

Understanding Bias

Now that you have the right set of data and metrics, it's all about how you interpret them. Winning affiliates know to avoid the pitfalls associated with bias. Bias is a natural human behavior, it's also emotional. The first step to avoiding bias is being aware of the types of bias that every person is susceptible to:

The first is confirmation bias. This is when you only look for or notice data that backs up something you want to believe is true. I'm sure you have all encountered closed mindedness before, that's what confirmation bias is all about, an unwillingness to see another side to a story, and to only seek out information that confirms what you want to believe.

The next one is hindsight bias. Hindsight bias is when you look at things after the fact and say, "Oh, I knew that was going to happen". Having hindsight bias can make you think that you're better at predicting the future than you really are. This is a dangerous thing to believe and can cause you to make bad decisions.

Another thing that leads to bad decisions and third on the list is Over and under Confidence. If you think you can predict the future, you might also be over confident, which could translate into a very expensive mistake. Under confidence is almost as bad, it might make you trigger shy and cause you to miss out on an opportunity.

Fourth, we have Over and Under reacting. This is a problem with the magnitude of your reaction to a scenario. You might have the right level

jumbleberry

of confidence about something, but then under-react. For Example, you might have great data about an opportunity, but then limp in and not maximize it. An example of over reacting might be pulling the plug on an underperforming campaign instead of just making some incremental changes or waiting to collect enough data to know for sure.

Lastly, we have fallacies and paradox. These are the old wives' tales, the things you believe just because everyone else does, but that aren't backed up by data or don't make any logical sense at all. I'll give an example called the Fallacy of the Beard. It goes like this. Let's say you observe me on a day that I have shaved. You declare that I have no beard. You observe me 3 days later, during which time I have not shaved, but my facial hair is not long enough to constitute a beard. Based on your observations, you declare that I will never, in fact, grow a beard. The fallacy in this thinking is obvious, but, we actually see this all the time when an affiliate stops running a campaign and claims "it will never work" after sending a small test that didn't generate enough data to be significant.

Understanding Edge

Types of Edge:

1. Technology edge

- a. An example of Technology edge might be a specific tool or automated process that gives you an efficiency advantage over the competition. Think an automated ad generator and uploader or a split testing tool

2. Source Edge

jumbleberry

- a. Buying traffic from a source no one else is buying, or being a ‘first mover’ on a traffic source, maybe a new mobile ad network or direct from a publisher, etc.
 - b. Others examples might be buying traffic from a country or a demographic that no one else is targeting - Maybe there’s a huge untapped market in Romanian 65+ Female Skincare – you won’t know unless you try.
3. Scale Edge
- a. Having a larger budget than the competition where you’re able to squeeze them out
 - b. Larger budgets for more and bigger test campaigns
 - c. More SPEND, you might have a big budget, but if you don’t have big spend, you can take full advantage
4. Performance / Optimization Edge
- a. You have a process for optimization and are able to source the best performing offers, maybe you have all the cap on a particular campaign because of your size (3)
5. Marketing Edge
- a. Either in the form of the data you collect that informs your marketing decisions, or a particular marketing style. Caution - There is a big danger in this one – the more qualitative your edge, the more you have to quantify it. Believing you have a marketing edge stylistically, say a particular Bridge Page with a color scheme and imagery, is the NUMBER ONE false belief that puts people out of business. If you know you ripped the bridge page and made cosmetic changes, you’re a me-too marketer, it’s not your edge. Believing you are special when you’re not is the worst mistake you can make.

jumbleberry

You don't have to have just one edge – your edge could be a combination of 2 or more of the above. The idea is that there is something about what you do and how you do it that is unique.

When it comes to finding your edge, be humble, be objective and be relentless and maximize it.

But don't get comfortable, Winning affiliates are never complacent, they know their edge can disappear in an instant, so a part of their time is spent on refining their existing edge or in discovering a new advantage.