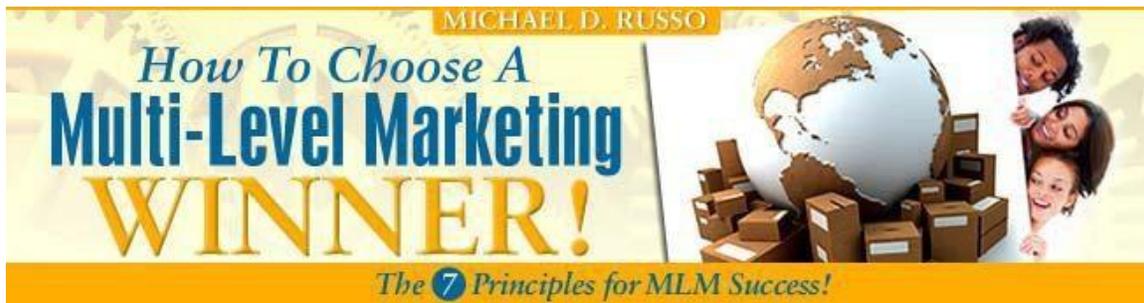


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## About The Author



Michael Russo resigned his successful position as a commission only Insurance Sales Manager, working for W. Clement Stone's company - Combined Insurance Company of America, in 2003 after reaching his [goal](#) to earn \$100,000 in a single year.

He began, with his wife, to develop their own business. Initially based predominantly around property development and property trading he developed a multi-million dollar [property](#)

portfolio in only a few short years. He expanded into retail stores, online sales and seminar workshops to name a few. His biggest challenge was developing his retail laundry business. He expanded that to 4 stores within 18 months and he increased the turnover of one in excess of 800% in less than 2 years.

Having no formal qualifications of any sort beyond his high school [certificate](#), the majority of his education has been in 'street smarts'. At the age of 14 he began his first 'business', a lawn mowing round, with the help of his father. 12 years later, after having done over a decade of study in the area of business, self-development, motivation and wealth education, he made his first million at the age 26.

Rapid expansion and exponential growth led to his downfall and by the age of 28 he was left homeless with his wife and two [children](#) for a short time and without an income source. After a grieving period he regained his confidence and rebuilt.

Michael has been involved with Multi-Level Marketing since the age of 18 when a family friend introduced him to the concept of Network Marketing. He is the Author of over a dozen books.

Michael believes that,

*"True success is only attained by those that persist with all fervor and never lose sight of their ultimate objectives. Your true character is defined, not by what you do when things are going well, but by what you do when things aren't".*

His greatest aspiration is to develop a loving, healthy, happy and productive [family](#) life for his wife and children.

Founder of Passive Millionaire Industries, he travels at home and abroad and regularly conducts lectures teaching that the most important aspects of your Financial Freedom Plan extend far beyond the boundaries of a fat bank account.





## Introduction

This book is not about:

- × Debating the benefits of one particular company's philosophy over another.
- × That [marketing](#) these vitamins is better than those vitamins.
- × That these personal care products are more consumable than those personal care products.
- × That the owners of this company have more integrity than the owners of that company.
- × Recruiting
- × Sales techniques
- × Generating leads

This book is about the core business principles of MLM:

- 9 What makes one MLM system more efficient than another
- 9 How to choose the company will best suit you
- 9 What to look for . . . *before you start!*

People may join a multi-level marketing company for any of several reasons.

They don't all have to do with [money](#).

It may be to do with:

- 9 The sponsor
- 9 The products
- 9 The business [plan](#)
- 9 Personal development training
- 9 Overcoming the [fear](#) of rejection
- 9 Building confidence
- 9 The benefits of the team environment

9 The conventions and the excitement

9 Inspiration from the leaders

. . . . . Those are some of the many reasons people have told me!

I give you *7 Principles* you can use to determine how successful you may be in any particular company.

I’m a multi-level marketer and a multi-million dollar businessman. I look at this industry from a business point of view.

When you are determining the validity of any [business](#), there are common aspects to examine.

When you know about these principles, you’ll have the ability to decipher the information beyond the hype and excitement of what is being presented when you are approached by a friend wanting to show you a business opportunity.

Please keep in [mind](#) that there are no hard and fast rules in this industry. It is still a young industry which is constantly evolving. The information in this book *is a guide* to help you make more informed choices about the best [path](#) for you in multi-level marketing.

Please don’t ever say; “Michael said this, so you must be wrong”. The unwritten rule of MLM is **common sense**. One of the things I like most about business is the flexibility and creativity of it all. There are black and white areas in business and vast spaces of unexplored grey in-between.

There are always exceptions to any [rule](#) and some people will be successful in any networking company no matter what structure is in place.

However, these *7 Principles to MLM Success* will give most of us a BIG head start!

## The Most Important Factor!

**"95 percent of those who survive 10 years in Network Marketing become wealthy beyond their wildest expectations."**

Mark Yarnell and Rene Reid Yarnell

**"Your First Year in Network Marketing"**

Longevity is the most important factor!

Like most things in life, those that persist fervently after what they want, win.

So, before we get into the *7 Principles to MLM Success* that will [help](#) you choose a company to work with, understand this right off the bat:

**Unless you are prepared to work at your chosen venture for at least 10 years, it is unlikely you'll ever achieve your desired results in this industry.**

The company with the greatest timing, best products, most effective [training](#) and best compensation plan will have little value to you if you miss this point.

Skill and talent pale in comparison next to this important point.

**"Of all the talent in the world I would rather have someone with passion, determination and enthusiasm, because if an individual has these traits, talent comes a very distant second." .... Michael Russo**



The absolute most important factor is to *stick with it*. Half the problem with our westernized society, as a whole, is this [belief](#) in instant gratification; that it is 'our right' to have what we want, when we want it.

It is this belief in a free society, a free country that gives us this conditioned [idea](#). And yet, in thinking this, we forget the very people (possibly our own ancestors) who fought so hard to give us this so called freedom.

Freedom of anything comes at a price. In MLM, that

price is longevity.

You may hear the stories of those people who have made hundreds of thousands of dollars in their first year or two in MLM.

That may be so. There are always a few superstars, but they are the exception to the rule.

Patience, persistence and consistent effort might ensure [success](#) for most people over three, five or ten years.

As with all worthwhile things in life, success takes time. Success usually comes only after a trial of your faith and there is no better industry in the world to test that faith than MLM.

You may spend 40 years working at a job to retire on half your [salary](#) or less, or spend 10 years working on an income that will pay you for generations and continue to grow.

The question you have to ask yourself is, “Is the sacrifice worth the reward?”

Ask yourself, “Is a little time and consistent effort each week now worth the reward of regular passive [income](#) for life?”

Only you can answer that.

If this is something you desire, then read on.

Let us cover some basic points right at the start.

## Basic Assumptions

I had some basic assumptions when [writing](#) this book.

I assumed that you already have a little knowledge about the industry; perhaps you had even been involved before.

But, I covered certain things I think you should be aware of before you start if you do not have any knowledge about MLM right now.

Firstly, I presume you plan to operate within the bounds of ethics and integrity. Doing the right thing is more important than success at any cost.

I trust that you have already come to the understanding of the benefits of developing a long term passive income.

For example; earning \$2500 month in passive income is the equivalent of having \$1 million in the bank at 3% interest.

Also, a good passive source of income *has more than twice the leverage capacity of active income.*

In other words, you can buy a bigger house using the same amount of money earned through a passive income source than an active income source.

To put it another way, if you had a [job](#) (active income) earning \$50,000 a year, then most banks would let you leverage up to 35% of this gross figure. That is the maximum amount you could use to pay for house loan payments for example.

If you earned the same \$50,000 in passive income, most banks would let you use up to 75% of your gross income for [loan](#) repayments.

Understand that this is not an ‘overnight riches’ industry. You are paid according to your hard work, dedication and skill - just like anything else in [life](#).

I assume that you already know some of the things you’ll have to deal with.

No matter which company you choose in the industry, you will encounter things like:

**Rejection and negativity** from family and friends are more than common in this industry, although not limited to it!

**You will have to set goals** and work towards them.

**You will have to have a big reason WHY.**

### *The History of MLM*

Do you know how this industry began?

Just in case you don't, here is a brief [history](#).

Direct sales, as we know it today, began back in the 1920s when larger manufacturers began to sell their products direct to their consumers, cutting out the middle-men *and* avoiding retail outlets altogether.



**M.L.M. is available to everyone!**

This allowed them to move stock as they chose, not as the retailer chose and it also increased their profit margins.

Individual 'sales reps' for the company would sell direct to the consumer and take a percentage of the payments from each [sale](#) they made.

This eventually evolved into the MLM industry we have today where representatives receive money on sales they make personally and also on sales made by other representatives they introduced to the company as well.

The original reasons for 'direct selling' are still relevant today. By selling direct to the consumer via word of mouth, and giving them an incentive to talk to their family and friends about it, the company saves big dollars in marketing and [advertising](#) costs.

They [make](#) more money and have greater control over their product distribution.

Finally, because most MLM companies operate on a payment-with-order basis (unlike selling through larger retail outlets which operate on 30 day or more credit terms), they are able to grow very quickly.

Many MLM companies operate debt-free.

I expect that in reading about or researching this industry, *you are actually looking to change your results.*

I assume that you want to improve yourself.

Keep this in mind: If you're not earning \$100,000 year now and you want to, you'll probably have to change some aspects of who and what you are to get there.



Also, understand this. The best and brightest of this industry DO NOT EARN a [six](#) figure income a year but earn a 7 FIGURE INCOME PER MONTH. That's right; the industry's top earners are banking one million dollars or more per month each and every month.

So, if you want to earn a few hundred dollars a month in extra income you can do that but, if you need an 'aire' (as in *millionaire*) on the end of your name, you can do that too.

Building a large organization, large enough to pay you a C.E.O.'s salary or more, also means you need to develop into a [leader](#) in your business.

Assuming you have understood these things about the industry, it's then a matter of finding which company you want to align yourself with.

So, let's look at the first principle in finding an MLM [winner](#)!

## Consumable Products

It always surprises me when a company decides to go into this industry promoting a product like jewelry, or [car](#) parts or self-development products. It surprises me even more when so called ‘experienced’ networkers jump on board to promote these products.

It shows their ignorance of this industry. They have failed to understand the first and simplest principle of choosing a MLM winner - Consumable Products! No matter how good these other products are or even how successful the company may at first appear to be, they will not survive in the MLM industry.

Why?

Because, if you want to develop a long term passive income in the millions of dollars a year, you need products that people will use day in and day out, seven days a week, all year round, in a depression, a recession or a boom.



That’s why there are so many MLM companies that sell shampoo, toothpaste, vitamins and [skin](#)-care products. If you want regular income, you want to be promoting products that people use often, and therefore need to re-order every month.

The last thing you want is a [product](#) which your customer only orders once in six months.

Also, consumable products are easier to promote as you simply ask people to change from one supplier to another for the same money or because they get a higher quality product at a much more affordable price than they would otherwise.

In most cases the companies with the best quality products are usually those that manufacture their own products. Besides having a higher degree of quality control, these companies also have the best profit margins.

This is because they avoid one, two or more layers of middle [men](#). The whole point of the industry is to take the products from the manufacturer to the consumer, thereby reducing costs. If you’re working with a company

that does not manufacture the majority of their own products, you're paying a [profit](#) for someone else somewhere down the line. That's less money for the reps, less for the company and higher prices for the consumer.

Be wary of companies that make 'wonder' claims. It's okay to have a product that is *revolutionary* or *state of the art* or *on the cutting edge* or *with significant health benefits*, but it must be promoted within the realm of ethics, integrity and the law.



Companies have been severely affected by outrageous product claims by their representatives or employees. The F.D.A. ([Food](#) and Drug Administration) in the USA and T.G.A. (Therapeutic Goods Administration) in Australia come down hard on those claims.

Promote all products legally and ethically. You should use the products you promote - *after all there is nothing like a personal testimonial!*

A representative that does not use their own products will never be truly successful.

If you're concerned about promoting these products to friends and family, try them first for a while. Ask yourself this question, "If there was no money attached to these products, would I still use them?"

If your answer is, "yes", you're on the right track.

Look at all the factors surrounding the product. Are they marketed well, packaged well and well-priced for what they are?

The idea that products sell themselves is simply not true. *It is true* that some products have better [market](#) appeal than others, but someone still has to stock, promote and sell them.

Also, look for companies that have multiple product lines. Some companies may base their entire business around just one product. You can get away

with that for a while in this industry but, long-term, you are much better off when you have multiple product choices to offer your customers.

What about the delivery and availability of the products? Is delivery executed in a timely manner? Are they readily available? There is nothing worse than having an order to fill or demand for a [product](#) and then not being able to get your hands on it.

Some companies want their representatives to purchase and retail stock to customers direct. This is fine, but understand that *this is not passive income*: it is part-time active income.

The best companies have set up simple systems so that your customers can order direct from the company quickly and easily and have it delivered direct to them with your distributor number attached to their order all the while.

In this way, you still earn money from orders you don't actually put in for your customers and *this is* passive income.

So far, we've talked about products that you would use and consume, and then re-order.

But, what if your product is a service such as telephones, gas or electricity? There are many advantages in [marketing](#) a service over a product.

One of these is that there are no re-order issues to worry about or worrying about people only ordering every second month or dropping their volume if they go through a rough patch financially.

People won't turn off their phones or [lights](#) or heat if they need to cut back on something. The essential bills get paid without thinking.

The second advantage of a service over a product is the lack of product knowledge required to get started. If you're promoting a skin care product, it makes your job a lot easier if you know a little about it and can demonstrate the product. You need to have the fact sheets and be able to talk confidently about it.

With a service, nobody asks how the gas gets to their door. People understand that they are just using a different supplier. It doesn't have the

same impact on people like trying to get them to change from their favorite shampoo which they’ve been using for the last twenty years.

That one difference alone gives you an advantage over [product](#)-based companies because you spend more time finding new customers and new recruits rather than attending loads of training sessions learning about the products.

In the case of a service based MLM, consumable *essential services*, like those already mentioned are the best kind.

**So Principle #1 is:**

**Only promote high quality consumable products or services.**

## Training

The most successful organizations in the world spend a percentage of each dollar on training their people. Good MLM companies do the same. Training can come in many forms with different companies but all should meet these basic criteria:

- q They should train on personal development aspects like mindset, attitude and business etiquette.
- q They should train on the basic sales techniques of the industry, including building a list, overcoming rejection, making contacts, recruiting [people](#) and managing customers.
- q They should have leadership development training available at different levels as you progress through the company.
- q They should have product and, perhaps, retailing training if you're involved in a party plan style MLM.
- q They should have business training to help you learn to manage and grow your organization.

The training may be provided in-house through:

- 1)** The corporate management
- 2)** Successful upline representatives
- 3)** Outside 'expert' trainers

... Or a combination of all three.

How they deliver the training is less important than the company's commitment to the QUALITY of training.

Once again, if you're not sure about what they [offer](#), go to a few training sessions before you join and see what they are like.

The conventions or retreats that all companies hold should be more than a pump-up session and an opportunity to gloat over the top performers. They should be an opportunity to receive quality training and develop your own skills to a high standard.

They should be affordable so as many people as possible can attend.



W. Clement Stone started a direct selling [insurance](#) business at the age of 19 with \$100 and built it into a global billion-dollar business over the course of his life time. He also co-wrote a book called, “Success Through a Positive Mental Attitude” with Napoleon Hill

(author of “Think and Grow Rich”).

W. Clement Stone believed in lots of training and [education](#). One of his more famous sayings was, “Knowledge builds confidence, confidence builds enthusiasm and enthusiasm is the most important factor to successful selling.”

Companies that provide good education and training instill confidence and enthusiasm in their representatives, which in turn provide them with higher incomes and better sales for the company.

The best way to motivate representatives is to provide high quality training.

There are two types of motivational [training](#) performed in business organizations all over the world; one has significant advantages over the other.

The first is *motivation without education*. This is where you go into an organization (usually a commission-only sales job of some sort) and you have a “rah, rah” session or “pump up” talk each morning before you start.

Someone is usually leading the group and you may be encouraged to yell things like “are we going to sell, YES! We’re gonna sell, we’re gonna sell, we’re gonna sell, we’re gonna sell. Who’s going to sell the most!? ME!”

Something of this nature is usually only designed as a short-term kick in the pants to get you out and get you going, but has no long term value in improved performance.

Organizations that train to sell in this way operate on hype and excitement alone.

*Motivation with education* is training in which sub-conscious messages are planted that have the [capacity](#) to improve your life for the better whether you stay with the company or not.

It is training with the tools for success in any company - not just the one you're working with at the time. When excitement, hype and enthusiasm are applied to this kind of training, the results are far superior.

You may be trained to say things like, “I feel healthy, I feel happy, I feel terrific!” or to recite a certain [song](#) or phrase that reminds you how to speak or look or talk to your prospects.

*Motivation with education* means that it has been given with *life-time education* in mind.

**“Education is not teaching people what they do not know but teaching people to behave as they do not behave.” Bob Proctor**

Avoid the MLMs that are all about getting people in a room and creating hype rather than promoting quality training that will stick. Remember, there is nothing wrong with getting people excited and using hype provided there is sound educational training behind it.

As for the costs of training - as much as possible should be provided by the corporate entity.

***Guests should not pay to attend opportunity presentations.***

When it comes to buying ‘tools’ for your business, be wary of companies that focus heavily on a wide range of *promotion tools* that the upline representatives profit from.

It is true that you need a certain amount of ‘tools’ to grow your business. CDs, DVDs, magazines and product brochures are essential tools in any MLM business.

However, some companies focus too heavily on promoting tapes and programs and a lot of high level representatives in some companies make tremendous amounts of money from this.

If you're a high level networker who conducts a lot of training, you should be making money from the results your organization gets because of your training, and not from entry fees for meetings and mountain-loads of your speeches on CDs.

Representatives should not make money from the [sale](#) of business materials unless that is the primary purpose of the business.

Training meetings should be just that. They should not be set up to sell top-level representatives' material. Be very wary if that is the major focus at all of your training meetings. If this is the case, the focus often becomes more on the quick dollar for 'sales tools' than on the long term benefits of developing an organization.

Any training conducted in your chosen MLM company must be able to be duplicated. Remember that the whole key to the industry *is duplication*. Any training [program](#) you undertake must be one which you can run with yourself and train your own team when you become familiar with it.

The last thing you want is a [system](#) that has to have training provided only by a limited number of people.

**So Principle #2 is:**

**Make sure the training provides education & motivation, is comprehensive at every level in the business, and can be duplicated.**

## Technology

The development of technology, and computers in particular, made this industry possible.

Can you imagine 200 years ago being the financial officer of an MLM company and trying to [work](#) out commissions on an organization with 10,000 representatives and 50,000 customers each month, without computers or modern calculators, just to send a check?

Unfortunately, the best thing about the industry is also the worst thing about the industry. Computers have made it possible to build an organization virtually anywhere in the world, [make](#) sales and get paid in your local currency each month directly into your own bank account. There may not even be a requirement for an accountant, lawyer or offices in each country, and no 30 day wait times for clearing of international checks.



It's great!

The problem is that computers have also duped many in the industry into believing that you can build a business without personal contact; that the [technology](#) or the software will do it for you.

Some MLM companies operate on a 'perfect' system that needs to be balanced each month. The computer places new reps where they need to go and promote the use of people more as numbers or spot fillers rather than actual organic creatures!

If you're in MLM don't kid yourself – you're in sales!

It may be a different type of sales to cold calling door to door.

It may be a more passive form of sales and many companies may even call it 'sharing' instead of selling, but the bottom line is that selling is what you are doing!

And the best form of sales anywhere in the world, in any language is by PERSONAL CONTACT!

A phone call asking how your new representative's week has been or what your customer thought of their latest skin care purchase is far more beneficial than an email.

A visit to help [train](#) and launch a new team member is more beneficial than a copy of the “HOW TO . . .” training guides.

And, a one-on-one presentation in a coffee [shop](#) with your personal testimonial is better than a glossy brochure spouting all the benefits the company offers.



PERSONAL CONTACT is the key to success in sales and in MLM. If you're in this industry, you're in THE PEOPLE BUSINESS. People like to know that they mean something to you. You're dealing with people's emotions, limitations, goals, aspirations, frustrations,

ignorance, excitement and growing pains.

If you want to be really successful in MLM and build a business that can pay you a million dollars or more a month, learn to [talk](#) and relate to people.

The power of a hug to celebrate the accomplishment of a good friend cannot be measured. A handshake grasped in two hands instead of one has ten-fold the benefit. Touching someone on the arm or holding their hand while asking if they will support you in your business and buy your products instead of someone else's is more powerful than you can know.

Don't allow the fantastic technology we have today to let you to become disassociated from people. *Don't lose the [art](#) of personal contact and touching!* There is nothing else to match it.

Now, it sounds like I hate computers or something, doesn't it?

As I sit here touching-typing away on my own personal laptop (that contributes a good part of my income), I can say, “NO! I don't hate computers.”

On the contrary, I believe that the technology we have today is great help to building and maintaining a solid, long-term, million-dollar MLM business.

The concern I have is that some companies promote things like, “You never have to talk to people and you can make a fortune – the system does the work for you”.

If this is true, why do they need you in the first place? Purely technology-based companies (where the [system](#) does everything) attract the wrong sort of people to this industry.



Keep in mind that there are MLM companies making tens of millions of dollars, hundreds of millions of dollars and billions of dollars. The ones making billions are people based MLMs.

If I'm wrong, please write and tell me about it. But, as yet, I haven't found a good system in the MLM industry where you don't have to deal with people.

Now, the best companies use [technology](#) to help train, support, motivate and build their representatives' organizations.

The best companies use the best technological tools available to make personal contact that much easier and more effective at delivering their [message](#).

Obviously, if you are building a business overseas or interstate or over long distances such as rural areas, it's not practical to meet with people face to face.

**Three-way, or group conference calling**, is a standard option in these situations to introduce new people to your upline and do some training.

In that case, using email to correspond and video-based online [training](#) courses become very useful.

Some of the best tools I have seen in the industry include **interactive websites** used as part of the recruiting process as well as for managing customer orders.

Sometimes, individuals may have their own website, giving them the [freedom](#) to promote their business, using the wide array of online promotional tools, like Google Ads, now available.

There are also:

**Detailed organizational reporting** tools allow you to track, manage and grow your business with a click of a few buttons anywhere in the world - *just like the CEO of any company should be able to do.*

**Prospect tracking** tools, allowing you to send interactive emails and video promos to prospective representatives, that also allow follow up and monitoring options (telling you exactly how much of a video presentation someone has actually watched!).

**One-touch promotional tracking** helping you to monitor your progress towards your own objectives.

The use of the latest **digital video phone technology**, allowing you to talk and communicate with people 'face to face' anywhere in the world using nothing but your own telephone, will change the way people do business in this industry.

The use of good technology may also include quality **promotional** or **training tools** like DVDs, CDs and MP3s, and books or magazines. These days, most MLMs have very good tools in this regard and the market has a slew of ‘generic tools’ as well to [help](#) your business grow.

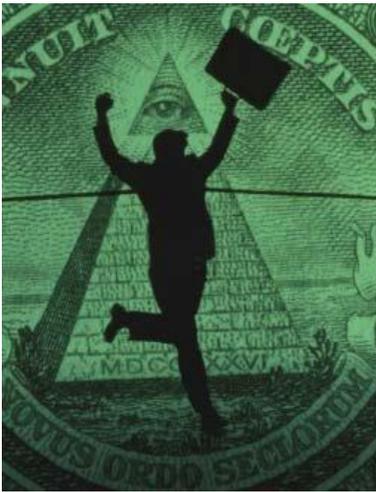
All of these technologies are used when necessary and become invaluable to building and growing your business.

**So, Principle #3 is:**

**Use technology to help you build your [people](#) business,  
don't let the technology become the business.**

## Income

Additional income is not the only reason why people join an MLM but it is often the most motivating one. After all, who doesn't want [treasure](#) chests full of money coming in each and every month from a passive source of income?!



There are so many different types of compensation plans, products, commission levels, bonuses and structures available in this industry that it's hard to know where to start sometimes.

Everyone says their company is the one where you can make big money in, don't they?

Every company has at least one or two 'stars' that have hit the big time and have the flashy [car](#), clothes and jewelry to prove it. They all market

'dreams' and the brochures are all full of luxury boats, sun soaked beaches and smiling, happy people.

### *So How Do You Choose?*

First, forget about compensation plans altogether.

If you're new to the industry, or even if you have some experience, it is unlikely you'll understand every aspect of the [commission](#) structure anyway.

Some of the most successful people I know started without understanding the compensation plan in their respective companies and just went to work. It made more and more sense to them as they become more familiar with the company and the products, and began receiving checks. It will probably be the same for most of you.

The only way to get a really good understanding of the intricacies of any compensation plan is to be paid by one for a reasonable period of time. But, this really doesn't give us the help we need in choosing one.



Just look for these aspects in their compensation plans instead:

**Get paid dollar for dollar.** Make sure you get paid on a percentage of each dollar of sales that goes through your [organization](#). That sounds fairly simple, doesn't it? Well, *it's not*. Many companies only pay you based on the accumulated points. When you reach 100 or 1000 points, you get paid X dollars for that level of points.

Is there anything wrong with this? Not really, but it takes a lot longer to get paid the bigger commissions.

Let me put it to you this way. If you sell \$100 worth of shampoo products and get paid 10 cents in the dollar for that sale, you know exactly what you get. It's easy to [work](#) out, without deciphering complicated compensation plans. It's \$10.

Product Sale: SHAMPOO	- \$ 10.00
10% Commission on sales	- \$ 1.00
Product Sales x 10	- \$100.00
Representative Commission	- \$ 10.00

Under a points system, it usually works like this. You get points allocated to each product and get paid when you hit certain point levels. For example: You sell a shampoo product for \$10. The points allocated for that [product](#) are 6 points. When you hit 100 points you get \$10.

Product Sale: SHAMPOO	- \$ 10.00
Points Accrued	- 6
Product Sales x 17	- \$170.00
Points Accrued	- 102
First Commission Level – 100 Points	
Representative Commission	- \$ 10.00



Under the points system, you would need to move \$170 worth of product to make the same commission as the first company which pays dollar for dollar. That's almost twice the effort!

So, what does that all mean? I'll put it in really simple terms for you. It means that, if you signed with the first company and wanted to make \$100,000, then you could realistically do it in approximately half the time as you could with the second [company](#).

Would you prefer to make a six figure [income](#) in 3-5 years or 2-3 years?

There are a number of reasons why a company may use a points system instead of a percentage of each dollar for commission calculations.

In my experience, I found that the companies which use point systems are usually the ones who do not manufacture and produce the majority of their own products.

That's interesting. I seem to remember saying already that the companies that pay the highest commissions to their reps are the ones that manufacture and produce all, or the majority of, their own products.

When looking at compensation plans, instead of spending lots of time trying to understand how it works, just ask if you get paid for each dollar of [product](#) you move.

It doesn't even matter how much the percentage is; 1%, 5% or 10%+.

Nine times out of ten, it will still calculate out higher in the long term than a points-based system.

**Accumulated sales volume** is another aspect to look at. With most companies, you have to begin again at the [beginning](#) of each month. In other words, if you accrued a sales volume for your organization in March of \$50,000 - then on the 1st of April you begin again at \$0 and have to re-accrue that volume during that month.

The assumption is that once you have a well-established network of hundreds, or perhaps thousands, of representatives and equivalent or

greater customers, you can just about [bank](#) on your sales volumes each month.

If a small percentage don't re-order (and there always will be some that won't), the effect on you is minimal.

However, when you're starting out and you have sales volumes of \$2500 a month and only a handful of reps and customers . . . *every dollar counts!* It's at these times that an *accumulated sales volume compensation plan* makes a huge difference.

Why?

Because, if you do \$2500 in sales volume this month and \$3000 volume the next month (and it is being accrued) you have a total of \$5,500 for two months. If your promotional advances are based on sales volume (and they always are), the faster you can hit the next level, the faster the next commission level kicks in, and the faster your passive [income](#) builds.

Let's look at an example between an accumulated sales volume plan and one that 'drops back' at the beginning of each month. I've assumed that the sales production has been the same for each rep for each month in their respective companies and they began from scratch.

Promotion Position (Sales Volume)	Month	Non-Accumulated Sales Volume	Running Total	Accumulated Sales Volume	Running Total
<b>\$1,000</b>	January	\$700	\$700	\$700	\$700
	February	\$1200	\$1200	\$1200	\$1900
<b>\$5,000</b>	March	\$1800	\$1800	\$1800	\$3700
	April	\$2600	\$2600	\$2600	\$6300
<b>\$10,000</b>	May	\$4100	\$4100	\$4100	\$10400
	June	\$5500	\$5500	\$5500	\$15900
<b>\$20,000</b>					

Let's assume both reps were trying to hit their first 'major promotion level' at \$5000. At the end of six months the rep in the non-accumulated sales

volume compensation [plan](#) has only just hit their target, while the rep in the other company has done *almost 3 times the production!*

Or has he?

In reality, both reps have done the same volume of sales in actual dollar terms over the six month period. However, because the second rep’s company allows accumulated sales volume, it means they can hit the higher levels sooner, tapping into higher commission levels. The rep in the second company hit their first major promotion in month four and was more than half way to their ‘3 major promotion level’ of \$20,000 of sales volume by month 6.

Is this an exact [science](#)? Of course not but, just like getting paid dollar for dollar over points, *every advantage you can get helps!*

Again, you have an advantage here if your company markets a service as opposed to a product.

As most people don’t have to ‘fill in an order’ each month for electricity or phone services, they don’t give any conscious thought to renewing.

Also, their usage habits for an essential [service](#) won’t change that much, meaning you have less variance in the end bill and less variance in your volume.

It’s much easier to maintain a monthly sales volume with an essential service-based MLM for this reason. In fact, these types of systems are often set up so that the only way they stop is if the customer *makes a conscious decision to do so!*

**Fast start bonuses** is the next area to look at. What are fast start bonuses? They are called different things in different companies, but they are essentially bonuses paid for exceptional performance by new reps.

Imagine being successful in your new company and recruiting ten new representatives in your very first month, each with a sales volume of \$200!

That would be something to get excited about and, fortunately, most quality MLM companies agree. They would pay you a higher than normal performance bonus for your efforts.

Why is that important?

Because MLM is a business, just like any other, and there are costs associated with any business.

Besides the obvious excitement it brings to your new team members for earning fast money and helping to build belief, they have virtually no ‘financial risk’ as they build their organization if you can pay their entry and [running](#) costs for them . . . *and that’s good for both of you!*

The best way to get off to a fast start is to join an MLM that will pay you great bonuses for early performance – *over and above your sales commissions.*

By doing this, you can quickly cover your membership cost for [joining](#) and get together some working capital to cover your initial expenses as you build your team.

### ***Added Tip***

Keep in mind that with MLM you are starting a new business.

You can claim taxable expenses and you can set up a legal business structure like a trust or company. Most MLM businesses are willable, saleable and transferable.

You are building a passive income asset that you can keep for life and transfer to your [children](#).

And, just like any other business that has these benefits; you also have the unfortunate aspects as well, such as running costs!

So many people join an MLM and think that once they have paid their entry fee that is it.

Nothing could be further from the truth. In fact, you’re in for a rough ride in MLM if that is what you have been told.

Costs include things like business aids or sales tools like DVDs, books, magazines and brochures. Most of these are recruiting tools that need to be replaced regularly, making them an ongoing expense.

What about fuel, registration and maintenance costs for your vehicle?

What about ‘business lunches’?



What about phone and computer costs?

What about [home](#) office requirements like working space, desk, printer, fax, paper, stationery and so forth?

How about the costs for the weekly business meetings and local training events?

What about costs for accommodation, flights, tickets and meals at the big conventions?

Most MLM companies have a minimum personal purchase order each month (or some other criteria) before you can qualify for a check.

Although this is usually small, it may still be more [product](#) than you need initially for your own use.

If this is the case, then this should also be part of your initial business costs.

**Be cautious of companies with very high or restrictive monthly qualification quotas.**

I suggest budgeting around \$500 a month at least and work to earn enough commissions in the first few months to cover your basic ongoing business costs, then build up from there.

This is why any advantages you can get (like fast start bonuses, accumulated sales volumes and dollar for dollar payments) are so important.

Think of it like working for a company that has benefits like flexi-time or a [health](#) plan or paid leave or paid in-house training programs over one that doesn't.

Even though their products or services may be similar to the end consumer, the way they conduct their business is not.

Which company offers the best benefits for you as their ‘employee’?

As a final note on this topic, if you are unsure about the earning potential of a particular company, sit and watch them for a while because every company will say their people earn lots of money, fast.

If you want to test it, get the company’s [newsletter](#), magazine or attend their information nights over several months.

How many new people are reaching new levels each month? The best companies have lots of successful ‘promotions’ each and every month.

**So Principle #4 is:**

**Look for dollar for dollar compensation plans with added benefits like fast start bonuses or accumulated [sales](#) volumes.**

## History and Timing

Have you ever had someone say something like this to you before?

“This is a ground floor opportunity, you’ve go to get in NOW!”

OR

“The people who get in first make all the money!”

OR

“There will never be another opportunity like this again!”

**Ground floor** MLM opportunities are usually presented like this in a number of circumstances.

It may be a new MLM which is starting from [scratch](#) and they are trying to create excitement in it.

It may be an existing company expanding into a new area such as a new country launch.

Or, it may be a new revolutionary product or breakthrough technology.

In any one of these cases, it may represent great opportunity *or complete disaster*.

I have a real problem with ‘ground floor’ opportunity pitches. It assumes that the only time to get in is now and the same opportunity will not make money in ten years’ time. That means that, if the timing is not right for you today (for whatever reason), don’t bother coming back because you’ve missed the [boat](#)!

If an MLM is a solid performer, it should represent a good opportunity regardless of when you join; *today or 10 years’ time*.

Does “ground floor” mean that it won’t be viable in 10 years’ time?

What if you had a friend that you ran into after 10 years and told them of your MLM success? Could you feel comfortable telling them that they can have the same level of [success](#) as you to make money in this opportunity, knowing that it’s not true?

What about the hundreds of thousands of MLMer’s world-wide who see something, decide not to get involved, and then join many years later and find success then.

Can you say they missed the boat because they didn’t get in on the ‘ground floor’ even though they had the opportunity?

So, is there any validity in ‘ground floor’ opportunities?

Sure there is.

What about new opportunities, such as a brand new MLM business?

People will say, “Only the people who get in first make money”.

Is this true? Yes and no.

The people who get in first do have a greater advantage, but *only if they stick with it.*

Any company changes over time:

- It goes through periods of slower and faster growth.
- It goes in and out of popularity.
- It will run into problems and hopefully hit some big breaks.

The question is not, “If I get in now, can I make money and have an advantage over anyone else?”

The question is, “Will the opportunity be as good or better in 10 years’ time as it is now?”

The trouble with ‘ground floor’ opportunities for the average networker is that they don’t understand these things.

They don’t understand the advantages of getting in on this level are equally, if not more so in most cases, counter-balanced by the disadvantages of starting at this level.

You go through all of the product testing, the new [marketing](#) strategies, the burning of many leads, the constant changing and altering and tweaking, the

fluctuating compensation plan, the legal requirements and establishing a solid business base.

In most cases, many networkers don't make as much money in a new start-up business as would another networker beginning from scratch with another more established company.

Think of it like an I.P.O. (initial public offering) of a new company on the [stock](#) market.

They don't just appear overnight and list with a huge stock price and have everyone excited about it and parting with their cash.

It often takes years to put together a good company that will achieve a super-successful I.P.O.

You have to spend time building, marketing, promoting, testing, and protecting the new company.

After a lot of time and work and effort and money, usually over many years, the [idea](#) becomes more widely accepted and begins to experience growth.

It is listed for an I.P.O. and, suddenly, people everywhere are talking about it and promoting it and the media jumps on board and the stock lists on the first day and goes through the roof (the goal and hope and prayer of every I.P.O. management team).

Now, all their hard work and patience has paid off and your 'stock' is worth ten, one hundred or one thousand times what you bought into the company for.

This is what starting at the 'ground floor' level of a new MLM company is like.

Keep in mind that many fail. The statistics are that about nine out of ten businesses go out of [business](#) in the first 10 years. This is also true for MLM companies.

Don't forget that.

If the company does well, then the growth rate for the 'first in' networkers (assuming they stuck it out and kept working) is quite remarkable.

However, I would not suggest this for the average networker. Unless you are experienced, or understand well the new opportunity being presented, I would not join a new, start-up MLM [company](#).

**New country launches** are like new company launches, although to a lesser degree. Once again, if the company is new and going through a ‘rapid expansion’ period into new areas, territories and counties it can represent great success or massive failure.

Look at what the results have been like in the other countries first.

How long has the company been established?

Not all markets may welcome them with open arms. If they have already launched into half a dozen countries successfully, then it’s a good chance the same will happen in your area too.

It may be just the opportunity to *lead the advance* that you are looking for.

If that is so, remember this:

Pioneers experience great hardship long before they ever [taste](#) success, if they do so at all.

**Timing** plays a role in choosing a successful MLM. Some companies are very well known and, after many decades, this may become a hindrance instead of an advantage.

When was the ‘heyday’ for this company?

Has it already passed or have they managed to continue to re-invent themselves over time?

Is there anything going on in the market place that *would* make it advantageous for you to join right now?

I recall a number of years ago when the [health](#) industry went through a period of ‘mass awareness’ as I call it.

The media picked up on it and rode it for all it was worth. It was at a time when terms like “free radical damage” was only just becoming popular and

words like ‘antioxidants’ was promoted in every health [food](#) store and every lifestyle television show.

Talk back radio discussed it, books and magazines were devoted to it and celebrities promoted it on TV commercials.

For a few years, everyone was suddenly worried about ‘free radical’ damage and everyone seemed to have an ‘antioxidant’ answer for you in their particular product.

If you joined with a well established MLM company that sold health foods or [vitamin](#) products, you would have had an excellent opportunity to ‘ride the wave’ of success at that time.

The results for those who were working their businesses would have been higher than at other times because of the trend of the general market at the time.

If you did experience higher success at that time, you now have a period after the trend (a few years on) where these terms are now generally accepted by the population and the growth slows.

If you are promoting a [product](#) with antioxidant benefits, you just mention the name and people understand. No lengthy explanations necessary today.

This makes it easier to sell and you get the ongoing benefits of the long-term business.

The key to great timing and riding trends is to make sure the market is there when the trend is over.

Will people still be using these products once the ‘hype’ has died down about it? If the answer is, “yes”, then the timing is probably right.

If your MLM company is good, it is always at the cutting edge of [technology](#) for their market, and always looking for the best products and services for their representatives to market. They should be well established enough to be able to capitalize on new trends.

Service-based companies that offer technology based products are also great ones to look at for trends. Since technology changes go in cycles and tend to hit what is called ‘mass market appeal’ very quickly, you get a huge growth rate as the new technology begins to be utilized.

Can you imagine being in an MLM company promoting the release of the Internet 15 years ago? What percentage of the population uses the Internet today – about 94%?

Would this have been a great opportunity to get in on the ‘ground floor’?

Of course, but are we really getting in ‘ground floor’ or are we riding the latest trend?

If it’s the latest trend, then there’s a good chance we can benefit from the next trend if we [start](#) to build now.

As I write this, we are in the middle of a world-wide economic recession. Most of the major countries around the world are experiencing major financial difficulties, and so are their people.



This is GREAT TIMING for MLM!

Why?

It’s during times like these that people begin to realize their ‘plan A’ is perhaps not all it was cracked up to be.

The idea that you can get a job for life, the [stock](#) market will keep going up, property never decreases in value

and the government will look after you in [retirement](#) are all long-outdated ideas.

When people realize their ‘plan A’, to buy a big house and put all their retirement money into the stock [market](#) hasn’t worked, they begin looking for ‘plan B’.

Usually, it takes a big shock for most people to go looking elsewhere for their financial [stability](#) and a world-wide economic crisis is shock enough for most.

At the moment, multi-level marketing companies around the globe are experiencing massive growth across almost all [industry](#) sectors. It is a time like no other to get involved and *'ride the trend of fear and frustration'* over the failed *'corporate plan'* we have all been taught.

As I said, this is a GREAT TIME for MLM!

Another aspect of timing is **'critical mass'**.

All MLM companies that last for any length of time go through periods of massive growth, usually called *'critical mass'*.

This is where no-one has heard about the company but everyone has heard about the company the next day.

It's at times like this where companies may produce more in a single year than they have in the past decade!

Does this represent a great opportunity for you as a representative?

Absolutely!

Is there an [advantage](#) in marketing a company that has good products, solid growth, a well established history and is about to go into critical mass.

Of course there is. If you were to *'get in now'*, the possibility for success for you is much greater than at other times.

It doesn't mean that other people can't make money because they joined 10 years ago or if they joined in 10 years' time.

It means that, by riding a wave of *'critical mass'*, you can build in half the time what has already taken others, or will take others in the future, many more years to do.

People who are well positioned, usually the established leaders of these companies, have the greatest growth potential because they have done the hard yards.

They have built their network big and strong and deep and now they watch it explode.

Companies go into critical mass at different times. It would be great to be able to say that, “At year twelve, all MLM companies go into critical mass,”, but this is not the case.

Not only will that, but the organization in every country that an MLM company operates in not go into critical mass at the same time either. Some countries are more predisposed to this type of business than others.

This can also lead to critical mass expansion occurring at different times.

It is for this [reason](#) that the serious networker always wins. If you can continually build a business for the long term in the multi-level marketing industry, you then put yourself in the position to ride the next big wave that comes along.

There is a similar effect, whether this is a commercial trend or a critical mass expansion.

Imagine spending ten years [building](#) a business in this industry to earn a desired level of income in the hundreds of thousands of dollars a year, and then seeing it double or triple in the space of one to two years!

This is why the people who stay in the longest win, not just the ones who get in first. But, the ones who last the longest and ride the biggest number of waves win BIG – sometimes *Millions and Millions of dollars a year BIG!*

MLM is not a [race](#) – this is not the corporate ladder. It’s a test of durability, patience and consistence effort.

The final aspect of timing I want to talk about is longevity. Not longevity for you, but for the company. As I have already explained, MLM companies are no different when it comes to building and growing their business.

They have many of the same challenges of traditional businesses.

Despite what I have said about trends, critical mass and massive incomes, it is far better to [partner](#) with a company that has already gone through the ‘growing pains’ stage of their operations.

Get with one that already has established product bases, training courses, up-line leaders and operates in multiple countries around the world.

I suggest partnering with a company that has not less than 5 years trading history – *preferably ten*.

In this [way](#), you give yourself a much better chance for success.

**So Principle #5 is:**

**Partner with a [company](#), preferably with 10 years’ history and look for [market](#) positioning and timing.**

## Credibility

When I was first introduced to the [industry](#), some 12 years ago now, it was through my friend’s mom.

Later, I was introduced to another company by a friend of my father.

Still later again, a friend approached me to look at an opportunity.

I soon began to realize that I was a ‘prime recruiting pick’ for most people because I was outgoing, hungry and very ambitious.

Not having a lot of experience in this industry or any other at the time (I started at 18), I was easily swayed to the latest, newest, brightest thing.

Eventually, after some research, I joined with one company that I thought would benefit me. My upline was a very successful traditional [business](#) person and networker.

The first time I went to his house for a training meeting, I was shocked! He had the huge house, the flashy car and plush leather lounge suite and he spoke with a [voice](#) of absolute authority.

He was very helpful in getting me started and put me onto someone who would work with me. A few months in, I had had some success and sponsored quite a few people. I had got my first few commission checks and thought I was on the right track.

Then, out of the blue one day, I got call asking me to come to his [house](#) for a meeting. I promptly complied and found myself learning about another ‘business opportunity’.

Yet again, the same person called on me some time later to talk about ‘another opportunity’.

All in all, he introduced me to something like three separate ‘opportunities’ in addition to the one I was already working in!

Understand right now, that the biggest challenge you will have to overcome for people new in the industry is **credibility**.

Your friends and family don't see you in this industry. They see you as John or Julie the postman, or a secretary or a mechanic or housewife or cousin or son or nagging Auntie or whatever!

They do not see you as a leader in this industry. [Earning](#) a couple of dollars a week, or even a couple of hundred of dollars a week, in residual income won't change most people's attitude about your fabulous opportunity.

The last thing you need is to hit up your friends and family with one opportunity this week and another next week.

The absolute worse thing you can do in this business is to chop and change companies every other month. Unfortunately, there are too many people (and too many successful uplines) that think it is okay to do this for every new opportunity out there.

If you want to be successful in MLM, you need to do your research, pick one opportunity and work it until it is successful where you are getting at least six figures a year in [income](#)!

If you do this, you will develop the skills necessary to build a network in almost any MLM company on earth and earn a solid income which you can then keep or sell, and earn credibility from your contacts and team.

For most people *who are successful* in [building](#) a network marketing business, it happens like this:

- 1)** They start in an opportunity and build.
- 2)** They get lots of refusals, mostly from friends and family.
- 3)** They continue to build and it grows slowly.
- 4)** They begin to have success and earn a regular income.
- 5)** Now, their friends take notice of what they are doing.
- 6)** As years go by, people who initially said no to you now see your success and want to join in.

It is always the case in [life](#). Because you have been consistent and persistent in building your business, you earned people’s respect and they now hold you in higher regard *and* you now have a well established business.

This is the best way to win long-term and possibly make millions of dollar a year.

**So Principle #6 is:**

**Build and maintain your credibility by  
sticking with one [company](#) and don’t change.**

## Re-train my Brain

The final and 7<sup>th</sup> Principle to Choosing a MLM [winner](#) is YOU!

The problem with most MLM companies is not the company, but the people.



Sure, all companies can do better than what they are currently doing. There are ways in which each one can improve.

But, if you’ve followed the seven principles in this [book](#) and found a company that fits that profile, especially one that has been around for 10 years or more, it is likely that any

problem that arises is not their problem but yours!

Too many times in this industry, people don’t succeed because they don’t take responsibility for their own actions. They are too content to blame their upline or the corporate structure than to change their own habits.

This is particularly true for people who have never been in the industry before and are unfamiliar with the major stumbling block for most in MLM – rejection!

To make this work, you have to ask yourself these questions:

- ? Are you prepared to do your part?
- ? Do you have the [integrity](#) to follow through?
- ? Are you prepared to do the number of presentations required a day or a week to be successful?

Did you know that, in most MLM companies, two successful presentations a day (or one home presentation a week to 10 people) might equal \$100,000 a year or more in income in about three years!

Think about that!

If that sounds like too big a number to you, ask the company you work for now how many leads they need each day to get a sale?

If you're in a small [business](#) (maybe a corner store), not everyone who walks past your shop comes into it.

Not everyone who comes into your shop will buy something.

Not everyone who buys something will be happy and return again.

But, if you have enough people walking past, you'll have enough people come in, you'll have enough people buy and you'll have enough people remain loyal customers if you do the right thing for each of them.

The exact same [process](#) works in big business as well.

Did you know that some larger corporations spend tens of millions of dollars each year on advertising on radio, TV and billboards knowing that only a very small percentage of those that see their ads will buy?

In MLM *YOU are the [Advertisement!](#)* Collectively, the contacts of tens of thousands of representatives become the 'billboard advertisement' to millions of potential customers for the company.

They know that only a certain percentage will buy, but they also know that the percentage is higher because the 'billboard' is someone that the potential customer trusts.

### **Know Your Place!**

Doing your part also means understanding that your role in your chosen company extends far beyond your own down-line organization.

As a leader (which is what you want to become to earn the big dollars), you must keep all negativity from yourself to a minimum and guard against it in your team.

Bad mouthing anyone; representative, company employee or prospect only lowers your own credibility in the eyes of others.

You should be as much engaged in recruiting a prospect on someone else's team as on your own. In other words, you assist wherever possible to help build up the reputation of the company and also your fellow representatives as well.

I have been in many situations where my contact does not necessarily relate well to me personally. Perhaps we have very little in common.

In these cases, my first objective is to introduce them to someone who is more suited to their profile than I am, even if they are not in my team.

I recall one occasion meeting a professional [athlete](#), a former Olympian, who I invited to a weekly meeting. They accepted.

Not having a strong interest or knowledge in his sport (or any other for that matter), I promptly introduced him to another high-profile representative in the company who was very high up in another [sport](#) himself as an executive.

They clicked right away and knew many of the same people; even though they were involved in different sports.

My contact was impressed with what he saw and the people he met. So, he joined the business.

He was in my team, but I do not believe that he would have joined if it was not for the courteous friendly conversation from another representative who took the time to meet him and relate to him on my behalf.

Not only that, but he gave me very strong edification (endorsement) of my own abilities in my own area to my contact. He explained in detail why he would be best served in not only joining the business *but in joining in my team*.

This representative received no compensation for doing so, other than my sincere thanks. However, I have done the same thing many times for others in similar circumstances.

What this representative knew was that ‘TEAM’ meant supporting everyone, whether in your direct down-line or not.

The [company](#) grows as a whole when everyone works together. You build bonds, friendships and contacts far beyond the realm of the corporate entity you’re working with when you operate in this manner.



Besides, it's a lot easier to attract new prospects to your team if the company they join spends more time promoting inter-team co-operation rather than fierce competition.

## **Do You Fit the Company Culture?**

People often overlook this point when choosing which company to join. They focus more on the 'unique opportunity' or the promised [money](#) they expect to receive.

Each MLM company has its own unique culture based around the people associated with it.

Some are focused more on women and women's needs. Others promote better to professionals and some market better to the family or the small [home](#)-business market.

If you're a guy, are you comfortable enough to work in a company which promotes mainly female beauty products?

If you're a female and have young children, perhaps you can better relate to a company that promotes children's products?

## **Do You Like Big Events?**

Many companies use big conventions once or twice a year to promote their products, recognize their representatives and train their people.

If you're not the sort of person who likes them, then you either have to change your attitude about that or find a company that operates without using these events to grow the [business](#).

If you do join with a company that has big events, *go to every one!*

How can you promote its benefits to your team if you don't go yourself?

Play your part:

- 9 Book the tickets.
- 9 Hire the accommodation.
- 9 Hire a bus.



9 Do whatever you have to do to get people there.

Conventions change people – it gives them a glimpse of the ‘big [picture](#)’ in a way you could never do. Commit to it and go!

## **Do You Have A Good Mentor?**

Your success will largely depend on how good a [mentor](#) you have to work with, how dedicated you are to your goals and how big your “WHY” is.

Your mentor may be an associate in the business, someone outside the business or someone who has been dead for decades.



It doesn’t matter, provided the quality of their mentorship is good and you follow it well.

A good, living mentor should be able to help you with your goals by keeping you on track and altering them if necessary.

They can remind you of your “WHY” when you get into that dark corner of [despair](#) while on that emotional rollercoaster every representative goes through.

A good mentor may also be a good friend. It is usually, but not always, someone who has already done what you want to do.

## **How is Your Conditioning?**

There is no room in this book to go into depth about this topic. So, let me just say this.

Your present level of conditioning will have a big impact on how successful you are in this industry. Like anything you do in life, you have to want it.

But, more than that, you have to be prepared to do whatever is necessary to get it.

The most difficult thing in this industry is trying to get people to understand that they can realistically *earn their current annual income each month*.

It's a mental challenge which most people just cannot grasp!

Without going into all the inner details on how the [mind](#) works, let me just offer you a couple of tips that may help you.

- 9 Put your goals in writing and date them! (Don't forget the last part)
- 9 Put pictures up of what you hope to achieve.
- 9 Write an affirmation list to say to yourself each [morning](#).
- 9 Make an image of you as a successful person.
- 9 Associate with as many like-minded people as possible.
- 9 Do a little bit toward your objective every day.

Imagine your ideas, beliefs, faith and everything to which you know as an oak [tree](#).

In your mind you have thousands of oak trees growing.

Oak trees take a long time to grow and they are vulnerable to damage when they are young, like any young tree.

However, over many years, they grow strong and tall and their roots go deep. It is very difficult to remove an oak once it has been planted in your mind.

Let's say you're 45 and you have been taught since you were a child that financial security means getting a good [job](#) with the government and to stick at it for life.

You've been taught that; if you do that, you'll retire financially well off. If (like most of the population) you never challenged that idea for 45 years, that idea has now become an oak.

Along comes someone with an idea, a suggestion that you can multiple your income ten-fold over the next few years.

You like the idea and plant your little 'acorn' next to the big oak.

This is your competition. Your old conditioned idea that has taken root and is tall and strong, now has such a powerful hold over your actions – this becomes the enemy of your new ‘acorn’.

In order for the ‘acorn’ to sprout shoots, to break through the ground, to begin to grow leaves and develop a strong root system, it needs to be free of the old oak [tree](#) stealing its water and food supply.

You overcome an old conditioned [idea](#) – an old oak - the same way you plant a new one and watch it grow; slowly, bit by bit each and every day.

That’s why [affirmation](#) statements, goal cards and self-image statements are so important.

They are designed to go directly against the ingrained ideas which are already in your mind.

To choose and build a successful MLM business, make sure you are mentally prepared for the challenge first.

**So Principle #7 is:**

**Spend [time](#) each day working on YOU.**

**Change yourself to change your [results](#).**

## Major, Big Name Industry Endorsements

Let me leave you with this as a final thought.

The industry as a whole, although still young, is coming into maturity. There are more companies than ever going down the multi-level marketing [path](#) and succeeding.

Better than that, there are more independent representatives making more money than ever before.

There are better products, better compensation plans and greater capacity for growth in countries all over the world.

In addition to this, some of the world’s biggest names in business have become involved, either directly or by lending their name to [support](#) the industry.

**DONALD TRUMP**, billionaire property developer, television star and best selling author recently lent his name to formally endorsing a company in this industry, publicly on national television. This is the first time this has happened in the history of the industry.

(Source: Celebrity Apprentice – March 22, 2009 – CNBC)

**ROBERT KIYOSAKI** – world-renowned financial educator, international best selling author of ‘Rich Dad, Poor Dad’, [investor](#), entrepreneur and creator of the educational board games Cashflow 101, 202 and Cashflow for Kids endorses people beginning their financial freedom path in this industry.

(Source: You Tube Video 2009 and ‘The Perfect Business? – An [interview](#) with Robert Kiyosaki’ on CD)

**WARREN BUFFETT** – A multi-billionaire, the world’s most successful stock market investor and currently the world’s second richest man purchased (through his company Berkshire Hathaway) a multi-level marketing company in 2002.

(Source: www.Forbes.com the world’s Billionaires and Berkshire Hathaway news release September 23, 2002)

When you have people of this caliber talking about the industry and promoting its benefits, you'd have to be nuts not to at least give the industry a look.

Look at it this way. When something is new, anything at all, it often takes a while for the general public, the [experts](#) and everyone else in between to catch on.

Once they do, and already successful business people begin to take notice, it becomes less and less of a risk for the 'average' guy on the street to take part.

For this reason, the more established the industry becomes, the easier it is to promote your MLM businesses. How can you fear talking to someone about this industry knowing that the three gentlemen mentioned have put their stamp of approval on the business [system](#)?

Does that mean every opportunity out there would get their tick? I would doubt it. But, in the main, they support the concept of multi-level marketing and the benefits it provides.

That should be good enough for most to get started. Use this piece of [knowledge](#) to move your own business forward to the next level.

## Epilogue

Let us review the *7 Principles of MLM Success* we have been talking about.

1. Only promote high quality consumable products and services.
2. Make sure the [training](#) provides education & motivation, is comprehensive at every level in the business, and is duplicatable.
3. Use technology to help you build your people business, don't let the technology become the business.
4. Look for dollar for [dollar](#) compensation plans with added benefits like fast-start bonuses or accumulated sales volumes.
5. Partner with a company, preferably with a ten year history, and look for market positioning and timing.
6. Build and maintain your credibility by sticking with one company and don't change.
7. Spend time each day working on YOU. Change yourself to change your results.

I give you my personal guarantee that, if you follow the *7 Principles for Choosing an MLM Winner* in this [book](#), your chances for success in this industry will be significantly better - *six and seven figure annual incomes better - than if you did not!*

Aim High, Work Hard and Best of Luck.



Michael Russo

Husband, Father of 3, Author, Speaker and Entrepreneur

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