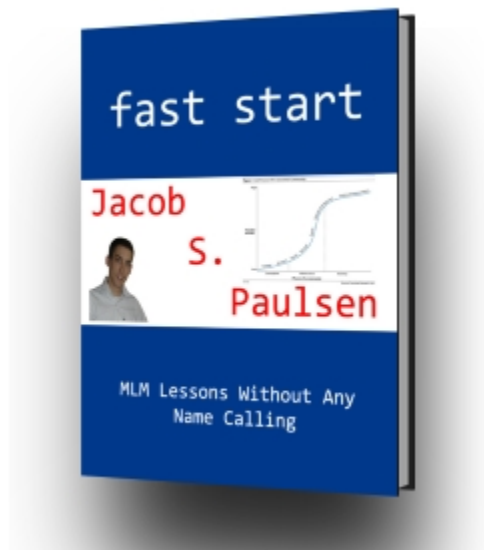


Fast Start: MLM Lessons Without Any Name Calling

By **Jacob S. Paulsen**
www.jacobspaulsen.com



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Table of Contents

THE FOUR DECISIONS TO SUCCESS.....	3
OWNING YOUR OWN BUSINESS IS THE PATH TO FREEDOM.....	4
THE PRINCIPLES THAT GOVERN NETWORK MARKETING ARE SUPERIOR TO THOSE OF TRADITIONAL BUSINESS	6
ANALYZING THE COMPANIES & OPPORTUNITIES IN THE NETWORK MARKETING INDUSTRY	9
YOU BELIEVE YOURSELF TO BE CAPABLE OF HAVING SUCCESS WITHIN THE COMPANY'S SYSTEM.	13
THE 6 BIGGEST MISTAKES MADE BY NETWORK MARKETING AMATEURS.....	14
THINGS TO REMEMBER WHEN YOU GET STARTED	16
THE 5 SKILL SETS YOU NEED TO DEVELOP IN ANY NETWORK MARKETING BUSINESS	17
A SIMPLE OVERVIEW OF MODERN MARKETING. HOW TO BE EFFECTIVE IN BOTH YOUR ONLINE & OFFLINE MARKETING	19
CONCLUSION.....	20

THE FOUR DECISIONS TO SUCCESS

The Network Marketing industry presents strong financial opportunity to people in over 100 countries around the world. There is a very high failure ratio within the industry and I believe those failures can be eliminated if one can make the four decisions below. These four decisions walk someone through the correct process of getting involved with the industry and making the correct commitments to succeed. The four decisions are as follows:

1. You want the freedom of life that comes from financial leverage, & this can only be done by owning your own business.
2. You believe the Network Marketing business model holds the greatest opportunity to achieve this freedom.
3. You believe that within the Network Marketing industry BLANK COMPANY presents the strongest opportunity available.
4. That you believe yourself to be capable of having success within the BLANK COMPANY'S system.

By making these decisions you can take an outside in look at the industry. One of the mistakes made by amateurs is analyzing the industry from an inside-out perspective. They first become exposed to a company and only after getting involved do they learn about the industry as a whole. Everything they learn from then on will be biased. First look at the business model, then analyze the opportunities within the industry. Only then can you make an educated decision and position yourself for success. The purpose of this E-book is to help walk you through this process. Lets Begin Now!

Owning Your Own Business Is the Path to Freedom

What do you want? Most of America is satisfied with the 40 by 40 plan, which is 40 hours per week for 40 years. In choosing a career, you see, we pick between two different factors: freedom and security. At first these two are opposites. If you choose security you will never achieve true freedom. If you choose freedom you will likely begin with no security at all and only achieve it after time. That is why the first decision you must make is Freedom; freedom over your time, your resources, and your property both material and intellectual.

As long as you trade your time for money you cannot achieve freedom. Some people argue that being paid salary or being self-employed doesn't constitute trading time for money but I disagree. Ask yourself this question: If you don't do any work for the next two weeks would your paychecks still arrive? If you answer no than you are still trading your time for money. The only way to stop this cycle is to own your own business system. See the Diagram:

Owning your own business system provides an opportunity for freedom because by employing others in a predictable pattern of activities you can achieve greater results than you could alone. If you get paid on the efforts of other people you begin to have leverage, and leverage is the key to financial

freedom. Kiyosaki's diagram shows us that only in the "B" & "I" quadrant can you achieve big results. You must make the conscious decision to move to the "B" quadrant and become the owner of a duplicable business system that doesn't require your daily involvement.



Robert Kiyosaki's CASHFLOW Quadrant

Notice I said a business system that doesn't require your daily involvement. Having your own business isn't enough. Most business owners in reality only own a job. You must create or buy a business system that doesn't require you coming into work every day, every week, every month, or even every year. This may not be possible during the first 6 months to a year of your business but it must be the end goal and your system must allow for it.

Only by making the conscious decision to desire freedom, own your own business, and create a true leverage based business system can you achieve your goals.

The Principles that Govern Network Marketing Are Superior to those of Traditional Business

The Network Marketing Industry or MLM industry has been around for over 60 years and while the general public often regards the industry with great contempt recent studies have shown that the industry is stronger than ever. Now with companies such as General Electric, Verizon, GM Motors marketing some or all of their products via the network marketing business model a lot of consumers are beginning to take this industry serious. Great economists such as Paul Zane Pilzer and wealthy men/authors like Robert Kiyosaki & Donald Trump have also spoken out in great extent recently about the amazing opportunities that exist for average people in Network Marketing.

Robert Kiyosaki the noted author of the Rich Dad Poor Dad series and other inspiring books said; "The richest people in the world build networks. Everyone else is trained to look for work."

And, Donald Trump in an article in Your Business at Home Magazine said; "Network Marketing has proven itself to be a viable and rewarding source of income, and the challenges could be just right for you."

Why Network Marketing? What makes it so unique? While traditional business delivers products to end consumers via a variety of third party steps such as distributors, wholesalers, and retailers the network marketing business model delivers products directly to the end consumer's doorstep from the manufacturing facility. Taking out all the middlemen brings down total cost. Also by removing the middlemen you remove geographic barriers allowing you to do business anywhere people are willing to listen, look, and buy. Are you starting to understand why the principles



that govern this business model are superior? Let's keep going.

Let's talk about opportunity in business. A traditional company is built in the shape of a pyramid with CEOs and presidents at the top all the way down through management and eventually to the large group of employees. The people at the top make most of the money and the people at the bottom do most the work. This is not the bad part; on the contrary it is natural. The bad part is the lack of opportunity. The bottom line staff/employees don't have the same opportunity to make money as the top-level management. In fact there is a scarcity of money. The more money the staff makes the less there is left for the Management. True scarcity with no opportunity at all.

The next step up is the Commission pay model. This model is superior because the upper level management has an incentive in the successful of the regular bottom level salesman. The more sales they make the more money it makes both parties. Everyone is paid based on his or her actual production and so nobody can break the principle and therefore people are rewarded correctly. Opportunity is much stronger because of two things. First, abundance is much more present because the people at the top want the people to succeed even though there can still be a strong feeling of scarcity between same level sales-reps. Second, each person is responsible for his/her own results and so by working harder you can make more money. However there is still a fundamental flaw. Though opportunity exists for success it is not equal. A real-estate agent does not have the same opportunity as a real-estate broker because the realtor cannot hire other realtors. The same is true for the insurance agent and for every other commission paid sales rep. Though there may be an opportunity for advancement and management positions, the opportunity will never be equal to the people at the top. What will eventually happen to the successful sales rep? He/she will go out and start his/her own company in order to have that equal opportunity. Now the sales-rep has become the competition to the company that trained & coached him.

Network marketing is the answer to all these problems. Abundance is real because the marketplace is endless (or at least infinity larger than the traditional marketplace). Opportunity not only exists because you get paid on your own efforts but it is also equal because the compensation plans that exist in this industry allow for equal opportunity for everyone. People at the bottom of the pyramid can make more than the people at the top. In fact it happens a lot. I sometimes explain it to people this way:

- Imagine buying a franchise.
- Now imagine that your franchise could sell its product in every country around the world.
- Now imagine that your franchise had no employees at all.
- Now imagine that your franchise didn't handle any customer service at all.
- Now imagine that the complete upfront cost of your franchise is only between \$500 and \$1500 one time.
- Now imagine that the ongoing overhead expense of your franchise is only between \$100 and \$300 each month.
- Now imagine that you got a cut out of the production of every other franchise the company sells.
- Now imagine that you could stop working anytime after only your first 6 months to a year and not only would you continue to get a check but it continues to get bigger each month even without you.
- Now what you have is a Network Marketing Business.

If you still can't see why this makes for the absolute best business you must be blind!

Analyzing the Companies & Opportunities in the Network Marketing Industry

I am assuming that you have reached the logical conclusion that the network marketing business model is indeed superior. The next step then is the ability to analyze the companies and opportunities within the industry and determine what factors make some better than others. The logical conclusion is that if some companies are better than others at any given moment there must be consistent factors that one could recognize that determine which are the better companies and opportunities. This article's purpose is to find those factors and without applying them to any specific company or opportunity.

If you truly understand the business model than you can agree with me that the number one factor that separates the true "opportunity" that exists in a company is it's timing in the marketplace. It is the Golden Law of this industry and it lays the foundation for the rest of this chapter. People who get involved in the foundation of a company generate 70% of the fortunes created in this industry. What is the foundation? All business go through three standard cycles of business: the foundation, hyper-growth, & maturity. Big money can be made in the Hyper-Growth stage and even perhaps in the Maturity, but History and logic tell us that the big financial opportunities exist for people that get into the foundation of a company.

Ok, that's the first law of the industry. Get into the beginning of a company. How do you know if it's the beginning? Generally if a company hasn't hit hyper-growth by its 8th or 9th year it isn't going to happen. When the business has a stronger focus on finding new team members you might be in the foundation. Generally as a company begins to hit hyper-growth the products become popularized and a larger portion of the volume of sales come from customers and return customers instead of new team members.

If we accept that the best thing you can do is get into the beginning than we also have to understand the number one risk involved is that your company being so young could tank, fail, and crash. Most businesses do in our industry just like every other industry. How do you manage that risk and at the same time find a company that has the potential to become a huge giant.

Let's start by talking about the history of the industry and what we can learn from companies that have already come along and become substantial players. To the best of my knowledge there have only ever been 7 companies in the history of this industry to achieve what we call Billion Dollar status at the time of writing this chapter. Billion dollar status means they have reached a point in which they are doing over one billion dollars or more in sales within one year and have sustained it. Seven isn't many for a 60-year-old industry. In fact history has shown that a new Billion Dollar company only comes around every 6 to 10 years or so.

So, let's dive into the meat. What are those factors that minimize the risk of failure and maximize the potential of hitting Billion Dollar status? These are the factors that create the "perfect storm" in this industry once the timing requirement of being in the foundation is met.

1. Experienced Management
2. Financial Backing
3. Global Vision
4. Product Line
5. Compensation Plan
6. Training/Coaching - Duplication

1. Experienced Management. It takes more than a couple of rookies to really have huge success in this industry. You have to have a team of executives that have massive experience and success in the industry. They have to know how to ship product on time, pay on time, open international markets, and create a profitable pay-plan.

2. Financial Backing. Companies fail most of the time because they are under managed and under capitalized. In our industry the under capitalized is the bigger killer. It takes big money to create a product line, open markets, and attract the big leaders that we talked about in number one. Some companies may have enough money to survive those first few years until they are profitable but you are looking for a company that has the big money necessary to go global, attract leadership, and launch products.
3. Global Vision. If you really want to have massive financial success logic dictates that you need to go international. More market share means more money and the earlier in the company that international markets open the better. This can create an international frenzy when other markets also have a ground floor international opportunity. This is so super rare that I have only seen it happen once or twice.
4. Product Line. For most people they think this is the only factor. While it is super important it isn't alone. There are many "sub-factors" to the product line that determine its long term success.
 - a. First to Market. Copycat products will never make Billion Status. Pepsi will never be bigger than Coke, Wendy's will never surpass McDonalds and the Microsoft Zune will never beat out the IPod. First to Market worldwide products are a must.
 - b. Universal Appeal. This is about Target Market. Can children & seniors use the product? Is it limited to one per household? Will it sell in every international market?
 - c. Consumable. Repeat Business is important so the product has to be consumable.
 - d. Marketability. Can you give out samples, show results? Is the product tangible to the person looking at the business? Can they understand it inside of a 5 minute presentation?
5. Comp. Plan. Can you be profitable quickly? Do you have strong incentive to help others be successful? Is there such a thing as a bad position?

6. Training/Coaching & Duplication. You can have all the perfect factors in place but if you don't have training and support than what difference does it make? It is necessary for a company to attract BIG Field Leadership from other companies. These big leaders who have a track record of success not only have to be a part of the organization but they need to create simple systems of duplication. The success in this industry is in duplication. How easy is it for anyone to do it? Big leaders create training and action programs that are duplicable and follow-able for anyone.

I hope that this has been helpful. These are the factors that you can use to look at the companies that exist in this industry. Choosing the best company for you is the number one decision you can make if you want to have huge financial success. By taking the "Outside In" look at the industry you are doing what most don't. Most people learn about the industry via a company that gets them involved. They then have the unfortunate "Inside Out" look at the industry and don't understand why they aren't having the success they want and why one company might be better than others.

You believe yourself to be capable of having success within the company's system.

Simply put, do you see yourself able to do what would be required and would it be easy? You can have the greatest confidence in a business model and company but if you don't feel yourself 100% capable of following the marketing system taught by your leadership you will fail!

- Find out what the marketing system is! What will be required of you? What systems are in place to help you in your training process?
- See what methods & techniques the leaders in the company are using.
- Could you do to others what your potential sponsor did to you in introducing the business?

It is absolutely essential that you feel confident that you can do what is required to have success, that it would be easy, and that others could do it to.

Your business will not be as good as you are. It will be as good as you are duplicable. Make sure the marketing strategies being taught by your leadership can be adopted by anyone! If you are relying on your own skill you will never build a large organization and residual income will escape you forever.

The 6 Biggest Mistakes Made by Network Marketing Amateurs

1. Hoping for a free ride. Too often people think that by signing up one or two "key" people they will be all but done and enjoy a big bonus check forever. The other free ride lie is when you are told by your up line that you will inherit a huge organization or down line from them. While the comp plan may allow your up line to build underneath you that won't make it free money. It is going to take work and time to build a profitable organization and any thought that you can get around that is nothing more than a lie.
2. Ashamed to be a Network Marketer. In order to have Huge Break through income in this business you must make it a part of your lifestyle and who you are. All too often people see the earning potential and decide to get involved but they are never truly committed, only interested. The products, and the business need to become a part of your lifestyle if you want to have the BIG residual income. That doesn't mean this has to be the only thing you do for 40 hours a week, but it must become a part of your lifestyle.
3. Forgetting this is your own business. Unlike a 401K or Mutual fund your Network Marketing business requires attention. You would not buy a fast food franchise and expect it to send you a paycheck if you hadn't done any work. Your Network Marketing business is a business and like all other business ventures it requires:
 - a. An initial investment.
 - b. Ongoing Overhead
 - c. Training by Experts
 - d. Time & Energy (equal to the rate of growth you desire)
 - e. Branding & Advertising.If you aren't willing to treat it like a business, do not expect to be successful.
4. Not Patient Enough. Getting out of the business in less than 6 months is always a mistake. There are four phases to this business and the first is the

investment stage. Just like any other business venture in the first 6 months are so you will invest more time, money, and energy into your business than you will get out. That is normal and to be expected. If you are in the right company and working the system correctly after 6 months you should enter the Momentum stage and begin to get paid well for what you are doing.

5. Looking for people who need your business. A big mistake that many people make is to look for the people who need your business/product and forget to look for the people who your business needs. A CEO of a mouthwash company would not recruit employees based on the criteria of having bad breath. It would be important to tell all people with bad breath about your product but as the CEO of your own Network Marketing business you need to look for the people who will help your business grow. IE: the people with the international contacts, existing network, business sense, track record of success, etc.
6. Massive Pro-Activity without Massive Training. In this business you need a strong concentrated but balanced dosage of both Pro-Activity and Effectiveness. Pro-Activity only takes commitment and can be done by anyone. Being effective on the other hand requires going through the training material and finding a coach/mentor within the business to hold your hand. One without the other will prove your doom. Both together will make you un-stoppable.

Things to Remember When You Get Started

Consistency Pays Off. When you begin your efforts in the business you will quickly learn that momentum is hard to build but easy to lose. Above everything else make sure that your efforts are consistent from day to day and from week to week. Decide right away how many hours per week you are willing to dedicate and how many contacts you are willing to make each day.

Be a Product of the Product. If you want to market your products and you opportunity you must believe in both. Facts tell, and stories sell. No matter what products your company markets, you must use them all. Also remember that if you expect your own organization and recruits to use/order the products each month YOU must create that culture.

Never Consume Product in Private. I realize that not all products can be consumed in public, but if there is anyway at all you can consume your product in front of others... DO IT. Create curiosity at the workplace, in school, while dining, at family gatherings, on airplanes, trains, and everywhere else you may go.

Easier to Grow Fast than Slow. Because this business is about momentum you need to understand that this business is much easier to grow fast than slow. If you put 40 hours into your business within a 2 week period you will make better money than if you put the same 40 hours of work into a 4 week period. Your first 90 days in the business are the most important 90 days you will ever work.

The Power of an Impact Check. As already mentioned your personal story may be the most powerful tool you ever have. During your first pay period you have a single chance to make an impact check. If you can make 2,000, 3,000, 5,000, 8,000 dollars on your very first check you will have that story to tell people forever! Don't miss that chance and don't let your personal recruits miss it either.

The 5 Skill Sets You Need to Develop in Any Network Marketing Business

- Create and Maintain List. Before you can approach anyone about your opportunity or its products you will first need a list of people to approach. You will not find it difficult to put 100 names down on paper. The true skill here is the ability to maintain a list of active prospects. After your first major blast in the business you will find your original list of contacts running out of names. This doesn't mean you are out of business. You must learn to live a lifestyle in which you are always meeting new people and establishing new relationships. This is a lifetime skill and the best in the business are very good at it. Here are some tips:
 - Don't have a loyalty to any one business or group. Try a different dentist, doctor, auto-shop, travel agent, or hair salon. Meet new people everyday everywhere you go.
 - Get interested in other people. What do you know about the people around you? Where did they grow up, what sports do they like, what other languages do they speak, etc? There are two good reasons for this. One, we as people are self-centered by nature and are attracted to people who show interest in us. Two, you may find out things about people that you didn't know before that might better qualify them as a prospect.
 - Put everyone on your list. You will have people on your list who aren't ready to be prospected yet, some who are ready, and others who already said the timing wasn't good.
- Invite. Your method of inviting new prospects needs to be simple and duplicable. Anything more than 90 seconds will be too difficult for you to train your people to do. Establish high quality scripts and follow them. Follow these simple suggestions for an effective invitation:
 - Contact With Questions
 - Create Massive Curiosity.

- o Control Yourself
 - o Commit them to the next step.
- Conduct a Presentation. If you can never do presentations in this business than you can succeed. When I say "conduct" a presentation I'm referring to the ability to properly guide someone through the presentation or effectively host the presentation in your home; NOT DOING THE PRESENTATION YOURSELF. If you do the presentations yourself you are once again killing all potential of duplication. Use third party tools such as DVDs, live meetings, online videos, audio CDs, etc to show your prospects the business message.
- Follow Up. Learning to correctly follow up with your prospects immediately after they view the complete presentation is a skill you must develop. Learn to prepare them for a three way call with your upline who will answer their questions and direct them to additional information if required.
- Develop Leadership. As your business grows you will never stop your own personal recruiting but you will begin the process of developing leadership. The big money in the business comes to the people who know how to inspire and guide others into leadership.

A Simple Overview of Modern Marketing. How To Be Effective in Both Your Online & Offline Marketing

Marketing when correctly done online or offline always follows the same basic formula.

1. Meet People - Meeting People allows you to create a constant living list of new contacts. It involves living life and networking in everything you do.
2. Personal Invitation - Personal Invitation is made with sincerity. Personal invitations are made to people with whom you can connect personally.
3. Build A List - Building and maintaining a list means finding a way to provide consistent value to your contacts in order to maintain a relationship.
4. Market - Marketing means creating easy environments for your contacts to inquire about your opportunity.

This is not just true of Network Marketing. All realtors, used car salesman, etc know that they most effective way to generate a loyal customer is through this process. In MLM this is especially true.

Let's take a closer look at this process as it applies to both online and offline work.

OFFLINE

- **Meet People**
 - Parties, church, work, school, clubs, etc
- **Personal Invite**
 - Golf, dinner, event
- **Build a list**
 - Provide Value/Establish Credibility
- **Market**
 - Invite to meeting or over to office/store

ONLINE

- **Meet People**
 - Facebook, Twitter, Youtube, etc
- **Personal Invite**
 - Personal Blog, Webcast
- **Build a list**
 - Email marketing
- **Market**
 - Advertize via banners, emails, and links

Conclusion

I hope you have enjoyed this short E-book “Fast Start: MLM Lessons Without Any Name Calling.” With this information you are prepared to discover and succeed in the Network Marketing industry.

For more information about Jacob S. Paulsen and his ventures please visit www.jacobspaulsen.com