

CRACKING

*the Code of Network
Marketing*

Network Marketing is a business model that depends on a network of distributors and independent representatives to grow the business together, often working from home. The products and services you carry can be Nutritionals, doctors online, books, online dating, legal advice, stocks analysts, cars, sailboats, private planes, exotic vacations, Travel Timeshare, etc.

In general, there are three basic types of systematic strategies to do business and make money. It involves locating and recruiting business partners, new customers, and clients. Training, motivating and managing your recruits into a team.

There are many reputable network marketing operations, but some have been denounced as pyramid [schemes](#). The latter may focus less on sales to consumers than on recruiting salespeople who may be required to pay upfront for expensive starter kits.

There are many types of network marketing, including single-tier, two-tier, multi-level, and modified versions of the three types mentioned above.



99% of MLM participants lose money

According to [research at the FTC](#), a whopping 99% of recruited sellers lose money in an MLM venture. That means just 1% turn a profit; just those at the top make money, with 99% of people losing money. It's hard to see why anyone would join this type of company.

It's hard to succeed in any business, but the success rate is well over the 1% you see in MLMs. The same FTC report explains that 39% of legitimate small businesses ultimately profit over time. That's still less than a 50/50 success rate but about 39x better than an MLM.

Before starting any business, regardless of the product or service, do your research and find complex numbers on your odds for success. There is a risk in starting any business venture. As long as you understand and can afford those risks, that's okay. However, it would help if you never started a business where the odds of success are better at a Vegas slot machine.

95% quit within ten years

What happens in a business model where everyone loses money? Everyone quits. Well, not quite everyone. But close to it. The same FTC report from Jon Taylor explains that 95% of MLM participants leave within ten years. According to Bureau of Labor Statistics data, around 30% of small businesses survive at least ten years. That means the typical small business has 6x the longevity when measured by who's still around after ten years of MLMs.

While it makes sense that people would want to move on from some businesses after some time, the rate at which people flee MLMs is a testament to the 1% profitability rate above. According to another study, at least half of participants quit within one year.

All businesses take a lot of work, and there is no quick and easy path to success. If there were, everyone would be doing it!

Cracking the CODE in Network Marketing

Annette & I achieved the highest rank ever reached by any USANA Associate worldwide since USANA began 25 years ago. We became the first and only Associate-couple to reach such height. That was on June 30th of 2017. In our 20 years with USANA, we have received more than 100 plaques, trophies and awards.



Many were so eager to find out how we did it.

Here are our tips:

- 1) Understand the principles of Network Marketing.
- 2) Networking is for everyone. But Some will succeed, and most will not.
- 3) Know the types of network marketing you are going into. (MLM is the type we got in)
- 4) Prospecting, recruiting, sponsoring and sign-up, and direct-selling products to the consumers are vital components in Network Marketing.
- 5) Know your primary reason for joining. Is it the products or the business, or something else?
- 6) Shop around before joining. Check up the companies.
- 7) Know the difference between a listed publicly traded company and one privately owned. How long has the company been in business; the credibility, the founder's background, and the investors. Any court cases? Be careful. Is the company making money? Some companies may illegally dress up their image.
- 8) Talk to experienced and successful networkers. Find out why they are successful. Listen to those who failed and find out why they failed.
- 9) Get yourself trained by successful network marketers. Read books written by writers who have true-to-life, actual foot-on-the-ground networking experiences. Avoid writers who write books based only on their confusing hypothetical beliefs.
- 10) Read the company's policy and associate contract before signing. Consult your lawyer accountant to avoid misunderstanding and painful regrets.
- 11) Learn from your sponsor, upline, crossline, including downline, and work with all.
- 12) Raiding activities are not the way to success.
- 13) It would be best if you worked with a planned schedule and not once in a while.
- 14) Work and hobby are two different animals, producing different results.
- 15) Every networker is an owner of his own business. Networkers may work with each other but never expect another networker to work for you. Freebies come with price tags.
- 16) You will meet many good people, and you will as well meet many bad and ugly people. The cayotes may look like guide dogs, and the killer sharks may look like whales in the distance. Prepare to run away while you see troubles coming. Time is so precious and limited—waste, not your time with Losers to lose. Work with winners to win.
- 17) After you have put in your best doing Network marketing and things did not work out as you have understood and planned, it is okay to quit. It is not the end of the world. There will be other opportunities somewhere else.
- 18) It is wise that you have multiple streams of income. Network marketing is just one of them.
- 19) If you are interested in investing in the company's stock, be sure to seek advice from your stock professional market consultant.
- 20) Be kind and humble. Do to others as you want others to do to you.

For me, to count the number of friends and relatives who helped and supported us in our MLM journey is almost impossible!

HERE ARE SOME OF THE EXPERIENCES THAT I HAVE PERSONALLY ENCOUNTERED IN OUR MLM JOURNEY:

Glitches along the way...

- 1) Once, a downline was unhappy with the products he brought from the company and wanted his money back. I told him that the company would happily accept his return and refund his money. Unrealistically this associate refused to wait for the refund and insisted that I refund him right away. He meant immediately, right away. I did not have to entertain such demands, nor did I bring my cheque book on hand. And this associate was so mad and demanded that I pay him immediately. I thought I woke up that day on the wrong side of my bed. Luckily, another downline was with me and had the cash on hand to alleviate the situation. **Are you willing to face such an awful demanding situation on behalf of the company you represent?**
- 2) Once, I was asked by the U.S. border customs officer why I was crossing the border. I honestly told him that I would meet with some doctors and friends to hold a Health and Freedom presentation in Chicago. Officer A said that it was illegal for me, a non-American, to steal the jobs away from the Americans. While officer B told A to let me in, he refused. On top of denying me access, he required me to be fingerprinted for the record. **Are you willing to be fingerprinted because of the company you represent?**
- 3) In my early MLM days, I had an appointment to prospect a VIP in our local community. And being a greenhorn, I felt nervous, so I took the help of one of my uplines to help me do the presentation. He complied and helped me out. A week later, I got another opportunity to talk to another VIP, so I asked the same upline to help, naively thinking that the points I gained would benefit this upline anyway. But he refused me with a big NO!
- 4) Jealousy is very common among many network marketers. Do not be surprised if some associates appear to be your friends are indeed your enemies. Your upline, crossline, and even the company's employees may hate your success, and some will even rob your business secretly.
- 5) Nothing is free in this world, and there is no shortcut to true success.
- 6) I have many friends and classmates living in Los Angeles, California. When I freshly ranked advanced to the level of Gold, I was so excited about my achievement and flew directly from the Salt Lake City Convention to see these childhood classmates. While I was sharing my success story during lunch, one of my classmates, an accountant, started attacking me negatively about sharing. Later, I found out that she had a horrible experience in her network marketing.

Perks and benefits of doing the business...

- 1) During the opening of Usana Philippines, we travelled back and forth so often; many friends and relatives assisted us in so many ways. My godbrother Jack Keh chauffeured us from one meeting to another while Jeanette welcomed us with the best accommodation to stay at their home.
- 2) Pare Isidro, Mare Jonna, and the Ang family helped our pastoral mission support in Davao City. Long-time friends Bethel and Daniel Shangkuang, BSOP's president Dr. Joseph Shao and Rosa, Dr. Jane Chuaunsu, Auntie Esther Ting Dy, Grace Lieuson Ong supported us in our ministry all the way.
- 3) Dr. Jean Chua Alano, Carolyn Chua, Veny, Victor & Tony Chua, Lincoln Lim, and all the pastors in Camarin, Caloocan, and Joyce Lim of Grace Christian Church are making our work much more manageable.

- 4) Evelyn and Rachel Lim helped and walked the second mile with us in so many ways. Rachel helped us design our DTD logo and even baked the best birthday cake for our granddaughter Audrey's birthday held in Manila.
- 5) Ambassador Zenaida Tacorda Rabago pre-arranged my appointments in person with President Gloria Arroyo and her cabinets, including the Bureau of Income and Revenue Tax and the Department of Tourism.
- 6) Sebastian & Luz Cua's family paid for all the expenses when he invited 160 guests and friends to attend our Health and Freedom presentation at a classy golf course in Chicago. Dr. Cuomo talked about the products, and I introduced the marketing side of the business. Dr. Sonia Cua Lee, Sarah Cua, and Belynda Lee Tjandra joined. That was the first H&F presentation held in Chicago.

Sharing our secret:

**PRAY FOR GUIDANCE
TRUST HIM, FOR HE IS GOD THE ALMIGHTY
HE WILL SHOW YOU THE RIGHT PATH TO SUCCESS**

**BELIEVE IN HIM; HE WILL HELP
HOLD HIS HAND; HE WILL LEAD
ASK, AND YOU SHALL RECEIVE**

I KNOW SO BECAUSE I HAVE BEEN.

17.17.17

17 years in Network Marketing – 17-Star Diamonds – In the year 2017