



How to Grow Your Business using JV Partnerships

If you've spent any time in the "online business world, you've heard how valuable Joint Venture partners can be to growing your business. Maybe you've even tried to create JV partnerships, or you've done an "affiliate" deal with someone - and it left you wondering,

"What's the fuss all about?"

You spend a lot of time and effort on the promotion, thinking it will bring in hundreds, or maybe thousands, of followers and enough buyers to finally make your venture profitable.

But it doesn't work – maybe you get a check for \$50 in affiliate commissions, or maybe you get nothing. You have a handful of people join your list, but then they never buy anything from you.

Well, **I've been using strategic JV partnerships to add 6-figures in revenue** to my client's online businesses for the last seven years, and I can tell you why what you've tried before didn't work, and what will.

Here's a guideline and a tool to assist you in developing true JV Partnerships that will make a difference in your bottom line!

Let's start with clarifying some definitions...

First, what is the difference between an Affiliate and a JV Partner?

While many in the industry use the terms interchangeably, I believe you can achieve the best results when you understand that they are indeed different and you should treat them differently inside your business.

Affiliate: A person/company who has a link to promote your products in exchange for a revenue share you set.

JV Partner: A person/company with whom you have a relationship; whose products or services you're happy to personally recommend to your clients and prospects, and who personally recommends your products and services to their audience as well. There is often revenue sharing involved, but sometimes the "exchange" is non-monetary.

Are you starting to see how they are actually different, just by reading the definitions?

How to work with Affiliates & JV Partners

With **Affiliates**, you are playing a game of numbers. You set-up a system or website (i.e., ClickBank) to manage the links and promotional materials you develop, and treat all of your Affiliates the same – the same revenue share, the same promotional materials, the same offers.

Working with **JV Partners**, in contrast, is all about developing deep, lasting, and personal relationships. Promotions are typically coordinated to fit your promotional calendars, and you may even create specific offers just for the audience of an excellent JV Partner. By its very nature, you can only have a limited number of true JV Partners at any time. I find 3-7 to be a workable number. Of course, over time, as you are in business longer and continue to grow, this number can get bigger, but it's difficult to effectively manage a large group of true JV Partners.

Lasting and successful JV Partnerships arise when the offerings of each partner are a tone & audience match, with complimentary (rather than competitive) products & services. Well-chosen and cultivated JV Partnerships can lead to lucrative financial results for both partners, and, in my experience, far outweigh the impact that Affiliates can have on your business.

Focus your attention on establishing relationships with a small set of JV Partners, and you create a foundation for a long-term business earning maximum income.

How to identify good JV Partner

The value of a JV Partner is directly related to the product and audience match between you and your potential JV Partner. Here are some tools and strategies that I've used successfully for myself and my clients to identify good JV partners.

In the early stages of your business, it will be more difficult to find great partners, but as you gain more traction and grow, you'll become skilled and seeing the characteristics that make for a good JV Partner. Think of it like this – would you hang around with this person or group of people, even if there wasn't a business purpose to the relationship? If the answer is no, it's not likely that they are a good match.

To get started, here's a methodology I like to use; I call it the JV Partner Matrix. A better name might be POTENTIAL JV Partner Matrix, because not all names on this matrix will become partners – some might become Affiliates, and others won't be a match, but this framework will get you thinking strategically, and assist you in developing the right relationship from the beginning.

It's a 3x4 matrix – Partners are classified as A, B, C, or D & Green, Yellow, or Red.

JV Partner Matrix			
	Complimentary vs Competitive		
	Green	Yellow	Red
A			
B			
C	Your Company		
D			

The A, B, C, D is their relative size in the market. This isn't JUST list size – because you don't really know list size, but you do have a sense of their size in the market. A is for the largest in the market, and D is for those just starting out, or those with a very specific focus in the market that makes their overall size smaller. You will start by classifying YOURSELF as an A, B, C, or D, because these classifications are all *relative* to you and each other.

Here's the thing about A, B, C, D classification – you're not trying to get it right! You just want to create some objective structure that you can use to create these relationships – and identify who is “at your level,” as it will be easiest to build relationships in that sphere.

The Green, Yellow, Red indicate how close of a match this potential partner is for you. You want to consider how interested your audience would be in this person, product or brand, and how much of an overlap or compliment this person, product or brand is to your offerings. This is a subjective measure you are using, and is likely to change as you learn more about potential partners and as you grow your business. It's also a continuum, with Green representing high interest by your audience and a great compliment to what you offer, Red indicating potential partnership with some competitive overlap or concerns about tone & resonance, and Yellow in between the two.

Apply the Partner Matrix to “competitors” and other businesses you're already familiar with. As you meet and discover others in your market, put them in your Matrix too. A great way to identify potentials to put into your Matrix is to see who else your audience is following on social media.

Placing a person/business in your Matrix will start you thinking about what else you need to know about them to consider developing a long-term, successful JV Partnership.

Using the JV Partner Matrix

Why set up this matrix? To guide you to where you will have the most success in creating real JV Partnerships!

I see two primary reasons that people fail with JV Partnerships.



First – you don't identify the audience/offer match.

You aren't going to get results from a promotion, if that promotion goes to an audience that doesn't fit your offer.

Like one business owner I know – he was spending all this energy trying to get Jeff Walker, who sells Product Launch Formula to online business owners, to promote is online dating tool for men. Can you see how much of a mis-match that is?

Thankfully, Jeff would never promote something that disconnected from what his audience wants – and if he did, very, very few people would actually buy (I’m not even going to get into the damage that this type of mis-match could do in an audience). Remarkably, I see business owners regularly try to get this type of promotion, and then get upset or say JV partnerships don’t work when the other business owner says no.



Second – you try to go too far up the latter right out of the gate.

The above example fits here too. Jeff Walker is a big name with literally hundreds of thousands of followers. This business owner has a pilot software that he has never sold to anyone. In terms of the JV Matrix, Jeff’s an A, and this business owner is a D. It’s too far of a jump.

You will have the most success with those who are at the same level as you and 1 level up, and when there’s a great audience/offer match.

Developing JV Partnerships

JV Partnerships are all about RELATIONSHIP! You don’t send an email that says, “Will you promote me?” or even, “I’d like to form a JV Partnership with you.” This is about getting to know them and their business, and giving them an opportunity to get to know you too.

Start by following the person – subscribe to their list, connect on social media, read their blog and engage. Find where you resonate and connect on that level. See where you can bring value to them and make that offer. As you GIVE more in your shared marketplace, the more they will know you – making them more open to connecting.

You are striving to create a personal relationship. Your initial connections should be about getting to know each other – identifying what you can offer them, how well you resonate with how they do business, how you are alike and different. A great JV Partnership will develop over time, and it’s reciprocal. Expect give and take – and **be the giver first, I promise it pays off.**

Eventually, you get to the point where you can ask – What offers do you have coming up? How can I support you? And this opens the conversation to sharing calendars and truly partnering together to maximize results for you both.

The Value of JV Partnerships vs. Affiliates

To drive home the point that JV Partnerships are much more valuable to your business than hundreds of Affiliates, here's a real-life example from one of my clients:

When I started working with a client of mine a little over 4 years ago, they had about 175 Affiliates. These were all individuals and businesses that knew and liked my clients' offerings. Often, they were buyers themselves.

A typical promotion with this network would result in 10-15 sales attributable to those affiliates, with a corresponding low number of opt-ins. I did an analysis – all of the sales came from just 10 of these affiliates! Each was bringing in 1-2 sales, but the effort to administer and maintain this set of 175 affiliates was challenging for the small team.

I advised them to identify and focus on 3-7 high-quality, high-fit, high-relationship JV Partners, and we set about doing the work of relationship development. Fortunately, my client had an excellent reputation in the market and already had dozens of deep relationships we could assess for JV potential.

We identified 5 JV Partners and, 2 years later, did a promotion with that group. We had one JV Partner responsible for 5000 opt-ins, earning that Partner over \$7500 for a single promotion. Another JV Partner only drove about 1000 opt-ins, but received almost \$5000 in payouts. If we take into account all JV Partner activity for this promotion, **nearly half of the 300+ sales came from these strategic partners.**

Applying What You Learned

Find where you missed the mark in JV Partnership development in the past, and give up feeling bad about anything that's already occurred.

Begin today to establish yourself in your market. Assess potential JV Partners with the JV Partner Matrix, and be strategic with your time and efforts. Think about what you could do to enhance and support each person on your matrix, and then what they could do to enhance and support you.

In time, you'll find the ideal JV Partner for you and you'll achieve similar great results and business growth through this valuable business growth channel.

