

NETWORK MARKETING – Is it a viable opportunity?

Network Marketing has been around since the early 1950s and has, since the 1980s, evolved into a global industry. International statistics for 2009, from the World Federation of Direct Selling Organizations (which regulates the Network Marketing Industry as well as the Direct Selling Industry), show that the industry

- generated a global turnover of US\$114-billion,
- had 65 million people involved and that
- over 600,000 people are joining *each week!*

In South Africa the industry had 1,11million distributors and did R6,34-billion in turnover in 2009.

Many top business and economic leaders worldwide endorse Network Marketing as one of the best strategies for developing financial security.

Here's what a few of them say:-

- Donald Trump - "Network Marketing has proven itself to be a viable and rewarding source of income"

In fact he has invested in a number of Network marketing companies.

- Paul Zane Pilzer – "I like the honesty of Network Marketing because it openly tells people the way to get rich is with residual income. Get paid again tomorrow for something you did yesterday"

- Robert Kiyosaki – "The No 1 thing people can do to increase their wealth is to start a part-time business"

Amazingly, there are still people out there who have the misguided idea that "it's just a pyramid scheme". While there are pyramid schemes out there (they are illegal), they are NOT true Network Marketing systems.

Network Marketing is the fairest business model yet developed and rewards those who do the work, regardless of age, race, gender, education, past experience or economic status. In fact, the good plans enable anyone, regardless of when they start, to reach the top, even overtaking the person who introduced them – if they work harder. Network Marketing is credited with creating more millionaires in the last 20-30 years than any other business model.

So let's take a good look at Network Marketing – by comparing it to traditional income earning strategies, like having a job.

Job

1. Education and/or experience is essential to success.

Network Marketing

Anyone, regardless of education, can succeed. No experience required.

2. To succeed generally one has to compete with, and beat, others.	Success depends entirely on how many other people one helps.
3. There's a ceiling to earnings – limited by hours worked (can't work 24/7) and the value of the job.	Unlimited earning potential – depends entirely on the individual.
4. In today's economies, jobs usually involve much stress and frustration.	Lots of personal satisfaction and achievement.
5. Success determined largely by others (superiors)	Success determined entirely by self.
6. Family not involved.	Works best when family is involved.
7. Generally requires fixed, or at best semi-flexible, hours – away from family	Completely flexible, can be integrated with family and personal lifestyle.
8. Normally restricted to one area (i.e. one economy)	Good Network Marketing companies are global – enabling their distributors to earn multiple currencies.
9. Minimal recognition (generally all negative)	Constant positive recognition.
10. Income stops when you stop – no security	Can earn residual income. Good plans are even willable, so one can build a legacy.

From the above one has to conclude that Network Marketing:-

- a) works, and
- b) that it's a viable alternative to normal income generating methods, including traditional business. It requires minimal investment, no premises, equipment, staff or stock holdings. It's cash based and has absolutely no risks.

So, how does one go about choosing which Network Marketing opportunity to join?

Analysts recommend three criteria for evaluating a good system

1) *Are there products that people will buy (and re-buy) even if they don't join?*

Ideally the product range should include consumable products that people are buying regularly. Currently, personal care products account for 21.3%, health & wellness 22.8% and home care 23.9% of global turnovers.

2) *Does the marketing plan pay a fair income, commensurate with the effort put in by the individual?*

Bearing in mind, of course, that Network Marketing is not “get rich quick”. Be wary of systems that limit the number of levels paid on, where the percentage commission decreases with time or where one makes money by introducing people.

3) *Is there good support – in terms of sales, marketing and personal development training, also product deliveries and guarantees?*

This is critical – without good backup it doesn't matter how good the products or incomes are. People need support, especially when starting out.

Given the current world economic recession, it makes good sense to look at having an additional source of income and Network Marketing is definitely one of the best options available today. You can start immediately:

- with minimal investment
- without giving up your job (if you still have one!)
- you will be supported and encouraged.
- you can change your financial status for ever!

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