else being equal, you should price the difference between these two ad sizes accordingly.

Ad Placement

Where is the ad located on the page? Is it at the top, above the fold? Is it on the left side or on the right side? Is it below the fold above the second or third post in the forum? Is it in the footer? Each location on the page will have different implications for how the ad should be priced. It should be clear from the clickthrough rate of different ad placements

on your site as to which the most valuable placement is. Naturally, an ad in the footer isn't going to be worth the same as an ad at the top of the page.

What about the difference between an advertisement that is between the second and third post on your forum, as opposed to one in the right sidebar in a similar vertical location on the page? Good question. Intuition would suggest that the ad that appears within the context of the content, between the second and third post on your forum, will be the more valuable of the two. It's more in the flow of what the reader is looking at. This is an example of something you will need to take into account when pricing your ads.

Do the ads have a chance to "pop" within your layout? It's important to let the ads breathe. Leave enough white space around them and give them some separation from content (or other ads). Is the ad squished between two other ads or is it surrounded by content the user is reading? Thinking about all of these questions is important when trying to determine fair pricing for your ads.

Ad Quantity

Typically, the more ads you have on the page, the less valuable each ad will become. Does this mean that if you only have one ad on the page, it's going to be as valuable as the sum of, say, three ads on the same page? Not necessarily. The number of ads on the same page and their value isn't a linear equation. There are cases where a site produces worse results per ad with one ad on the page than it does with 5-6 on the same page.

What is most crucial when it comes to quantity is that you find a good balance between the amount of content and the number of ads on your forum. The quantity of ads on the page affects pricing. As you increase the number of ads on your forum, keep in mind how it will affect the performance and, ultimately, the pricing of the other ads.

Subject Matter of Your Forums

Not all topics are created equal, financially speaking. In order to illustrate this, take a look at an infographic produced by internet marketing software firm [WordStream](#), titled "[Where Google Makes Its Money: The 20 Most Expensive Keywords in Google AdWords.](#)" As you can see, different subjects command higher advertising rates and more overall ad spend by advertisers. If you have a forum about car insurance, chances are that you're going to set your rates higher than a forum that is about geckos. There's more demand from advertisers and more ad dollars flowing through that subject.

When it comes to subject matter, the differences can be startling. That said, as you might imagine, the subjects with more advertising dollars at stake will also be more competitive.

Targeting Options

If you are selling a targeted ad to an advertiser, it's worth more than an untargeted ad. For example, let's say you have an advertiser who only wants their ad to be displayed to users who are on a Mac and who are from the United States. They are more qualified customers for that particular advertiser and therefore more valuable to them.

Different segments of your audience are more valuable to certain advertisers. For example, a visitor from the United States is typically more valuable for most advertisers than a visitor from Antarctica.

Interactive Ads

If an ad has an interactive component to it, such as sound, video, motion, animation or if it breaks out of its size and takes over the screen, you should be charging more for it. It is more obtrusive to your users, more interactive and therefore worth more money. Though remember, if the ad is too obtrusive, as we discussed earlier in this chapter, it may not be worth selling at all.

Setting Your Rates

Now that you know some of the factors that determine how you price your advertising, you may want to come out and ask: specifically, what should my rates be? The quick answer to this question is that it will take some patience and experimentation until you find the right prices.

It all starts with doing your research. Many publishers actually show their pricing publicly. Find forums that are similar to your own in traffic, subject matter and overall quality. See what they are selling and how much they are charging for it.

Browse ad marketplaces like BuySellAds.com, BuyAds.com and AdEngage (disclosure: Todd Garland, the CEO of BuySellAds.com, contributed a substantial portion of this chapter). Pricing in these directories is even more helpful than checking similar forums, because you will also be able to see what is sold versus what is left unsold. Granted, you won't have perfect context on the prices and fill rates, but you will still be able to get a general feeling for which placements and prices are selling well and which aren't.

Keep an open line of communication with your advertisers. Some advertisers are always in negotiation mode and will always tell you their ads are performing horribly in hopes of you giving them a discount. Others are more than happy to tell you how the ads are performing and will share valuable insights with you. See what they have to say and take that into account when trying to set your pricing. Keep in mind that some advertisers will be able to justify higher prices more easily than others depending on their cost of customer acquisition and the lifetime value of each customer.

Finally, [Google AdSense](#) can be a great benchmarking tool. Install AdSense and see how it performs. Granted, AdSense is never going to make you as much as direct ad sales will, but it's still a great way to set a benchmark. Let's say you find that one of your premium ad spots will earn you a \$3.50 CPM through AdSense. That means that you can probably sell that same space directly to an advertiser for at least \$4.50-\$5.00. The reason for this is that the \$3.50 figure represents a blended CPM – some advertisers are paying more and others are paying less. We also make the assumption that a direct advertiser is going to be a better qualified advertiser for your audience.

Just as you can use AdSense as a measuring stick, you can also take into account what other advertising networks are paying you.

Raising or Lowering Your Prices

The line between being too greedy and leaving money on the table is a fine one. There are publishers so loyal to their advertisers that they refuse to raise the price on them for years on end, despite huge increases in traffic. There are also publishers who shoot themselves in the foot through carelessness when dealing with advertisers and by making hasty pricing decisions and reckless demands.

Changing the price of your ads creates friction. There's no such thing as "good" friction when dealing with advertisers, not even when lowering prices. The best advice here is to make sure that you put a lot of thought into your pricing changes before you put them into place. Communicate with your advertisers about the change and explain to them why you making it. Are you raising prices because you are moving their ad up on the page? Are you raising prices because your traffic has doubled over the last few months? Are you raising prices because you are changing the size of the ad? Are you lowering prices because you have had other advertisers cancel and you want to make sure they stick around? Think through your price changes carefully and make good decisions.

Developing Your Media Kit

Your media kit is a document that helps explain the value of your forums to potential advertisers and provides them with other relevant information, including details about the ad placements that you have available. It can also include pricing, but sometimes that information is kept separate and included in a rate card, a simpler document that serves as little more than a list of prices. Some publishers don't mind the general ad details being in public, but want to keep the pricing details more private and discuss them only with seriously interested parties. Of course, there is a downside to this, as some advertisers may not even want to take the time to ask for them and may simply move on.

A media kit can take many forms. It could be a [PDF](#), a [PowerPoint](#) presentation, an HTML webpage or some other document format. Creating a media kit means that you have one more thing to keep up to date, so you will want to choose a format that is easy for you to keep current.

When it comes down to what your media kit should include, there is a virtually limitless list of things that you can add to the document. That said, you don't want it to be so long that people get bored and lose interest. Instead, be brief and focus on the most meaningful and important information.

You will want to include all relevant details about your advertising placements, including the sizes, locations and when they will be served. For example, are they flat-rate ads where someone will pay you a set amount and then their ad will be displayed in a given location for every pageview during a specific period of time? Or is it a CPM based ad where they will buy a set number of impressions? It can also be helpful to include screenshots that indicate where on the page an advertisement will be displayed.

Do you have any limitations on the ads themselves? Examples would be file types and maximum file sizes. What about rich media ads? Do you allow ads that play audio automatically or expand on their own, without any user-initiated action? While those ads work for some, others will find them annoying, so serving them can come at a cost. Including information about what you allow and don't allow can be a great way to save time and make sure that you and your advertisers are on the same page.

Audience data is another important part of the package. This data comes from surveys that you conduct or from your website analytics software. [Google Analytics](#) is a common, widely used application that can give you information about your audience, including their

geographic location, the devices they use to visit your forums, their web browser, connection speed and more. And there are many other services that do similar things.

But, in order to get more information, including demographic data that some advertisers will find useful, you will need to dig deeper. In addition to member surveys, you can also gather this data through audience measurement services, such as [Quantcast](#), which is a great, free tool that provides you with background data on your visitors. This includes their age, gender, income range, level of education and more.

In addition to this information, here are some more ideas for things that you can include in your media kit, to help get you started:

- A description of your forums, their focus and the audience that you serve
- A list of meaningful accolades, honors and media coverage that you have received
- How many posts, threads and registered members that you have
- Your traffic, including your monthly pageviews and unique visitors
- The source of your traffic, whether through search engines, direct visitors or referral
- Impressive, relevant search engine keywords that you rank well for
- Impressive numbers associated with other social platforms and/or your presence on them, such as [Twitter](#) followers, [Facebook](#) fans, [delicious](#) bookmarks and more
- Subscriber counts for your RSS feed, email newsletter, etc.
- Screenshots of your forums, specifically of pages showcasing advertisements
- Graphs of important data, such as traffic history
- Your contact information
- The sources for any data that you cite in your media kit

Again, this is just a basic list. But, hopefully, from this list you will be able to identify other things that you can highlight that will help to explain the value that your community has to offer.

You may notice that some of the metrics included in the list technically don't relate to where people might be advertising. For example, if someone is advertising on your website, why do they care how many RSS subscribers that you have or how many people follow you on Twitter? They might not. But, for some, it points to the power and long term health of the community. It is additional proof, in other words. If it is a good number, it can't hurt.

You can find piles of example media kits on the web if you run a search on [Google](#). A few of these include [Wise Bread](#), [T-Shirt Forums](#) and [The Student Room](#).

Pitching Advertisers

No matter what subject your forum targets, there are likely businesses that support that niche and an economy around it. This means that there are products and services that are marketed directly toward the visitors that your forums attract.

If you know your niche, you likely know who some of these companies are. If not, take a look around. Once again, Google is a great resource for this. Beyond just entering terms that you think will bring up lists of companies, also search for generic terms and view the ads that appear alongside the search results. This will show you some of the companies who are spending money to advertise to the niche. You can also look at other communities and online and offline publications that cover a similar topic to you for the same reason.

Once you have identified companies that may be interested in advertising, it is time to contact them. If it is a small business, it is possible that the person who manages the business, sometimes the owner, may make decisions about marketing. As the size of the business grows, it becomes more likely that a dedicated marketing person would handle those responsibilities. Larger companies even have people dedicated to media buying and may outsource their ad buying to an agency. But, there are likely plenty of companies in your niche, especially small to medium-sized businesses that do their own marketing.

It can be a good idea to try to identify the right person to contact. You can take a look at the contact information that the company makes available. You can use [LinkedIn](#) to identify a suitable member of the company. If all else fails, you can always make a simple phone call or send an email to the generic contact address, politely asking who would be the right person to speak to. It may get ignored, but it is just as likely to lead you to the proper contact. You'll never know if you don't ask.

From there, you will want to be brief. Introduce yourself and your community. Without going into too much detail, explain why your forums would be a good fit for them and offer to send them more information, or your media kit, and to answer questions if they have any.

Making it Easy for Advertisers to Buy Ads

One of the greatest things you can do to increase ad sales directly to advertisers is to make your inventory easily buyable. Traditionally, this meant that you would create a nicely

designed media kit, which you would email to an advertiser as the first step in your sales process, before getting on the phone with them to negotiate a sale.

Unfortunately, a serious advertiser spending real money on a monthly basis across 20 or more websites doesn't always have the time to look through 20 or more uniquely organized media kits and get on the phone with a representative from each of them. Some publishers use media kits to list unrealistic and inflated prices, requiring negotiation to close a sale. For this reason, media kits are often most valuable for large websites and media companies who have a dedicated sales team.

Perhaps the two biggest problems with media kits are that they are not a good conversion tool and are frequently allowed to slip out of date. If you are going to spend time creating a beautiful, aesthetically pleasing media kit that is distributed via PDF or PowerPoint, why not spend that same time making your media kit web-based in good old HTML, complete with a conversion path for the prospective advertiser to actually buy the ad right away?

Creating a way for an advertiser to purchase an ad from you directly is only half of the battle. You will still need a way for them to view stats, change their ad's creative content and update their billing information and more. The upkeep and maintenance of direct ad sales can be time consuming, but fortunately there are services and tools out there to help you automate much of the process.

[OIOpublisher](#) is one such tool, a standalone script that you can install that allows people to purchase advertising in a similar manner to how they would place an order in an ecommerce store. They pick what they want, upload the creative and make the payment. You can then approve the advertisement and take it live. Depending on the software that you use to power your community, there may be a hack or modification that helps you to serve advertisements. You should check the dedicated resources for your platform to see what is available.

There are also advertising marketplaces that operate in a similar fashion, but instead of relying on the people who visit you directly to buy advertisements, they also will list your inventory in a directory that potential ad buyers will search in order to find a website suitable for their campaign. BuySellAds.com, BuyAds.com and AdEngage are noteworthy ad marketplaces.

While these services do take a cut of your ad sales, they can be worth considering because they handle some of the maintenance and upkeep-related tasks that you might otherwise have to be responsible for, like processing payments. In addition, the exposure that comes

from being listed in their directory can lead to additional sales that you otherwise would not have had.

These directories are curated for quality, so you may or may not be able to get in, depending on your forums and the traffic that you receive. But, if you do get in, you don't have to use them exclusively. You can still sell your own ads and treat sales generated through these services as bonus, premium rate advertisements, if you so choose.

Selling Ads with Ad Networks

Though direct selling may be the key to getting the most money out of individual ad placements, you most likely won't be able to sell your inventory at a premium price all the time. This leaves you with unsold inventory and that is where advertising networks come in.

These companies represent many web publishers, large and small, and when big companies and ad agencies want to buy advertising online, they often turn to these networks because they make it easier to buy large quantities of advertising on relevant websites.

Using ad networks is a pretty low maintenance way of generating revenue because all you really need to do is place the ad code on your forums. The network will then sell ads and automatically serve them on your community. The one tricky thing is that you want to be careful to ensure that they are only serving ads that are appropriate for your audience, in both the subject of the ad and in the way it conveys a message.

Most reputable ad networks have a filtering system of some kind where you can opt to exclude certain types of ads or content. For example, you can exclude alcohol-related ads and you can exclude ads that automatically play audio. Take the time to make sure that these are correctly set up.

Even with the best filters and the most reputable companies, inappropriate ads can slip in from time to time. If this happens, you'll want to contact the networks that you work with and find out how you can identify the ad and get it disabled. [Firebug](#), an add-on for the [Mozilla Firefox](#) web browser, can show you who an ad is served through, if you are comfortable using it. Similar tools exist for other web browsers.

In addition, oftentimes a network will allow you to individually view all ad campaigns that you are currently serving and offer the ability to preview the advertisements and disable individual campaigns manually.

For most people, a smart mix of both direct and network ads is the way to go if you want to maximize your overall display ad revenue. You'll get more money for the direct ads, but will continue to make money with the network ads by serving them when you have inventory available.

Finding the Right Ad Networks

Every ad network has different criteria, and your community may or may not fit in with the requirements that a given individual network has. There are many ad networks out there and you will want to spend time looking for the most attractive options for your unique situation. Once you are accepted into a network, you can then test it out and compare the results to what you might be receiving from other networks.

For the sake of simplicity, we'll sort ad networks into two groups: vertical and horizontal.

Vertical ad networks are those with a focus around a certain audience or subject. For example, an ad network focused on cooking sites. If you have a cooking forum, they may accept you. If you have a forum about cartoons, it doesn't matter how awesome you are – they almost certainly won't want you. But, perhaps there is or one day will be a vertical ad network focused on cartoons.

Finding a vertical ad network can be as simple as running a Google search for a topic with the term "ad network" added to the end of it: "food ad network", "technology ad network", "sports ad network" and so on.

To give you an idea of what is out there; vertical advertising networks include [NetShelter Technology Media](#) (no surprise: technology is their focus), [Travora Media](#) (travel), [Federated Media Publishing](#) (lifestyle, business and technology), [Glam Media](#) (lifestyle), [IDG TechNetwork](#) (technology), [Bizo](#) (business to business) and [The DECK](#) (creative, web and design professionals).

In addition, [Cox Digital Solutions](#) powers a number of independently-managed vertical ad networks, including [Gourmet Ads](#) (food), [Platefull](#) (food and nutrition) and [MOG Music Network](#) (music and entertainment).

A horizontal ad network, by contrast, is one that doesn't focus on a specific content area, serving a broader audience of both publishers and advertisers. Most horizontal networks are "vertical-agnostic" and work well on most forums. Again, there are a lot of fish in the sea, but some of the networks that you can check out include [Google AdSense](#), [Tribal Fusion](#), [Burst Media](#), [ValueClick Media](#), [PulsePoint](#), [Casale Media](#), [Advertising.com](#) and [Chitika](#).

While we are primarily discussing traditional ad networks in this chapter, there are also affiliate and CPA networks which focus on the cost per action model. For more information on these networks, including how to get the most out of them, please read the [Affiliate Programs and CPA Networks](#) chapter later in this book.

It's safe to say that there are hundreds of ad networks out there to look at. What's tricky is that the best ones are either talked about a lot or not talked about at all. A great resource for finding and researching vertical and horizontal ad networks is [Ad Network Directory](#).

Measuring Success

No matter the revenue model, whether you are paid a flat rate or for impressions, clicks or actions, you can always back the numbers from each model into a standard unit of measure. Typically, you will convert them all into what's called an "effective CPM," or eCPM, since CPM is the most common revenue model. Let's consider the following example:

Direct Advertiser #1 – Rate: \$1,000.00/30 days

Impressions Served: 200,000 – Earnings: \$1,000.00 – Effective CPM: \$5.00

Direct Advertiser #2 – Rate: \$6.00 CPM

Impressions Served: 200,000 – Earnings: \$1,200.00 – Effective CPM: \$6.00

Direct Advertiser #3 – Rate: \$750.00/30 days

Impressions Served: 180,000 – Earnings: \$750.00 – Effective CPM: \$4.17

Advertising Network #1 – Rate: CPM (variable)

Impressions Served: 400,000 – Earnings: \$775.00 – Effective CPM: \$1.94

CPA Offer #1 – Rate: \$50.00 CPA

Impressions Served: 125,000 – Earnings: \$150.00 – Effective CPM: \$1.20

Total Impressions Served: 1,105,000

Total Earnings: \$3,875.00

Overall Site CPM: \$3.51

The rate is the revenue model for each ad partner. The impressions served are the number of ad impressions that partner received during the month. Earnings are the actual earnings received from each ad partner and the effective CPM is how we “backed” each revenue model into a standard unit of measure.

Backing each ad partner into a standard unit of measure is a great way to compare them to one another. For example, let’s say that Advertising Network #1 will be able to fill those 125,000 impressions you gave to CPA Offer #1 at a higher rate than their effective \$1.20 CPM. In that case, you would then drop the CPA offer and give the impressions to Advertising Network #1 next month, with the hope of providing a boost to your overall effective CPM.

Additionally, this may give you an opportunity to negotiate, with the partner, a better CPA payout than the \$50 or change the ad creative you are using to promote the offer, in order to experiment to get better results. Once you understand how your whole monetization picture fits together, you can use this data to make better decisions.

Note that, since most advertising networks provide a variable CPM, depending on the inventory that they have available, the CPM itself will fluctuate from month to month, in both directions. In other words, though you may have earned \$1.94 last month, there is no guarantee that you will earn that this month. Furthermore, while the ad network may be able to support 400,000 impressions at that rate, the CPM will often drop with increased impressions. At the end of the day, you are trying to predict what mix will give you the best performance, based on recent and historical data.

All of the different ad partners accumulate into the forums’ total earnings at the bottom. In this section, the metric that might be the most pertinent to track is what’s called the overall site CPM. When you think about making more money from your forum, this is the number that you should be focused on increasing. You should track this number month over month and use it as a basis for evaluating your overall progress. When you have ads sold in the sponsorship model for a fixed number of days versus impressions, there will be some natural fluctuation of the overall site CPM. When it goes up, we call this “lift.”

Lift becomes increasingly powerful when you are dealing with a forum that has a relatively high traffic volume, say 5 million monthly ad impressions or more. Let’s say your overall

site CPM for this forum is \$1.25. If you are able to lift it by a very small amount, \$0.10, it means an extra \$500 for that month. Think of this on a much larger scale, at 20 million monthly impressions, and lifting by \$0.10 leads to an extra \$2,000 in revenue.

Ad Serving and Optimization

When it comes to actually serving ads, you need to make sure that you have a fast ad server. It may sound silly to suggest that your ad server needs to be fast, as that should be common sense and something each ad server does well. However, you would be surprised how slow some are. It is probably best to use a third party ad server and not try to serve your own ads. You can certainly serve your own ads if you really want to, but most people should think of ad serving like they think of web analytics – it's best left to those companies whose sole job it is.

Steve Souders, the man who wrote the book on web performance and who is Google's lead performance expert, did a study of third party "widgets" and how they affect page load times. He published his findings in his "Performance of 3rd Party Content" report, which includes some of the companies that have been mentioned in this chapter. One of the most surprising findings was that Google AdSense has a big impact on your load time. Granted, though this is a comparison of ad networks and not ad serving companies, it does illustrate the importance of speed when serving ads. This isn't to suggest that you shouldn't use Google AdSense, but you should consider the impact that it has on your page load.

While some ad networks will also offer you ad serving technology that you can use optionally, there is a difference between ad networks and ad servers. These platforms are dedicated to serving your ads quickly, allowing you to easily (once you have progressed past the learning curve, in some cases) manage your inventory and view associated analytics tied to individual campaigns and your performance in general. Beyond being a valuable service to both you and your advertisers, they can also help you to maximize your revenue by giving you tools you can use to display the right ads, at the right time, to the right visitor.

For example, let's say that you have a strong following in France. Well, not all ad networks serve France. When a French visitor comes to your forums, you want to show them an advertisement that you will actually get paid for, as opposed to a blank space or some default ad that doesn't earn you anything. Ad servers help you to cater to these scenarios,

which will be important as your traffic grows and you deal with larger and larger advertisers.

[DoubleClick for Publishers \(DFP\)](#), [OpenX](#), [Adzerk](#), [AdJuggler](#) and [BuySellAds.com PRO](#) are among the ad server options, offering a range of pricing and plans, from free upwards.

Ad Optimization

There are entire companies that exist solely to optimize advertising for publishers. The top 3 are [Admeld](#), [The Rubicon Project](#) and [PubMatic](#).

These companies are experts at navigating the ever-changing ad network landscape, real-time bidding networks and ad exchanges. What they do is manage your third party ad network relationships and help optimize revenue from the networks. For example, instead of you trying to figure out when to serve AdSense versus when to serve Tribal Fusion, they will figure this out for you, based on available data. That is something of a simplification of what actually goes into revenue optimization at these companies, but that is essentially what they all do. Each has their own techniques and philosophies.

That doesn't mean that you can't do some optimization on your own. One technique that has worked well is similar to the supply and demand debate that we covered earlier. The less inventory you offer to each network, the harder they will compete for the inventory you do give them. Keep in mind, in order to do this effectively you will need a decent amount of traffic. Not offering enough inventory to a network might render you inconsequential to them. So, you still need to offer them a meaningful amount of traffic. What a "meaningful" amount of inventory actually is depends on your niche, the network and your agreement with them.

The same goes for price floors, which some networks allow you to set. What this means is that you are telling them the minimum CPM you will accept from an advertiser. Price this too high and you might not get any ads. Price it too low and you may be leaving money on the table. Demand will also play a factor here since most networks have constantly fluctuating demand. As with most strategies, you must test out various pricing floors and check the results, not only for the specific network, but also the impact it has on the other networks that you work with.

For example, if you were to give all of your traffic to one network, let's say they serve 500,000 impressions at a \$0.25 CPM. This means that you make \$125. Now, let's say that you set a pricing floor of \$0.50, meaning that any ad campaign that they serve on your

behalf must at least pay you that amount. They can't fill 500,000 impressions at that rate, but they can fill 150,000, which means that they pay you \$75. You have 350,000 left over impressions, which you send to a network that pays you a \$0.30 CPM, earning you \$105. For those 500,000 impressions, you have now earned \$180 instead of \$125. Again, this is a major simplification of the process and it depends on other factors, but this is how it can theoretically work.

Another optimization technique that many larger web properties use is called advertiser exclusion. Advertiser exclusion is the practice of blocking specific advertisers from reaching your website through optimization services like the ones mentioned above and third party ad networks like Google AdSense.

For instance, in AdSense, you can specifically block certain advertiser domains. Let's say you run an automotive forum that is large enough to be a line item on [BMW's](#) ad agency's campaign. That ad agency has two ways of getting BMW's ads on your forum: buying from you directly (since you are large enough to warrant a direct buy) or bidding on the inventory you offer up to third parties like Google AdSense.

Naturally, bidding on your inventory through a third party will be much cheaper for them. So, what you might do, as the savvy publisher you are, is to specifically block them from reaching you on the third party network so that they have to come to you directly. That's called advertiser exclusion. However, just as with price floors, there is a decision that you have to make, regarding the risk and the potential reward. Block an advertiser and you risk them not advertising with you at all and missing out on that revenue.

Alternatively, block an advertiser who really wants to be on your forum and they may come to you directly (and you may make much more from them). It's a fine line. This has worked really well on both large properties and also on some very niche properties that are specifically targeted by advertisers in AdSense. What is important is that you are able to strike a conversation with the advertiser you are blocking and make that direct sale.

As you can see, due to the amount of effort it can take to manually optimize, publisher optimization services can be well worth the cut of your revenue that they take. However, it is always a good thing to experiment on your own so that you better understand some of the ins and outs of inventory optimization.

The Importance of Mixing Different Strategies and Services

You may be wondering what the difference is between selling ads directly and using third party ad networks and optimization services. Why do you need to use all of these different services?

The bottom line is that selling ads directly to advertisers or through a direct marketplace should always net you more money than through third party networks. The simple reason for this is that you are setting the pricing, versus accepting whatever the network was able to pay you. If you do not set your pricing for direct ads higher than what you make through third party networks, then you should change that right away. Ads that you get from third party networks are often referred to as “backfill” or “remnant.” So, what we are really talking about here is priority. Here’s the general flow of priority for most publishers:

1. Direct ads: also known as guaranteed or premium ads, either sold directly to the advertiser or through a marketplace
2. Network, price priority: this is when you optimize based on price from the third party networks. An example of this would be serving ads through one of the publisher optimization companies
3. Network, bulk: this is everything from third party ad networks that isn’t optimized based on price
4. House: this is when you default to in-house ads that promote a feature of your forums or something else that you want to spread the word about. Sometimes publishers will also serve affiliate or CPA ads here

Serving directly sold ads alongside third party networks should be fairly easy with most ad servers. It’s a matter of priority and all quality ad servers allow you to specify an ad’s priority.

Conclusion

When you look at monetizing your forums, the logical first step is display advertising. It is a mature medium, backed by an impressive number of service providers. Whether it is ad networks, marketplaces, servers, optimization services or anything else, there is constant innovation and demand for targeted, qualified inventory from advertisers looking for a quality, deeply engaged audience.

With that said, we’re just getting started. Display advertising is but the tip of the iceberg.

In-Text Monetization

Of all the forms of monetization for forums, in-text monetization may be the most controversial. Not only are you mixing content with advertising, which can lead to concerns about the legitimacy of the content, but it is your community's contributed content – their very words – that are being monetized.

As such, when implementing in-text monetization, forum owners must adopt a strategy that is considerate of their community. However, if it is determined to be appropriate for the audience, this form of monetization can be highly lucrative and relatively simple to implement and maintain.

In-Text Advertising

This type of in-text monetization includes services like [Vibrant Media](#), [Kontera](#), [Infolinks](#) and [AdBrite](#), which work by highlighting certain words on a webpage, usually turning them into links with a double underline. On mouseover, they typically display a larger advertisement that appears in an overlay. These advertisements can include text, images, rich media and more.

They are popular with forums for one very good reason: they pay very well. They tend to charge advertisers on a cost per click (CPC) basis, with clicks sometimes earning publishers over \$2 per click.

The downside is that these services can be unpopular with some end users. The overlays can sometimes be easily triggered by a casual move of the mouse, leading to content being obscured from reading until the overlay is manually closed or it closes of its own accord. It is possible that some of the clicks that generate revenue are accidental clicks by users thinking they are navigating to other parts of your site, or content linked to by other members, as opposed to an advertiser's landing page, and that can lead to discontent and suspicion on the part of your community.

That being said, these companies have been around for a long time and help many websites earn a good income. Plus, users are now largely conditioned to understand the visual cues for this form of advertising (such as the double underlined hyperlink), so they are less likely to feel “tricked.”

In terms of which partner is the best to work with, this is largely going to be a personal choice. They all function well and are reputable. Some have better advertiser relationships in certain geographies, so opt for one that has a strong local presence. However, for forums in the United States, all four aforementioned services have a strong base, so the next thing that you may want to consider is the size of your forum.

Infolinks is particularly popular for smaller sites, so if you have trouble being accepted into other providers due to your size, they are likely to welcome you and offer a very personal service. Vibrant Media and Kontera are larger and compete more aggressively for larger sites. If you have a forum in a niche they are interested in, you may be able to negotiate a guaranteed minimum monthly fee.

The final decision is going to come down to who you end up liking more: it is better to choose a company you feel you could have a better working relationship with, even if they don’t necessarily pay you the most. Relationships, trust and service matter, so pick your partner carefully and look at more than just the raw monthly revenue figures.

In-Text Affiliate Links

This form of monetization is similar to the in-text advertising services that were just described, but it differs in a few important ways. Overlays are optional; when they are used, they usually don’t contain common advertisements, but more objective information, content and price comparisons, often with the goal of informing and driving ecommerce decisions. The types of words turned into hyperlinks differ, too, in that rather than generic words being linked, more specific product and brand references are highlighted and linked to where those products can be purchased.

The main players in this space are [Skimlinks](#) and [VigLink](#), both reputable, venture capitalist-backed companies with loyal customer bases (disclosure: Alicia Navarro, the CEO of Skimlinks, authored a majority of this section).

Both offer websites the ability to monetize existing links to retailers and/or turn product references into links to retailers. These two services can be referred to as link rewriting

and link injection, respectively. You may enable one, without enabling the other. Indeed, some publishers only allow previously posted links to be affiliatized and disable link injection altogether.

In the case of existing links that are rewritten, there is effectively no difference in the end result for visitors. When they click the link, they are still taken to the same page that they would have otherwise gone to. The difference is that now, you will receive credit for any sales generated through that link.

The two companies make money by taking a percentage of the commissions and revenue generated through traffic from your website. In some cases, though, the commissions paid may be higher than you would normally receive on your own, due to increased, negotiated rates. For example, Skimlinks' Preferred Partner Program welcomes merchants who pay publishers a higher commission than they would get if they went direct.

Even so, if you desire, they won't have any effect on manual affiliate links that you may have already put in place on your website. You can maintain direct affiliate relationships and use these services, which will then create an extra layer of revenue you wouldn't have otherwise received.

Forum content works particularly well with these services, enabling conversion rates often double that of normal editorial content sites. The niches that monetize most lucratively are ones with an ecommerce angle to them. For example, forums about consumer electronics, mothering, automotives, money saving tips and sport/lifestyle will, on average, do better than forums covering other topics. This is because end users often visit these forums for advice on purchasing decisions and, as such, may be more willing to click on links pointing to retailers offering products recommended in forum discussions. Subsequently, they are more likely to purchase these recommended products.

Mostly, income is generated on a cost per acquisition (CPA) basis, though some merchants do still pay on a CPC basis. However, because of the dominance of CPA, and because the merchants paying for this traffic often have less margin to play with than traditional brand advertisers, the revenue per click is almost always lower than it would be with in-text advertising networks like Vibrant Media.

Nevertheless, many forum owners still opt to run in-text affiliate link services such as Skimlinks and VigLink instead of (or at the very least, alongside) in-text advertisers, because the service is seen more as an end user utility than an advertisement and, for

some forum owners, that distinction is important to the way their community perceives in-text monetization.

For example, these services will only turn very specific product references into links and the link will be to a reputable retailer that stocks that product. If enabled, the overlay will contain useful price and stocking information, which end users may find valuable as they research a purchasing decision on a forum. This is a very different experience to in-text advertisers, which turn very generic words into links to a specific advertisement. There are some forums that refuse to use in-text advertising, but use services like Skimlinks and VigLink as the experience is less intrusive and more useful to their community.

Use Your Own Domain Name for Link Redirection

In order for services like this to function, links must be passed through a filter that allows an affiliate tag to be added to them, ensuring that credit is given to the proper publisher.

In order to accomplish this, the link must be redirected through Skimlinks or VigLink. The experience for the member is essentially the same. There is no slow down or “you are now being redirected” page. It just takes them to where they were going to go, while ensuring that you receive the credit.

While you may use a generic URL (for Skimlinks, this is redirectingat.com), you are also given the opportunity to redirect through your own domain name (for example, go.yourdomain.com).

This is preferable because it adds trust to the experience. If someone happens to see redirectingat.com in their status bar for a brief second, they may wonder if that was supposed to happen. But, if they see go.yourdomain.com, when they are already on your website, they won't be concerned about an unknown domain.

It is worth noting that this is the only instance where a redirection domain will be seen. Search engines will still see and index the links in posts as they normally would and copy shortcut functionality is preserved.

The Data Offers Value

Another benefit that comes with using in-text affiliate link services is that you have access to reports that unveil useful information about the shopping preferences of your community: what merchants they like to shop from, how much they spend on those sites,

what pages are most lucrative, what days of the week are the most popular for researching purchasing decisions and so on. This information can guide content strategy and inspire additional advertising relationships with merchants that the community likes.

As an example, a well known mothering forum was surprised to discover via Skimlinks reports that a certain merchant was as popular as it was and subsequently reached out to them to establish a banner advertising relationship. In another case, a forum owner discovered how much his community liked to shop from [eBay](#) and decided to create a new section in his forum that encouraged members to post links to the items that they were trying to sell on eBay. Both of which lead us to...

Product-Centric Forums and Sections

In-text affiliate links work particularly well on product-centric forums and this trend has inspired many forum owners to create more targeted product categories within their forums, with the aim of concurrently earning additional revenue and providing users with more focused product recommendation channels.

The example that was just provided, of a forum owner who added a new section for eBay links, was welcomed by the users wanting more attention to their for sale products and was a good revenue earner for the forum, because the owner then received affiliate credit for traffic generated through clicks on those links.

In addition, some forums have created specific sections that encourage discussions about specific products, such as questions and reviews, as they are not only lucrative, but they also rank well on Google and drive quality traffic to the forum. These new product categories have the added benefit of being attractive to traditional advertisers.

Using In-Text Advertising and In-Text Affiliate Links Together

In-text affiliate links can be used alongside in-text advertising solutions, if you wish. Skimlinks, for example, will always respect an in-text advertising solution and give it first choice of keywords, only running on the more product specific keywords rather than on generic words.

Most in-text advertising firms will insist on an exclusive contract and will claim that any other form of in-text monetization breaches the contract. Push back on this. It is fair to say

that you should not use another competing in-text advertising solution at the same time, but there are other forms of in-text monetization that are complementary rather than competitive.

The services are different enough, and as long as the in-text affiliate link service does not interfere with the in-text advertising service, it should not have a noticeable impact on revenues. It should be up to you as to whether you adopt additional services.

Link Format and Styling

When it comes to in-text advertising, it may be tempting to format the links so that they appear as normal links would on your webpage. You should resist this urge and stay with the familiar, standard double underlined link format. It may mean less revenue in the short term, but it will give your community the requisite visual cues to know which links are advertisements and which are not, so they can choose to interact with the advertisement knowingly.

However, with in-text affiliate links, it is not such a critical step. This is because in-text affiliate links generally take a user to a reputable merchant who sells the linked product and is a natural user experience that one might expect if the author of the forum post had linked the phrase themselves.

For example, at Skimlinks, the rule of thumb that is used when deciding if a destination site is appropriate is to ask this question: “Would the user be disappointed or surprised that this linked phrase took them to this destination?” The answer should always be “no.” As such, the default setting for links created by the Skimlinks service is to format them in the same style as other links on that site, as they are more informational than advertising. However, forum owners can edit the link format if they wish it to appear in a different style, providing a visual cue to their community that these links are being automatically injected by a third party.

This can have a further positive impact, in that by drawing attention to these informational links, end users may choose to interact with them more than if they appeared to be just another normal link on a page. The decision depends largely on your site’s content: if the site is very ecommerce and product focused, it is recommended that you use the default link format.

Link Density

It is worthwhile to experiment with the number of links that you monetize per page. This is especially true for in-text advertising, but can also impact affiliate links. Your community will accept that you need to make an income from your site, but if you push it too far, your site's reputation for integrity may suffer and you may alienate the active members of the community.

For some content sites, this is a compromise they are willing to make, as they make most of their income from search originating traffic, rather than regular members. But, for forums that rely more heavily on a loyal and active member base, your aim should be to balance income with the comfort levels of your community members.

If your forum community is incredibly sensitive to any form of in-text affiliate links, try using the lightest link affiliatization option offered by your chosen service. Skimlinks Lite, for instance, is particularly useful for sensitive communities as it only turns actual merchant names and unlinked merchant domain names into links. This means that the word "eBay" is linked to ebay.com and the unlinked written phrase "ebay.com" is turned into a hyperlink.

This approach is the least objectionable, as there is no interpretation of product phrases and the destination site is unambiguously going to be the homepage of the highlighted merchant. This approach can still yield good returns to the forum owner and is unlikely to cause offense to even the most sensitive of visitors. It is recommended that richer settings are first adopted, with regression to softer settings only once community reaction has been gauged and measured against monetization requirements.

Tailoring Integration to the Type of Visitor

Although it is very simple to enable these services across your entire forum, in some cases, the situation merits more selective deployment. Let's run through some scenarios.

If you charge a membership fee for certain membership levels, or you have a very loyal but demanding core member base that you rely on for driving most of the content creation, you may want to consider disabling in-text monetization, or a certain portion of it, like link injection, for those members. Link affiliatization, where you are given credit for existing product links posted by your members, is not particularly intrusive, so you may want to

continue to run it across the board. However, if those members are also very sensitive to that functionality, you may want to disable it.

Next, if you have a very large casual user base, perhaps mostly originating from search engine result pages, you may want to consider only enabling the link injection part of the service to non-logged in or search originating traffic, as you want to create an incentive for your end users to join as members and return of their own accord.

Finally, some forums enable link injection services only on posts that are more than a week old, so they monetize them only once a majority of their page views are likely to come from search results rather than monetizing the content when it is fresh to the community.

All of these settings are aiming for the same thing: to minimize the advertising impact on active members of the forum. However, another option is to just allow your members to opt-out of the service individually, either by going to a link or through a setting on your forums. The company that you use will be able to help you with all of these customization options.

The ultimate decision is going to be based on the sensitivities of your most loyal community members, but note that given a choice, everyone would prefer to not experience any advertising at all, so you may need to make a firm decision. As long as it is coupled with an explanation and disclosure on your part, the majority of your community will likely accept the adopted service settings.

Ensure That the Right Content is Monetized

If you allow them to, some in-text providers will attempt to monetize every single word on your website, instead of just in your posts and other relevant content. For example, if not properly integrated, a word in your navigation or copyright statement might be monetized. This looks odd and inappropriate.

You want to be careful to avoid injecting links into member signatures or personal profile content, which will lead to confusion. When dealing with link injection, if possible, you should limit the areas of your site that can be monetized to your text-based community content.

Inform and Empower Your Moderators

When using an in-text monetization service, it is critical to inform your moderators about the service, how it works and how it is set up, so they are prepared to answer the questions that invariably pop-up in forum posts, especially if you have a feedback forum.

They can then easily answer questions, calm a vocal dissenter and escalate any issues to you as they arise. Encourage them to step into discussions about the service if they are heating up and address misconceptions. There have been cases where moderators did not step in to address wild misconceptions about the service, which led to a vocal minority becoming a vocal majority and the service had to be temporarily disabled even though it was operating correctly and unobtrusively.

Moderators can also be encouraged to initiate product centric discussions, which can be incredibly popular with community members, index well on search engines and be quite profitable.

Audience Considerations

How well in-text monetization will work can depend heavily on the type of community you manage: their sensitivities, their attitudes towards monetization, their sense of ownership to the site's content and so on. It is important that you have a solid understanding of your community or else share this fine-tuning process with your moderators or trusted key forum members, as they are best placed to predict how your community will react to each service setting.

We learn by experimentation. As you experiment, you will receive feedback. Consider it, balance it against other perspectives provided by trusted moderators and members and make changes based upon what you feel is right for your community. There is no one path.

Disclosure

When you are utilizing in-text monetization, disclosure isn't an option. It's a requirement.

The most successful implementations of in-text affiliate links are usually preceded with the forum owner publishing a disclosure post, which explains the service they are installing, why they are doing it and the principles that will govern its application. These

posts tend to be appreciated by the community and set the tone for an ethical use of a service.

As mentioned earlier, there will always be a very vocal minority who categorically dislike advertising of any sort, which must always be weighed against other factors. There is likely a quiet majority who understand that a forum requires an income to sustain itself and will respect the forum owner for explaining the new service openly and honestly.

At the very least, you should have a disclosure page with these details, which is linked to from the rest of your community. If you want, this can also be accompanied with an opt-out switch allowing the individual user to opt out of being served this form of monetization from a particular service. The service that you use will be able to provide you with more information on this function.

If the party collecting the revenue is also reviewing or endorsing products or services in the forums, it is also necessary for the reviewer to offer in-line disclosure with the review, mentioning the fact that sales generated through relevant links in and around the review will lead to them earning revenue.

Even though disclosure is vital for in-text affiliate links, those who use in-text advertising should also disclose their use of such a service.

Conclusion

As you can see, although there are some considerations to make to ensure in-text monetization solutions are installed optimally for your forum community, the returns can be high with little ongoing effort or maintenance.

With a little analysis of the reports and data given to you by service providers, you can encourage your moderators to initiate and engage in product-centric discussions and can add additional sections to your forum to cater to this popular type of discussion, thus leading to even greater returns while at the same time creating content that indexes well on search engines and can drive high quality traffic to your forums.

That said, it is important that this thirst for easy revenue is tempered by a respect for your community, especially the members who are responsible for much of its content and ambience. It is worth making less revenue in order to achieve a balance between yield and continued, quality engagement.

Classified and Thread Based Advertising

When you run a successful online community, especially one targeted at a particular niche, you will have no shortage of people who want to reach your audience, in order to sell them something or put a service in front of them. This may be big business or it may be a one-off sale, perhaps the sale of a used item that the seller no longer needs.

Some of these people will spam your site. But, a percentage of them will want to reach your forums in a legitimate way, by advertising with you.

Unfortunately, many of these people will not have the budget to be able to afford a standard display advertisement. In some cases, it may not even make sense. If you have a piece of exercise equipment that is worth \$100, you wouldn't spend \$100 on a banner ad. But, you might spend \$5 or \$10 for a thread in a special classified ad section on an active fitness community targeted at your geographic region.

This is where classified and thread based ads can be powerful. These micro ads give people a legitimate way to reach your audience that is within their budget and while they may not individually sell for a lot of money, when you are selling enough of them, they can add up to a substantial amount.

Classified Advertisements

Have you heard of [99designs](#) and/or [Flippa](#)? 99designs is the leader in crowdsourced design services and Flippa is the largest marketplace for buying and selling websites. When you look at these platforms and see how many listings there are, understand that each listing is purchased and eye-catching upgrades, like a bold font or highlighted listing, cost extra.

Would you believe that both of these popular, profitable, standalone companies began as individual forums on an established community? Well, they did. They were both borne out of the [SitePoint Forums](#), one of the largest web development forums in the world, which had added a forum for website sales and a forum for design contests.

They had a great audience of web developers, web designers, programmers, online marketers and web professionals that people wanted to reach. But, for someone advertising an inexpensive service or selling a website or a domain name, it wouldn't usually make sense to buy a traditional advertisement. To satisfy this demand, they eventually launched the SitePoint Marketplace, a set of individual forums that basically served as a classified ad section built right into the community. Each ad posted in it was a forum thread.

Posted in the regular forums, this would have been spam. But, in this special, dedicated section, it was completely acceptable. They charged enough to make it worthwhile, but not so much that it was unaffordable, ensuring that it was a solid value. New threads ranged in the vicinity of \$5 through \$40 or so.

Individual forums were matched against the demands of the community. Beyond design contests and website sales, there were sections for selling your domain name, web hosting deals, advertising sales and more. This increased revenue without adding additional display ads onto the website.

It was also a value-add to the community, as well, because they were targeted, offering visitors the types of things they were likely to be interested in. The effect was less, "Hey, that's an ad!" and more, "I might actually want to buy this." If it had been a haven for any random advertisement, for products that made no sense within the community, it would not have worked.

These sections grew to be so popular that, eventually, it made sense to spin them off into independent businesses with their own management and staff. Pricing changed, based on demand, and they added a number of ways to accessorize and enhance listings, leading to a slew of value-added services with additional costs attached. While there were plenty of iterations from being an individual forum to becoming a dedicated platform, that is the simplified story of their beginning and where they are now.

In addition, SitePoint also runs the smaller [SitePoint Market](#) for ads that don't quite fit within the two spin-offs. In this section, the listings are free, but there are a number of add-on services that cost extra.

The best thing about this model is that it can work for anyone, as long as they have an audience that people want to reach. Instead of thinking about how you can sell a few ads for a high price, think about how you can sell a lot of small ads at a more affordable price. You do not need to be as big as SitePoint for this to work. Depending on your niche, it can take many forms, such as:

- Products and services
- Used goods
- Job listings
- Conference and event listings
- Directory of companies and service providers that serve your niche

These are just a few examples. Whatever your community is about, there are probably a lot of goods and services that relate to it. Because of that, there are likely people who would be interested in advertising, if given an attractive platform that is a visible part of the community and not an afterthought that no one ever looks at.

Advertisement Threads and Sponsored Content

Beyond a dedicated section for classified-style advertisements, a thread can itself be a paid advertisement on your community. Since a forum post can contain text, images, embedded video from sites like [YouTube](#) and more, it represents an opportunity for a more detailed, engaging type of ad than would usually be contained in a standard size display ad. One can also set a thread title to entice people to take a look.

Unlike a thread or post in a dedicated classified ads section, an ad thread will usually be a thread posted within one of your regular discussion forums. In order to draw more attention to it, you can stick it to the top of the individual forum thread list and, perhaps, tie it into a sponsorship of that forum, in order to offer more value to advertisers and to be able to command a higher price.

Unless your community has very low traffic, selling an ad thread for \$5 to \$20 probably doesn't make sense. Instead, price your threads in relation to the other advertisements that you sell, adjusting the cost based on the anticipated views.

Since there is sometimes more attention given to a thread when it is first posted, you may want to offer a small discount on renewals, as long as the advertiser is keeping the same

thread and is not allowed to post a new one or bump their existing one. Generally, the term of the ad should be at least 30 days.

Speaking of expiration, you should determine whether or not a thread will be removed from your public forums once the time frame that the advertiser paid for has run out. If you plan to leave it up indefinitely, you should charge accordingly and may want to opt for a one time flat payment versus a monthly plan.

You can leave the thread open to replies; just make sure that the advertiser is on board with it and that they know that it will be treated like any other thread. Due to potential moderation headaches, and the possibility of it being bumped over and over again, it is sometimes a good idea to close the thread. But, every community will be different and there may be value in leaving the thread open, for both your community and your advertiser.

It is up to you what limitations you want to place on the advertisement itself. Perhaps you want to limit it in size by number of words or characters or limit the number of images or types of content that can be displayed. It comes down to what works best for your individual situation.

Since it is just a thread, it is very easy to sell ad threads on your own. The primary company working in this space, serving forums specifically, is [PostRelease](#).

Disclosure

When you are in a dedicated section for advertisements or for classifieds, which is clearly labeled as such, you know what to expect. If that is what you offer, the organizational or taxonomic system that you create for those threads likely discloses that they are, in fact, paid for.

But, when you sell an ad thread and it is listed amongst regular threads started by your members, disclosure is imperative. You need to make it clear that what is being read is an ad. Here are some suggestions:

- Give the thread title a prefix (like “Advertisement:” or “Ad:”) or a suffix
- Include a line of text in the post with the ad, at the top, at the bottom or both, saying that it is an advertisement and has been paid for. Try not to make it the smallest font possible! You could also use a graphic for this

- If it is possible for you to set a specific thread type that has an icon next to it, when viewed from the individual forum or search results, set a specific thread type for advertisements
- Post all advertisement threads from a specific, designated account that, in its signature, notes that the post is an advertisement

By putting some or all of these strategies into place, you'll be making it clear that the thread in question is an authorized ad and not a natural conversation or spam.

Effect on Moderation

Here's a side benefit that you may not have considered: these sorts of advertisements and dedicated sections can lighten the moderation load placed on you and your staff.

Let's say that you have a section where you allow people to advertise for free. Maybe it was a good idea at first, but now it is out of hand and it takes a toll on your moderators, who have to sort through it, make sure people are respecting the guidelines of that section and, possibly, approve new threads.

Putting a price on those advertising threads, even a low cost of \$5, will help sort through the mass of posts and cut down on the noise, while also supporting the community financially.

Some people who spam aren't doing so with that intent and, given a dedicated area in which to advertise, would willingly put their thread into it, which can be beneficial for everyone.

Conclusion

There is great opportunity to be found in classified ad style forum sections. They allow you to offer a form of advertising that is accessible to most people, as opposed to standard advertisements that tend to be higher priced and limited to parties with a budget for them.

Meanwhile, advertisement threads allow you to offer advertisers deeper integration with your community, whether it is a standalone campaign or part of a larger ad buy that blends with traditional advertising.

As long as you have the audience, keep it targeted and make sure that people know that they are looking at advertisements, these options are definitely worth exploring.

Sponsored Brand Placement

If there is one big benefit social networks brought to forums, it was probably traffic, but a close second, and certainly the most important business change, has to be the breakdown of business perception and removal of the stigma around community and engagement. Forums are perhaps the oldest online format for building community, but with the advent of the mass networks, brands are just now starting to understand that marketing engagement is better than banners and affiliate links alone. Thus, we have seen the rise of integrated programs.

Integrations have had their own stigma with forum owners and users: fear from having to fill the community with spam or bend the rules to get the business on board. Indeed, brands are worried about forums spiraling away from them. Some see a medium where they have no control and push for more than would normally be allowed. But, that doesn't mean the forum has to bend. In fact, the best thing a forum owner can do is help a business thrive within the confines of the community environment.

Almost all forums are rooted around an activity or interest which has products and/or services that are already a point of discussion. Bringing a brand into a forum is about finding a way for that brand to add genuine value to the existing dialogue and, when done right, it is the best way to truly drive value to the business in both profit and engagement.

Whether it's having a brand representative on site to answer questions about the latest product, help with a service issue or provide samples to interested members, as you will see in the next few pages, a campaign can maintain the right barriers while being useful to the entire audience.

In this section, we'll be covering some of the more popular and relatable examples of sponsored brand placement which will help to give you an understanding of how it can work, enabling you to partner with brands to build custom solutions that both work for your community and deliver value to everyone involved.

Sponsored Sections and Brand Specific Forums

While many forums already have areas related to products or services, these are generally kept strictly non-commercial and for good reason. But, many questions asked are about commercial decisions: what does XYZ offer, how much will it really cost, who sells it and so on. The questions are already there, but the format to let the brand respond in an acceptable way is often not.

While you can create a framework to allow companies to safely answer questions about their products, you may have an opportunity to integrate them more deeply by creating a specific area on your forums within which a brand can host a dialogue on the questions users actually have, ask for feedback and perhaps share interesting updates, as opposed to just broadcasting press releases or details on the latest sale. Knowing the brand will respond and allowing the brand to know that they can respond, not to sell, but to educate, is a win-win.

For some communities, it can be such a win-win and a value add that it may not make sense to charge for it, because brand representation adds value to your community and can keep members coming back. That said, depending on the level of integration and sponsorship tied to the section, your feelings may vary. The value that a brand can derive from the interaction, the access to your audience and the ability to remain at the top of their minds certainly has monetary worth.

In other words, they'll certainly be making money from it, so it makes sense for you to charge for this sort of deep integration.

Think of branded forums as your entry level engagement program. Every advertising campaign will benefit from one and having one makes advertising work that much better. Since you're talking about conversation, this shouldn't be a month to month arrangement. You'll want to set a pricing structure that encourages a long term commitment through a discount or by offering the service in 6 or 12 month options.

Sponsored Membership Levels or Accounts

On the topic of brand representation, just like premium memberships on a forum, you may be able to offer brands a special professional membership, where they pay a monthly, quarterly or perhaps yearly fee to have an account designated in a certain way.

You could give them a special badge indicating that they are a verified or professional account. They could also be offered enhanced abilities on the community, like more private message space, an advertisement in a dedicated area of the forums, a spot on the list of verified or professional accounts, deeper analytics on the forum to do with mentions of their brand or other keywords and any other reasonable benefits that you can think of.

Participants receive greater exposure and the benefit that comes with publicly stating that they support the community. But, they also should respect the guidelines of the community and any specific instructions that you have given them. If they don't, you should make it clear that a pro-rated refund will be offered.

For some communities, the benefit of having official representatives, and marking their accounts as verified, may outweigh any potential income that may come from charging for it. Members like to interact with company representatives and receive answers to their questions. Even so, you could offer two separate programs: one for verified accounts and official representatives, which is free, and one for professional supporters, who pay to support the community and are clearly recognized as such.

You can also offer additional benefits, as you might do through a premium or supporter membership program. We'll discuss these benefits in greater detail in the Premium Memberships chapter of this book.

Product Review Programs

When a brand has a new product, they want to spread the word about it. If they are doing it the right way, these are through honest efforts that aim to drive initial conversation from influencers and seriously involved participants, like those in a forum. But, one of the chief difficulties that they face is they often must wait for enough people to buy the product on their own before they begin to see any discussion about it. Consequently, a new launch tends to be more questions than answers on the forums.

By developing an in-advance or at time of launch seeding program, brands and community administrators can work together to invite the community at large to review the product with members briefly applying for the opportunity to try the product at length and write a review in a specified area.

Screening is done to ensure those that receive a sample are active members, as opposed to those just signing up for a freebie. They don't have to be advocates. In fact, it's often better

for the brand if they have some negative impression going into the review, as a positive from them will be even more valuable. While the product is free to the participant and is always disclosed as such in any comments they make, the opinions remain entirely that of the member. Honesty must be encouraged at all times.

By scaling the program up to dozens of members, or even hundreds based on the value of the product, any minor biases for or against the brand are removed, as is the “but it was free” perception. What the community gets is immediate insight into a new item or service while also knowing that they’re valued to businesses in the field and seen as influential. It improves the member experience and their perception of the community and potentially saves people a few dollars.

It is important to note that, for both ethical reasons and to comply with truth in advertising rules, discounted or free product reviews should always include a disclosure of the relationship. Part of your management of such a program should be to make sure that this happens.

There are always two elements to a product review program that benefit the brand: promoting the opportunity and the exposure of the reviews. While more products does mean more users get a direct benefit, consider charging brands based on the size of the sample, as that’s where you’ll find the exposure increase, in addition to the time it takes for you to help select members and moderate the process.

Though these sorts of programs are often designed for a specific product and moment in time, you can bundle multiple instances together for brands looking to promote multiple products or lines of products over the course of a year. This is also a prime opportunity to suggest a larger media play as brands will want to maximize the attention gained from the program.

Focus Groups and Panels

Companies spend billions on research to find someone “like” their customer while forums already have the actual customer that they can engage with. The opportunities for learning are huge.

Research programs can vary widely from on-site Q&A to real-world events, but it almost always starts with an open invitation from the brand, soliciting a response. The goal of course is to find willing participants (again, this isn’t openly polling members on the

forums) as well as to show the community how important their feedback is to the brand. A handful of participants are selected and invited to respond to a new product, service or just to talk about the brand's existing perceptions and opportunities.

In keeping with the spirit of a community, research encourages the group approach, giving people a chance to discuss not with the brand but with each other, to see how their comments impact and change perception within a small circle.

Compensation to participants is common but not always required. The more progressive the company, the more open the program tends to be and, at times, less about lengthy research and more about letting a clearly recognized brand manager into the right area to ask questions and solicit a wide variety of responses. If the brand comes back after the fact to show the impact of the comments, it makes things that much stronger for the next round.

Research sits at the top of the funnel as there's no visible community involvement and the requirement on each member can be time consuming. As such, you'll want to design your program to cover the exposure associated in recruiting for the research, moderating the forum and/or questionnaire and of course the access to your member base. Advertising will not have as much of an impact on this sort of program, but, after the results are in, it's generally an easy upsell as it becomes clear just how much influence your community brings to the brand.

Conclusion

Creative brand integrations move beyond traditional ads to offer more customized experiences that allow companies to interact with your member base in a way that is respectful and, hopefully, provides value to all parties.

The goal of any successful brand integration is sticking to your guns and not selling the forum short with any sort of "you pay, you play" methodology while still allowing the brand the chance to engage in an acceptable way.

By making the entire process transparent, you help to ensure a campaign that respects the integrity of your community. It's very plain: this is the brand, this is the brand area, this is an invitation for an honest opinion – not a paid positive – and, consequently, the program provides value back to the community as well.

Affiliate Programs and CPA Networks

Most affiliate programs operate on one simple principle: you sent this person to us, they completed this action or spent this amount of money and, in turn, we will pay you a flat rate or a percentage of what they spent.

Though some affiliate programs may pay on a cost per click (CPC) basis, most pay on cost per action (CPA) and the most popular action is, unsurprisingly, the act of purchasing or spending money. There are of course other valuable actions, like lead generation – for example, you sent a person to our website and they filled out a contact form or asked for more information.

It's not always about immediate action. Through the use of cookies, many programs will give you credit if the person makes a purchase within a specific period of time and you were the last to refer them to the merchant. This holds as long as the person you are referring has cookies enabled and returns on the same device that they initially visited on, since cookies don't transfer between devices.

Some affiliate networks also call themselves CPA networks, but some prefer one label to the other. They share plenty in common, but CPA networks are often more focused on lead generation than sales. Pure CPA networks are often less restrictive in some of their program policies and usually offer less direct access to merchants or advertisers.

Even so, when it comes to strategies, there is a lot of overlap. For this reason, and for simplicity, we'll stick to the "affiliate network" title for this chapter. But, what is said will almost always apply to both network types.

Though it can take some additional effort, for some communities, affiliate relationships represent the most lucrative form of monetization. Your level of success will depend on

your community, your identification of the right programs and how well you integrate them.

Understanding the Value of Your Traffic

In the early days of ecommerce, most people transacted quickly, in just a visit or two in less than a few hours. As a result, attributing one source to a sale was considered a fairly safe bet and many of the advertising models we use today, including CPA, were developed. However, things have changed dramatically and, as a community, understanding your role in the conversion chain is essential.

Today's online shopper typically takes over 26 hours before making a purchase from a given store. People surf at work, at home, on mobile devices and elsewhere, leaving behind "cookies" right, left and center. And while ecommerce grew to an estimated \$188 billion dollars in the U.S. in 2011, it is assumed that direct influence on offline sales is more than 5 times that. Many people simply want to walk into a store. Multi-channel attribution reporting is in its infancy, so if you're only making money by being the last stop on the train (the final click before a purchase), you're giving away a lot of your value.

Forums by their very nature are highly utilized for validation, research and opinion, but forums generally are not purchasing gateways: that is to say, people will visit a forum at length to read about a product's value, reputation and differences and to get a "person like me's" opinion, but may not be as likely to click off to make a transaction right away. This is especially true if the discussion centers around the product itself, more so than on where to buy it or on providing links to places it can be purchased.

Instead, people may go elsewhere compare prices or to look at different models, which lead to them giving search and shopping sites the credit for the sale and not your forum. Similarly, members may develop an interest in a particular product or service after weeks, months or even years of exposure from other participants talking it up. This can lead to a low CPA. But, as centers for user controlled opinion, the impact of your forums on validating a product and even creating initial awareness, or positive perception, cannot be overstated.

Ideally, if you have the value to offer, your strategy can involve direct negotiations with advertisers where you can sell a more hybrid program or, in the event that CPA is the only card on the table, receive a higher than typical payout rate to compensate yourself for the value your community is creating beyond direct, tracked sales.

One way to strengthen your case is to find a mid-sized or small company that's looking to advertise and partner with them to create a case study on the life provided to their brand, not through direct sales but overall, after a program is put in place. From clicks to sales increases to social chatter and mentions, you can create a matrix showing the different types of sales, retention and brand increases that you deliver, which you can then use to convince additional advertisers of the value that you have to offer.

Many communities are not yet in a position to accomplish this. Even if they are, affiliate programs can still be a great source of additional revenue.

Finding the Right Affiliate Programs

The number of affiliate programs is staggering. If you are new to them, you'll be surprised. Huge companies have them and tiny companies have them. Though virtually all large online retailers offer them, in addition to many smaller ones, it goes way beyond just the companies you'd traditionally consider a retailer.

For example, [American Express](#) pays large bounties for new credit card applications, [Ford](#) compensates affiliates for visitors who request a quote on a new car and [TurboTax](#) also pays for new customers. No matter what your community is about, there is likely to be a large selection of affiliate programs that will resonate with your visitors. Your goal, then, is to find the ones that work best for you.

The way that one program operates may vary widely from how another does. This can include the amount of products offered, the tools that they provide you for using their program, the payment structure and how much they pay you.

Though it may seem easy to gravitate toward the programs that pay you the highest rate, being blind to other factors is a mistake. It doesn't matter if someone pays you a 50% commission if it is on a product that your audience has no interest in. 50% of \$0 is still \$0. Meanwhile, 5% of a product that they love may generate much more revenue for you.

Companies that sell a wide array of products, like [Amazon.com](#) and [eBay](#), will serve a lot of communities well, but it is important to dig deeper and consider the companies that serve the topic that your forums cover. A good starting point is to visit the websites of the companies that you think would do well and the companies that your community routinely talks about.

If a company offers an affiliate program, they will usually mention it on their website. It is often in the footer. They may call it an “associates,” “partners” or “webmasters” program or something along those lines. It may even be hidden behind an about us page. For whatever reason, a small percentage of companies do not even mention it at all on their websites.

Beyond just visiting specific websites, you can also sign up with affiliate networks, which represent and help manage the affiliate programs for large numbers of companies. They can offer you a central location from which you can apply and work with all of the organizations they represent. While the majority of affiliate programs fall under an affiliate network, some companies opt to fully manage their own program.

Some of the larger affiliate and CPA networks include [Google Affiliate Network](#), [CJ \(Commission Junction\)](#), [LinkShare](#), [PepperJam](#), [zanox](#), [buy.at](#), [ShareASale](#), [Webgains](#), [ClickBank](#), [Clickbooth](#), [Neverblue](#), [MarketLeverage](#) and [PeerFly](#), though there are many other players, so you shouldn’t limit yourself to just this list. There are networks dedicated to specific countries and geographic regions and to specific industries. For example, [oneNetworkDirect](#) and [Avangate](#) are affiliate networks that focus on software companies.

Once a member, you can then browse merchants by category and search keyword to find the ones that match well with your audience and apply to join their program.

Integration

Beyond anything else, the single most important factor in the successful use of affiliate programs is how you integrate them. You can pick the perfect programs, but if they are integrated in a half-hearted way, you will receive half-hearted results.

It’s not about filling a page with links and ads; it’s about well thought out, deep integration. The more natural it is and the better it works, the more value it will bring to the community and to you.

When a lot of people get involved with affiliate programs, they start with the really simple things. Unfortunately, that is also where many of them stop. This includes placing manually text links in various locations, like a link to a fitness company in the description of your fitness forum or a link to a book in a thread or article where it was reviewed. They may add some graphic advertisements for the company or add a special page where

people who shop at the given store (or a selection of others) can click on the links to give credit for the sale, in order to support the community.

As individual offers come up that may resonate with your audience, you can promote them specifically, through announcements, posts or even in a special deals section. If you decide to go down that route, you'll want to keep up to date on the latest offers provided by your merchants and networks. But, make sure the offers you share are actually good ones. Mediocrity leads to people tuning out.

These aren't bad ideas, but if you limit yourself only to them, you will also be limiting your revenue.

Use the Tools

When you join a program, take a look at the tools that they offer to you. This may only be some code for text links and graphic advertisements, but some of the larger programs will offer more. Though they may not offer the deepest integration, they are worth investigating.

For example, Amazon.com offers a wide array of widgets. Among them are search boxes, allowing people to enter a search term and be taken to the online store; an MP3 Clips widget, which allows you to display a creative where people can preview albums or songs that you recommend, right from your website and Omakase, a service that allows you to generate standard display ad sized boxes where it lists the products that it thinks your visitors will be most likely to buy.

For auto sites, they even offer an Auto Part Finder Widget, which allows your members to select the year, make and model of their vehicle and find a list of products that are compatible with it.

eBay offers similar widgets. They allow you to generate content boxes of any size filled with eBay listings that fit the criteria that you enter. So, if you run a [Coca-Cola](#) enthusiast community, you can display Coca-Cola memorabilia, complete with images of the products, prices, bid counts and more.

They also offer RSS feeds, allowing you to generate a constantly updating assortment of eBay listings that meet the search terms, categories, prices and more, of your choosing. The feed itself is just text, making it easy for you to display and style it in whatever manner that you want.

All programs offer their own means of integration. You should play with them and experiment to see what works best for you.

Deeper Integration Through APIs

Many affiliate programs offer an API, which stands for application programming interface. The API picks up where the basic tools end. An API gives you direct access to the merchant's product data, which you can then slice and dice for your own use, as a member of their program. You are limited only by the merchant's program and API policies, your imagination, your programming ability and/or your budget for a programmer.

To continue to use eBay's program as an example, there are forums that feed forum related content, such as the title of the thread that you are viewing, to eBay through the API which then returns results relevant to that thread. When a visitor uses the forum search, that search term could also be run through eBay to display a list of relevant products right alongside the relevant forum threads.

The API will likely limit you to a specific number of calls – or connections that you can make – within a given period of time. But, if you are hitting the maximum and have experienced success, the program may be willing to raise the limit for your account.

Of course, this is just a small number of easy to explain examples. If you have the ability and resources to manipulate the API, you can dream up new applications for your community.

For some programs, third party scripts exist that can tie into the API and create a storefront or other presence that you host on your own server. For the Amazon.com Associates program, some of the scripts include [Associate-O-Matic](#) and [Fresh Store Builder](#). These scripts allow you to create your own Amazon.com powered stores.

Depending on the software that you use to power your forum, a hack, modification or add-on may exist that aides affiliate integration. The best thing that you can do to find these is to use [Google](#) and to check out the community resources that exist around your chosen software platform.

Co-Branded Content, Services and Widgets

There are numerous co-branded content opportunities out there for online forums. Depending on the program and the perspective, they may be considered an affiliate

program and may involve the use of an API, or they may not be considered an affiliate program at all. Something might just be referred to as a widget or a form of embeddable content. Terminology varies, but the relationships boil down to this:

We are going to give you this content. You can (usually) host it as a section on your website. Our logo or name will be attached to it, though it may be in a simple, nonintrusive way. We will pay you when someone views it, orders something, posts something or, perhaps, when they do something else.

A job board is a popular example. If you have the traffic, you may be able to host your own job board and keep all of the profits. But, for many communities, it is easier to work with one of the large online job sites, some of which provide great tools.

[Simply Hired](#), [JobThread](#) and [Indeed](#) are three of the more popular players in this space. Though the precise details vary by program, they all allow you to create your own job board, where you can charge what you want for a job posting. They then take a cut of that amount. They will also provide relevant results from the jobs that they already have posted on their network, so your job board never looks empty. Some programs will also pay you for any clicks generated on those backfilled results.

[RevResponse](#) offers a compelling service, especially for professional and technically focused communities. They allow you to offer free publications and white papers to your members, through a co-branded storefront that matches the design of your website. They pay you anywhere from \$1.50 to \$20 per person who orders a particular piece of content. Even though they are paying for leads, the free content they offer is often of good quality.

[nSphere](#) powers directories of local content, which serve as an extension of your website, and gives you a share of the advertising revenue. The [Voxant Newsroom](#) operates on a similar basis, allowing you to create video players with categorized content from major media companies. Just as with nSphere, they serve advertisements and give you a share of the revenue.

These are a handful of examples and there are more out there. Co-branded opportunities allow you to extend your media offering and provide additional useful services and content with little overhead, all while generating additional revenue. As long as the content matches with your community and its goals, programs like this can be a worthwhile addition to your site.

Automatic Affiliatization

When members on your community post links to an online retailer, visitors will click the links and potentially make purchases. But, by default, you won't receive any credit for those sales. This is where automatic affiliatization comes in.

The leaders in this space are [Skimlinks](#) and [VigLink](#) (disclosure: Alicia Navarro, the CEO of Skimlinks, contributed a small portion of this chapter). Both companies offer you the ability to monetize existing links to retailers and/or turn product references into links to retailers.

In addition, they can also help with the implementation of some of the techniques discussed in this chapter. For example, Skimlinks offers an API of its own, allowing you to tap into many merchants through a single API. They also offer Amazon.com and eBay search boxes and product widgets. This can be a time saver for some forums and provide a more centralized location to manage some of these implementations.

Beyond the revenue earned through simple integration of automatic affiliatization solutions, you can also stimulate further revenue by adding sections that encourage product related discussions or even discussions about a specific online store or marketplace, such as a forum where members can share their eBay links or reviews of products they have tried and recommend, as long as a link is included. You will then receive credit for sales generated from these merchant links.

These services, including best practices and implementation strategies, were discussed at length in the In-Text Monetization chapter, earlier in this book.

Disclosure

A good rule of thumb is that it is better to over-disclose than to under-disclose. Being open and honest with your community is important and, if they have faith in you, your members will be more likely to support the appropriate use of affiliate links. That said, the nature and level of disclosure that is appropriate can vary. Let's take a few examples.

The [Federal Trade Commission \(FTC\)](#) guidelines state that if someone is endorsing a product and that person is knowingly receiving money or an incentive from recommending said product, their association must be disclosed within sight of the affiliate link. The legislation can be confusing to interpret, as it isn't clear what form this disclosure should take and it implies that if there is no endorsement or the affiliate link clearly looks like an

ad, disclosure is not necessary. It also implies that if the person responsible for the endorsement is not in receipt of the benefit, disclosure is not necessary either, which suggests that forums and other sites using automatic affiliatization services do not need to disclose affiliate links on posts that they appear in, as long as the author of the post is not receiving any incentive from those links.

However, legal issues aside, it is recommended that you disclose your use of affiliate links somewhere appropriate within your site, for example on a separate disclosure page or in a specific forum post about how you have integrated affiliate links. Being open with your community gives you credibility and allows people to view reviews honestly.

While these principles will hopefully help to guide you toward an appropriate policy, in the end, you know your community best and all disclosure policies should be defined with its best interests at heart. It is also your responsibility to research and comply with local legislation and it is up to you to ensure that you are satisfied with your interpretation of these laws and guidelines. You are legally responsible for your use of affiliate links and this book cannot be construed as legal advice for your specific set of circumstances.

Conclusion

Affiliate links give you the opportunity to capitalize on purchases and interest that your community would already otherwise be generating. They also allow you to create new opportunities by working with brands that your members will appreciate.

Beyond making money, some affiliate and partner programs can help you add useful sections to your website, expanding your content offering, which can lead to more traffic and higher engagement.

Affiliate programs don't conflict with most other forms of monetization. This means that, if you are willing to put in the extra effort, they can be an attractive addition to the revenue that you are already generating.

Product Sales

While many forums focus on advertising for monetization, ads are sometimes inefficient at leveraging the enthusiast member and may, in fact, perform better for a lurker or one time visitor. To drive revenue from the strength of the community, many turn to selling merchandise and apparel, which can contribute considerably to a strong community. It can also serve as a new marketing channel especially with forums that are well connected to offline events.

But, that's certainly not all that you can sell. Though we will talk a lot about branded merchandise, it is important to realize that other products can also do well, whether they are physical or virtual. Some of the strategies that apply to branded merchandise will also apply to other types of products and vice versa. The information shared in this section will give you a strong understanding that you can rely on as you attempt to launch products on your own community.

Branded Merchandise

When it comes to selling products, the place where many community owners and managers start is branded merchandise.

This makes a lot of sense because it is a product that allows loyal users to express their appreciation for the community in a public way. Just as people love and respect various companies and brands and opt to share that love with others, some will feel the same way about your community. Branded merchandise gives them a physical tie to the brand that is represented by your forums.

Unfortunately, there's no surefire way to estimate how much revenue your forum will bring in from merchandise. You can't know what percentage of your active member base will actually purchase a product. It could be 5% or it could be 0.1%, depending on the interest of the audience, what's created and the cost of the products.

Start Selling with On-Demand Services

With on-demand services, you can start selling in minutes. Forums usually start merchandising in this manner with services like [CafePress](#), [Zazzle](#), [Spreadshirt](#) or one of a host of other industry players. These companies allow you to define a set number of products, import basic artwork and customize a storefront but handle all of the actual creation, ordering and fulfillment requiring minimal time and no startup costs. For each product, the store charges a base price and you layer in a commission on top of it, which is your profit.

As these services have grown, they've expanded as a potential source of sales for especially well produced products and now offer dozens of different types of items. Beyond apparel, you'll find products like buttons, key chains, bags, pet products, drinking glasses, stickers, cell phone and MP3 player cases and much more.

While a simple logo will sell some products, putting time and, perhaps, money into more unique and varied designs can significantly improve results. Creativity, humor and bold statements can make for a much more appealing selection that more members will want and want more than one of. Think about content that will be more meaningful to your community. This may include unique catch phrases or themes that have emerged.

If you can get to the point where someone in the street is asking you (in a positive way) where you got your t-shirt from, you will likely be seeing more sales, versus a shirt that looks like it was made on your home printer.

Increasing Margins with Merchandise Runs

This brings us to the alternative to on-demand services. For better margins and increased product quality and selection, consider doing your own merchandise runs. While on-demand services are simple and require literally no set-up or monthly fees, the way that they operate has several drawbacks, which affect your ability to sell and the level of profits that you can garner.

The most significant is the cost of the unit. Since each item is printed individually and the on-demand service is looking to make their own profit to cover the process, the base price of a simple t-shirt can be over \$20. Similarly, while on-demand services have improved significantly since the early 2000s, the technologies used are still fusing printed images with a base shirt: it's decent, but clearly not custom merchandise.

By going direct, you incur the upfront cost of buying 25 to 100 of a given item. The upside is the tremendous advantage that you gain by lowering the cost per unit – the higher quantity that you purchase, the lower it will go. For example, a quality brand men's t-shirt from CafePress, with printing on one side, is \$23 before your commission. With a direct purchase from a screen printing shop like [NDesigns](#), you will pay \$5 to \$6 per shirt on smaller volumes. Because the shirts are done in bulk, you get a true screen print giving a higher quality look and longer durability.

In addition, there's a much wider selection in quality and style available to you: on-demand services may offer a few different varieties of an item in a similar number of colors, but, with direct runs, you can pick from dozens of base products, from cheap generics up to premium brands in every possible color. You can opt for embroidery, instead of screen printing, and even work with specialty gear like outdoor and water sports clothing from a company like [Chammyz](#).

Looking around, you will find hundreds of promotional item companies both locally and overseas who can make everything from pens to t-shirts to mugs. Deciding on whom to go with is as much about the item as it is the vendor – t-shirts, stickers and high quality products require a strong vendor and relationship while a black and white logo on a pen may be something that will require less concern.

The difficulty with direct purchasing is in the cost, mainly the capital to get a wide selection of items, styles and sizes. This requires forecasting what will sell, which can be done to a degree based on who the audience is and what has been requested. Opening a thread on your forums and asking never hurts, but you always end up with more requests in one area than you expected and less in another. The more you can invest, the better the return for you and the better a deal you can offer your members. Whereas with CafePress you may have charged \$29.95 to make around \$7 per shirt, with a directly purchased shirt at \$7 you can charge 20% less (\$24.95) and still take home more than twice the profit (\$18).

Your goal is to limit your risk while still offering a fair price, so turn limited quantities into a selling point by telling your members you only have a few of any given product in and driving up the impulse to act. If there's significant interest, you can step things up.

Going direct requires more than just investing in inventory. Chiefly, you will be responsible for developing and maintaining a storefront with a corresponding payment solution. There are different ways to tackle this challenge. You can install an open source shopping cart

like [osCommerce](#) or [Magento Community](#) alongside the forum. However, these can be overly technical and can have a high learning curve. So, you may want to consider a remotely hosted service like [Big Commerce](#), [Shopify](#), [CoreCommerce](#) and [Volusion](#). While these tend to come with monthly costs, the launch time is minimized and interfaces, payment processing and even shipping integration may already be tackled.

Aside from the cart, payment and support, you will have to handle shipping. For a community with a few owners, this can be a good way to divide work between technical and non-technical partners. While it's possible to simply drop items off at shipping stores, packing and pre-paying postage tends to bring the costs down dramatically, so consider working with [UPS](#), [FedEx](#), [USPS](#) or your preferred partner directly to secure volume rates and free boxes through their small business program.

Forecasting inventory and establishing a minimum break-even point is the most critical step to reducing your risk. By factoring your margin and volumes with an on-demand service, you can understand how much initial inventory you are safe in ordering. For example, if you sold 50 shirts at \$29.95 on-demand and wanted to order 50 shirts to sell for \$24.95 direct at a base cost of \$7 each, you would have to sell just 20 shirts to cover the \$350 that you laid out for the entire run, which is much safer than trying to duplicate your initial 50 sales. Of course, selling all 50 would net you \$540 in profits (before merchant and store costs), versus \$350 from the on-demand option.

This approach can also help cover the cost of “freebies” – or your own gear. For instance, on-demand stickers cost \$3 to \$5 depending on the service but even full size bumper stickers cost less than \$0.75 when ordered in quantities of 1000 or more. This means that if you sell just a third of the inventory at \$2, you will cover the cost and leave yourself with hundreds of stickers for events and promotions. On that note, here's a small tip: smaller stickers sold on sheets can be under \$0.15 each, which is great for inserting with orders or at events as a cheap promotional item.

In the end, taking a hybrid approach may be the safest bet. Since much of the success of a forum shop comes from user loyalty and showing off the brand, consider starting up with the on-demand model to validate interest, sizes and styles. Based on the results, you can then better forecast the amount and types of direct products to invest in, reducing the risk of holding high inventory quantities that don't sell quickly enough. Your goal is to sell everything in as short a time as possible – weeks over months, months over years. In addition, the revenue generated from your first store can cover the costs of the initial run,

shopping cart, payment providers, etc., allowing you to take safe steps from nothing to on-demand to merchandise runs up to your own full line.

Moving Beyond Apparel and Branded Items

While the requirements vary widely by the type of site, most niches have a fair number of low cost, brandable items which serve a real function. If you have the right mix, there is a lot of opportunity and value to be found. For example, laptop cooling stands for a computer forum or dive tank holders for a scuba community. Both serve real world needs which lead to them being used while also being site specific and tapping into the community spirit, as opposed to just selling generic gear.

The vendors and manufacturers that you can work with are very industry specific, but it really boils down to looking at who makes the stuff you think would be affordable and brandable. In many cases, they'll work with you on custom versions. Sometimes you can get leads from stores that have their own versions. Since it is branded merchandise, people don't tend to keep it a secret, whereas a proprietary developed item just for them is going to be harder to find a source for.

While the cost per item can be high, the direct route once again will allow a partial number of sales to cover the entire run. Furthermore, because these items are useful in their own right, sales often come from members who are less attached to the community. In addition, they can offer upsell opportunities for anyone who is buying a t-shirt.

Of course, before you run off to build your own tablet computer, it is wise to sell branded gear and really look at the response and interest to gauge where to go next. Everyone says they'll pay for something if you make it, but most don't and ordering 50 units of a \$20 product adds up quickly.

In the mix of product sales, don't forget to consider the publishing and hosting of various forms of paid content. This can include physical products like books and DVDs and virtual products like ebooks and educational training programs.

Building on a strong, mature web development community, [SitePoint](#) launched a successful book publishing venture and an educational course system that eventually spun off into [Learnable](#). With enough demand, an interesting idea and/or an industry or practice that people seek expert education in, these types of programs can be successful.

Go Offline for Even Greater Results

It's easy to limit your thinking to the internet, especially since we are talking about monetizing online forums. But, your merchandise does not have to be limited to online sales. For communities that host local events or participate in tradeshow, selling in person can be a great way to cover costs, raise funds and, since there's more impulse in person, volumes tend to shoot way up.

To keep things easy when it comes to billing, try a service like [Square](#), whose smartphone and tablet reader allows small businesses to swipe credit card payments with no upfront or monthly costs and a fairly average percentage fee.

Conclusion

As you can see, with merchandise and product sales, there is a great deal of opportunity for you to bring in additional revenue while offering your members something they have probably been requesting. No matter what approach you take, there are many vendors out there and, by comparing the costs, quality of product and the interest of your members for volume, you can decide on the right path to trek down.

Premium Memberships

Though it may not be true for all forums, there is a good chance that some of your members would gladly support the community financially, if you provided them with an attractive means of doing so. Ideally, this is something that not only acknowledges their contribution but also provides them with value for their money. In other words, it's a win for all.

Premium memberships represent that sort of opportunity. In the Sponsored Brand Placement chapter of this book, we discussed the idea of sponsored accounts for businesses and those with a commercial interest in participating in your community. That is not usually what a premium membership program is about. It tends to be aimed at members, giving them an outlet through which to provide monetary support to the community because they enjoy it and/or they want the added benefits that a premium membership can offer.

There are many forums that offer premium memberships. For a few examples, see [Web Hosting Talk](#), [ScubaBoard](#) and [SeadooForum](#).

Logistics

Using the permissions and/or user groups system of your chosen software, you will likely be able to put premium members into a special group that has specific permissions afforded to that level of membership. But, how do you tie in your payment system, ensuring that members are added to the proper group automatically and are removed when their subscriptions lapse?

While you can do some or all of this manually, that will only add needless work to the process. So, you should try to find the most seamless solution for your premium membership program.

For most, this won't be a default feature. You will want to check out the resource sites available for the software that you use to see if any hacks or modifications exist. There is a

fair chance that some sort of add-on does exist. Failing that, you may want to review available membership or subscription site scripts and look for one that will integrate with your software. [aMember Pro](#) is a popular option that has plugins for many widely used platforms.

The add-on that you opt for will likely define what sort of payment processor you can use. You will want to accept recurring payments, ensuring that your members can automatically keep their subscription up to date without manually sending a payment each time it is due for expiration.

Because you are handling money, you should also define your refund policy. It comes down to what you are most comfortable with and what you feel will work best, ensuring the satisfaction of your members. Some communities offer no refunds. Some offer pro-rated refunds, returning the funds for any unused time periods. Some offer no refunds for banned members, but more flexibility for members in better standing.

To minimize headaches for everyone involved, it may be best to offer pro-rated refunds and to automatically process them in the case of members that have been banned.

Benefits for Premium Members

There are a lot of different benefits that you can offer your premium members. With most communities, as you work your way through the options, you won't want to take away existing features that members already enjoy for free. This can lead to members being more likely to resent the program and may be perceived as a sort of bait and switch. For this reason, it should be avoided.

Instead, look at your premium membership program as an opportunity for members to gain addition features and functionality and increased limitations while supporting the community that they enjoy financially.

Supporting the community is, in itself, a benefit. You can emphasize this by making sure that people know that premium members are supporting the existence of your forums. People like to be recognized and you can showcase your premium members on a special page and/or with a dedicated username color, badge or rank image.

Your community is unique and you know it best, so you are in a great position to come up with custom benefits that speak to your members. That said; check out the list below for some ideas, which you can also use as inspiration as you come up with your own.

- Custom rank titles
- Increased avatar size
- Increased signature space
- Increased space for saving private messages
- Increased file size for attachments on posts or contributions
- Private, premium member only sections
- Exclusive content
- Premium member only giveaways, contests and coupons
- Discounts on community related extras, such as listings in a classified ad section
- Increased freedom in areas of your community that have limitations, such as advertising forums where you allow a member to only make one post for a certain period of time. For example, you could allow two posts in that same period for premium members
- Turn off some or all display advertising
- Physical goods, such as a membership card, stickers or t-shirts
- An @yourdomain.com email address

Pricing

What should you charge? There is no one price that will work for all communities. It really depends on your community, the topic of your community and your members. For instance, a professional community that people utilize in the course of what they do for a living may justify a higher cost than a hobbyist community. Or it may not.

Many communities charge in the area of \$3 to \$10 a month and offer a small discount for yearly subscriptions. Some are more, some are less. Some only offer a yearly subscription and not a monthly option.

Whatever reasonable price you land on, you can always make adjustments later. If you raise your price, you may opt to allow existing members to keep their current pricing for a period of time or indefinitely.

For many, a single premium membership level will work. But, some may find it helpful to have multiple levels with different price points and benefits. Giving people more options can lead to more people becoming premium members, thanks to more flexible choices.

Minimizing the Disconnect Between Premium and Non-Premium Members

One of the biggest concerns with launching a program like this is that it may create a divide on your community, between members who pay for a premium membership and those who do not.

You can minimize this by treating everyone the same when it comes to the management of your forums. The general member guidelines of your community should apply to all members, premium or not. It makes sense that you might allow certain limitations to be raised, like the number of posts per time period in an advertisement forum. But, the guidelines that detail how members can treat one another and speak to the quality and environment of your forums should apply to all.

This should be clearly communicated to members in the messaging that you use to promote the premium membership program. Tell everyone plainly and clearly that the guidelines still apply and that a premium member will have inappropriate content removed, and potentially be blocked from the forums, just like any member could be. You never want people to think that someone can pay for preferential treatment from the staff – nor should they be able to.

This may not need to be said – but just in case, neither should anyone be able to pay for any forum related authority or management oversight. You can't buy moderator abilities, for example. You are supporting the community and receiving recognition and some extra, bonus benefits for doing so. That is what the program has to be about. You will be treated with the same level of respect and expectations, whether you are a premium member or not.

Being a Premium Member Only Community

In this section, we are primarily discussing premium memberships as an addition to a community that allows anyone to participate by signing up for a free account.

But, it is important to note that, while most communities offer some sort of free account, there are communities that are premium member only, requiring a paid subscription in order to view and/or participate in the forums. This can work, but to be successful, they must offer a strong value proposition. There are no extra benefits because you are either

paying or you are not a member of the community. People don't have time to develop an affinity for the forums before they make the leap to premium membership because premium membership is all there is.

This has some benefits – the biggest one being that they tend to be easier to moderate. Spammers tend not to want to pay to spam an individual forum, especially one that is private and not indexed by search engines. There are downsides, too. Search engine visitors represent a big portion of the traffic that many communities receive and if people can't see what they are joining and see how great it is before they make the plunge, it is that much harder to explain the benefits of the community to potential members.

Due to this fact, these premium only communities tend to be launched by well established brands or individuals who have built up a strong network of people who know them and know that they offer value. While the development of friendships and relationships can make people want to stay, there usually must be recurring value in order to get subscribers to stay beyond the first few months of new information and excitement.

This can be done in many different ways. Offering regularly published, exclusive content, articles, interviews and live events is common, as is continued access to experts and respected individuals related to the particular space. If a community is started by a recognized expert, and people register because of them and expect them to answer questions, and then they disappear, that can lead to departures. So, it has to be an active process.

Conclusion

Offering a premium member program can be a great experience, allowing you to recognize members who are willing to make a financial commitment to your forums, similar to how they pay for their newspaper, television, cell phone or internet access – except that they likely have a deeper personal connection to your community.

You can give these members an outlet to support the community, which grows revenue, but also gives them benefits for participation to ensure that they get the value for their money and then some.

It isn't without its potential pitfalls, but with the right discipline and proper execution, it can be a very rewarding way to monetize your forums.

Mobile

If you open your website analytics service and view the stats for the usage of mobile devices by visitors of your forums, you may be surprised. Mobile is growing – a trend that will only continue. The main question that you can ask yourself is: how can I embrace it?

While it is likely that your visitors can view your website in their mobile browsers, that experience may not be an ideal or enjoyable one if you don't offer some form of mobile site. The version of your website designed for desktops and laptops normally won't work as well on mobile phone screens.

This is an ebook about monetization, so mobile design and development is outside of our scope. Instead, we'll be discussing how you can monetize your mobile experience.

Mobile Access and Applications

In order to work with monetization methods that are optimized for mobile, you must actually offer a mobile experience.

There are three main ways to accomplish this. First, you can offer a mobile version of your forums that visitors with mobile devices are directed to. Second, you can release applications for specific mobile operating systems. Primarily, these are [Apple's iOS](#), which is what the [iPhone](#), [iPad](#) and [iPod Touch](#) all run, and the [Google](#) led [Android](#). Others platforms do exist and, if you find your audience using one of them, they may also be worthwhile. Third, your forums can be built using responsive design, an emerging trend popularized by [Ethan Marcotte](#), where your design gracefully adjusts for a web visitor based on the device they are using and their browsing capabilities, including the size of their screen.

If you go down the application route, you can potentially charge for the apps themselves. If all the app does is provide a way of accessing forum content, though, it is more common for it to be free and for monetization to appear in the form of advertising or affiliate programs, which we will discuss shortly. If you bundle additional services and features

with the app, which are unique to the app, it may create a greater opportunity to charge for it. You could also provide a free app that allows you to fully access the forums but then offer paid extras that add additional, valuable functionality.

[Tapatalk](#) and [Forum Runner](#) are popular paid mobile forum apps. They act as a sort of forum directory, partnering with forums and making them accessible via their respective applications. Neither compensates forum owners for app sales, but they do allow for the integration of your own advertisements when your forums are being viewed through their apps. When people go to download the app, it is not your app, it is the Tapatalk or Forum Runner app.

To go deeper and have more control, including the ability to brand your app and offer it for free, you will want to develop your own application. Both Tapatalk and Forum Runner offer white label services and custom development and you can, of course, work with your own mobile developer to create a custom app as well. When you build your own app, you will also be responsible for the maintenance of it, as the mobile platforms change and update, which means additional development costs.

Mobile Advertising

Just as you can sell display ads on the desktop version of your forums, so can you on the mobile version or within your mobile application. We discussed advertisement sales in detail in the Display Advertising section of this book and most of the key principles and details mentioned in that chapter also apply to mobile advertisements.

Just as with the desktop version of your community, you can sell your own ads directly through your own ad server or you can work with advertising networks, which sell mobile ads for you and others and take a portion of the sale, but handle much of the logistics.

There are many mobile advertising networks out there – some work with mobile friendly websites and content, some with mobile apps specifically and some with both. These include [Google AdSense](#), Apple's [iAd Network](#), [Jumtap](#), [Millennial Media](#), [Mobile Theory](#), [madvertise](#), [BuzzCity](#), [Adfonic](#), [InMobi](#), [NAVTEQ Media Solutions](#) and more. [Smaato](#) is a mobile ad optimization platform that hooks in with multiple networks and attempts to serve the most profitable advertisements available to you.

Experimentation will lead you to the best results. Work with different networks to see who offers you the best rates and, if you are able, try to sell your own direct, premium ads, which will allow you to keep more of the profit.

Mobile Affiliate Programs

For the ins and outs of affiliate programs, please see the Affiliate Programs and CPA Networks chapter earlier in this book. It contains the important ideas and concepts that you will need to know to get the most out of this form of monetization.

There is one big thing that you need to know when it comes to your mobile visitors and transactions that may qualify for affiliate commissions: many affiliate programs will not pay you for mobile transactions. In other words, if you plan to utilize affiliate programs as part of your mobile experience, you should pay close attention to the terms and conditions tied to any program that you consider. You will want to make sure that they will actually compensate you for transactions made through mobile devices and applications.

[Skimlinks](#) and [VigLink](#), the primary players in the automatic affiliatization space, can both work well with mobile. But, they are limited to the program's qualifications, as well. If the link goes to a store whose program does not support mobile transactions, you will not earn anything.

Conclusion

As mobile continues to grow, so will the creative ideas for monetization. From what we've discussed here, you can see that what happens on the desktop isn't all that dissimilar from what happens on mobile devices. Perhaps the partners and vendors change, but the ideas and the strategy can share a lot in common.

Monetizing Your Outposts

[Chris Brogan](#), president of [Human Business Works](#), [coined the term outposts](#), which refers to “those social sites where you might consider maintaining an online presence, but where your participation will be split between interacting with people there and guiding them gently to your home base (whatever site you intend your online interactions to focus around).”

Outposts are spaces that you don’t manage or control where you go to maintain a presence or an embassy for your online community. If you have a [Twitter](#) profile, a [Facebook](#) fan page or a [YouTube](#) profile for your forums, these are your outposts.

While outposts will often serve to build interest and traffic, for the sake of completeness to your monetization strategy, you should remember that outposts can also be directly monetized.

That said, not all outposts are equal. Monetization isn’t allowed or appropriate on all of them. And even if it is, it may not be a good idea. You have to consider the particular platform, the tolerance for advertising on it and the type of audience that is engaging with you through that platform.

Monetization Options

Depending on where you are engaging, different services exist for monetization. For Twitter, [Sponsored Tweets](#) and [Adly](#) offer sponsored status updates. [MyLikes](#) does the same, plus sponsored Facebook and [Tumblr](#) posts, as well as brand placement in YouTube videos. Speaking of YouTube, if you actively maintain a channel, you may be invited to the [Partner Program](#), which monetizes your videos and gives you a cut. These are just popular examples; more options and platforms exist.

Of course, you can also sell your own advertisements directly, either by themselves or as part of larger campaigns. Pricing all depends on the number of people following or

subscribing to you on that particular platform and how much traffic and interest that you can generate.

Beyond serving in the stream ads, you can also sell more traditional graphic advertisements and include some form of visual sponsorship through your background image on your profile, your avatar and other means. This is similar to background image advertisements, which are sometimes referred to as takeover ads, on music blogs promoting a particular new album. Obviously, to be able to charge much for that sort of thing and make it worthwhile, you must have a substantial following on the service in question.

As with all forms of advertising, it is important to maintain a balance and ensure you are sharing good content and relevant information and not just showing people ads, so you maintain and continue to grow the interest level on that platform.

Disclosure

When you monetize your outposts, you are usually generating revenue from updates and content that looks similar to the everyday content that you would regularly share. It may not be readily apparent that it is an advertisement. For this reason, disclosure is vital.

You must disclose as part of the content, in a visible way. In other words, when you send out a sponsored tweet, you have to disclose the fact that it is paid for within the tweet. Not on your profile or in a tweet before or after the sponsored tweet, but *within the sponsored tweet itself*. Many people do this by including “Sponsored:” at the start of the tweet or by using an #ad or #sponsored hashtag. A Facebook or Tumblr post would be disclosed in the same way – in the actual post.

For product placements on video, it is standard to disclose at the end of the video, as part of the end credits.

These are general use cases. The appropriate form of disclosure will vary by platform and you are legally responsible for making sure that you properly disclose any advertisements that may be confused with ordinary editorial content.

Conclusion

Since there are many potential platforms out there, it is difficult to speak too specifically. In this section, we covered some of the more popular social sites where outposts are built.

While monetizing your presence on third party platforms may not make sense for many people, in order to understand the full range of your revenue possibilities, it is important that we touched on it. With this information in mind, you can make the appropriate determination for your unique situation.

Conclusion (Thank You)

When [Skimlinks](#) contacted me about this project, they said they wanted an independent work. That's why they wanted me to write and edit it because they knew that my focus would be on value, quality and accuracy, above all else. I would write what I thought was best and bring in great contributors to do the same.

They gave me complete editorial control and everything from chapter one through this conclusion, I am responsible for. No one at Skimlinks saw the work as a whole until it was already written.

I am thankful that they thought highly enough of me to essentially say, "Here's some money, you can write what you want and we can't change it." While they know that I like them, it still takes a bit of courage to say that. A lot of companies would have wanted final sign-off.

Of course, the project wouldn't have worked as well any other way. I've been managing online forums since 2000 and I have never found a detailed resource like this, dedicated to effectively and ethically monetizing online forums. Thank you to Skimlinks, Alicia Navarro, Ted Sindzinski and Todd Garland for helping to make this a reality.

While it is a free ebook, our approach was not the same as how many others have approached free ebooks, which is as a marketing gimmick or a teaser to something bigger. I wanted the work to standalone and to be valuable for years to come, not just for a few retweets. I wanted it to be something people would pay for – and then give it to them for free.

I want you to treat this book as if you purchased it, as if you went to an online bookstore and dropped \$10 on it. \$10 isn't much, but it is skin in the game and when we have that, we tend to look at things a little more critically.

Did this book help you monetize in an ethical way? Did it help you generate more revenue? Did it remind you of strategies you had forgotten? Did it turn you on to new

forms of monetization that you previously did not know existed? If you answer yes to any of these, then we have done our job.

If you have completed the book, I would love for you to review it online or for you to send me your thoughts directly. You can email me at patrick@ifroggy.com.

Thank you for downloading and reading *Monetizing Online Forums*.

Sincerely,

Patrick O'Keefe

About the Author



Patrick O'Keefe is the founder of the [iFroggy Network](#), a publisher of websites. He has been managing online communities since 2000 and is the author of [Managing Online Forums](#), a practical guide to managing online forums, communities and social spaces. Patrick has been responsible for the cultivation of communities like [KarateForums.com](#), [phpBBHacks.com](#) and [PhotoshopForums.com](#).

He has spoken nationally about online community and social media, at events large and small, delivering keynote or solo presentations and participating in panel discussions, via webcast and in person.

Patrick wrote the foreword for *Building Online Communities with phpBB 2* (Packt Publishing), the first phpBB book ever published and served as a technical reviewer for the book and its short form version, *phpBB: A User Guide*. He worked as an expert reviewer for *Online Marketing Inside Out* (SitePoint) and a reviewer for *The PHP Anthology: Volume I: Foundations* and *Volume II: Applications* (SitePoint) and *Blog Marketing* (McGraw-Hill).

He co-hosts the .net Magazine Award winning [SitePoint Podcast](#) (pilot episode to present), a web development, business and webmaster podcast and the [Copyright 2.0 Show](#) (episode 84 to present), a plagiarism and copyright themed podcast.

Patrick blogs about online community at [ManagingCommunities.com](#), his favorite record label at [BadBoyBlog.com](#) and more at [patrickokeefe.com](#). You can find him on [Twitter](#), [Google+](#) and [Facebook](#).

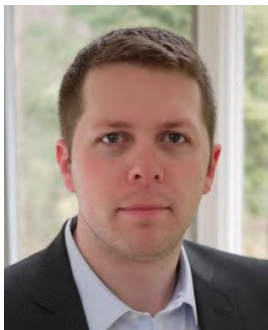
About the Contributors



Alicia Navarro is CEO and co-founder of [Skimlinks](#), a leading content monetization technology, helping thousands of online publishers all over the world to earn money from their content in a seamless, simple way. Alicia has worked in internet applications for over a dozen years, designing and launching mobile and internet-based applications in Australia and the United Kingdom. She has a Bachelor of Information Technology and the University Medal for Computing Sciences from the University of Technology, Sydney. Alicia's vision for Skimlinks is to see online publishers be fully rewarded for the role they play in creating purchase intent.



Ted Sindzinski started in the interactive industry in the late 1990s working with forums, hosting providers and other community centric startups to grow their audience through improved user experience and technology. In 2004, Ted moved across the table and into brand marketing where he has helped leading companies in the health and beauty, fitness and consumer electronic industries develop digital strategies and adapt to meet the customer centric nature of the modern market. You can find Ted on [Twitter](#) and follow his digital strategy blog at [ModernInsider.com](#).



Todd Garland founded [BuySellAds.com](#) in 2008. He has a special knack for helping publishers sell more ads and is passionate about building software and services that enable publishers to spend less time managing their monetization and more time producing quality content. He wrote the very first line of code at BuySellAds.com; thankfully, he no longer writes much code. When not obsessing over BuySellAds.com, he's trying to dribble a soccer ball past his dog or is spending time with his wife and family.

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MONETIZING ONLINE FORUMS

A PRACTICAL GUIDE TO GENERATING REVENUE FROM FORUMS – THE RIGHT WAY

ABOUT THE BOOK

Pick a topic, an interest or a profession. Most likely, there are established forums dedicated to that subject, where members share their passion, exchange information and help each other.

Behind the scenes at virtually every successful forum is an administrator who works tirelessly to ensure that it runs smoothly and continues to grow and improve. Sometimes, these forums can grow so large that they require a team of people to be hired on a part time or full time basis.

As a forum grows, so do the technical resources that it requires. From virtual hosting plans, all the way up to dedicated servers and server management, the bigger a forum is, the more it costs to keep it online and functioning at an optimal level.

To support the existence of a forum and the people who manage them full time, it is necessary to generate revenue. But, it's not easy because forums can be more sensitive to monetization than other spaces. You have to balance the need for revenue with the member experience.

“Monetizing Online Forums” is not about squeezing every last dime out of your forums. Instead, it is a detailed guide to making money the right way with the right methods. Over monetization can kill a forum – with this guide, we aim to help people monetize appropriately, ensuring the long term stability of their forums.



ABOUT THE AUTHOR

Patrick O'Keefe is the founder of the iFroggy Network, a publisher of websites. He has been managing online communities since 2000 and authored the book “Managing Online Forums,” a practical guide to managing online social spaces.

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