

MULTI LEVEL MARKETING TIPS TO SUCCESS

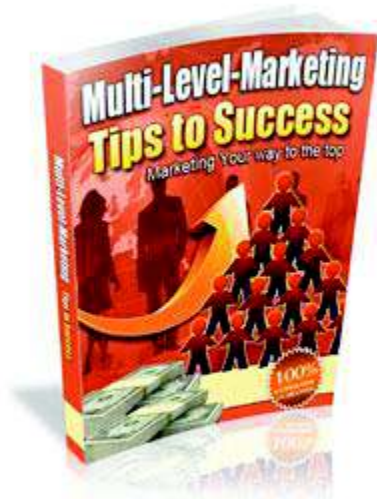


Table of Content

Chapter 1.....	4
The Multilevel Marketing Concept	4
What is Multi-Level Marketing?.....	4
Multi-Level Marketing Vs. Pyramid Marketing	4
Structure of Multi-Level Marketing	5
Growth within Multi-Level Marketing Firms	5
CHAPTER 2	7
Understanding the MLM Situation and Opportunities.....	7
Scope of Multi-Level Marketing.....	7
Multi-level Marketing Opportunities.....	8
CHAPTER 3	9
Understanding the MLM Model	9
Multi-level Marketing Model.....	9
Chapter 4.....	12
Tips to Develop Appropriate Compensation Plan.....	12
Basic Compensation Strategy	12
Chapter 5.....	15
How to Find a Good MLM Business	15
Step I: INVESTIGATE THE COMPANY	15
Step II: INVESTIGATE THE PRODUCT:.....	16
Step III: INVESTIGATE THE COMPENSATION PLAN:	17
Chapter 6.....	21
Multilevel Marketing versus Traditional Marketing	21
Difference between MLM and Traditional Marketing.....	21
Chapter 7.....	24
How to Improve Your Multilevel Marketing Skills	24
Chapter 8.....	26
Essentials of MLM Business	26

Chapter 9..... 28
The Legality of Multi level Marketing 28
Chapter 10..... 30
Multi level Marketing Scams and Tips to Avoid Them..... 30
 Tips to Avoid Multi level Marketing Scams:..... 31
Chapter 11..... 32
Online Multi Level Marketing Opportunities..... 32
 Guidelines for Efficient Online Multi-level Marketing 33
Chapter 12..... 34
Relationship Building through Multilevel Marketing..... 34
CHAPTER 13 36
Generating Leads 36
Chapter 14..... 37
Measuring Multilevel Marketing Performance..... 38
Chapter 15..... 40
Advantages of Multi-level Marketing 40
Chapter 16..... 42
Disadvantages of Multi-level Marketing..... 42
Chapter 17..... 44
Why MLM Goes Wrong- the Company’s Perspective..... 44
 Reasons for MLM Failures..... 44
CHAPTER 18 46
Secrets of Multi-level Marketing 46
Chapter 19..... 48
Multi-level Marketing - an Overview 48

Chapter 1

The Multilevel Marketing Concept

What is Multi-Level Marketing?

Multi-level Marketing, or MLM, is a marketing strategy which creates a down line of distributors and a hierarchy of multiple levels of compensation. The sales force is compensated not only for their own sales but also for the sales of the people they help recruit. Firms, having a large product base, often cannot employ equivalent sales force; and believe they would be better off without the traditional approach. Hence, they implement MLM to survive competition from multi-nationals.

MLM is also known as Network Marketing because it utilizes a network of individual customers to hit other potential customers. In other words, every individual customer serves as a sales representative.

Multi-Level Marketing Vs. Pyramid Marketing

People often confuse MLM with pyramid marketing; however there is very clear distinction between the two approaches: pyramid marketing is about getting your money and then using you to recruit other distributors; MLM, on the other hand, is about moving the product through a larger network of distributors so that the business can increase sales volume.

Another difference between MLM and pyramid marketing is that Pyramid marketing requires each level to DOUBLE before a new level is created so it isn't fair to people lower down in the levels and also unethical. MLM, however, awards a commission based upon the volume of product sold through own sales efforts as well as that of the down line organization.

Since MLM faces the risks of initiating a business that has not been tested by the customers is not recognized, people prefer to wait a couple of years before joining. Hence, they also witness the company's track-record and reliability.

Structure of Multi-Level Marketing

Multi-level Marketing follows a significantly different structure than Pyramid marketing: the network is divided into parts comprising of different number of people. Some parts of the network may comprise of lesser people because the initiator might not have been able to sign-up more people; however, other parts may have flourished due to a hard-working marketing genius have good resources. Hence, MLM turns out to be a fairer approach to income generation.

Growth within Multi-Level Marketing Firms

An MLM opportunity, having a wide-spread network, brings greater growth prospects as members become eager to introduce more people. Furthermore, those present higher up in the network are encouraged to share their experiences with those subordinating them. This is because improvements in the performance of new entrants and subordinates will result in higher profits for the seniors.

Hence, great income-earning opportunities can be availed out of Multi-level Marketing firms. The only key is to select one with a successful product or service; such that you would prefer for yourself.