

# UNDERSTANDING NETWORK MARKETING

## **INCOME DISCLOSURE STATEMENT**

Any income examples used in this presentation are only for educational purposes and are not intended to serve as a guarantee of income. Success in this business requires hard work and dedication.

## What Is Network Marketing?



**Network marketing is a proven, age-old business model that allows companies to pay commissions to independent distributors for selling their products instead of using traditional channels of distribution and advertising.**

**As a Distributor for a Network Marketing company, you typically get paid every time you sell their product. The potentially lucrative aspect to Network Marketing is that you can introduce other distributors to the company and get paid on their sales volume. Furthermore, you can even get paid on the sales volume of the people they introduce, and the people they introduce – and so on down the line through multiple generations.**

## Network Marketing is Booming in the US!



**Over 13 Million Participants!**

**\$30 Billion in annual sales in the US alone!**

**Many Fortune 500 Companies are using  
Network Marketing to Distribute their  
Products and Services!**

## Why Choose Network Marketing?



**Word-of-mouth advertising works!**

**It's a Low Risk/High Reward Business - Get started for under \$200 and potentially earn six figure incomes!**

**Home-based business is Booming!**

**No experience is necessary!**

**Be Supported by Large Corporate Infrastructure at no additional cost to you!**

## What Kinds of Companies Choose Network Marketing?



- **Mary Kay cosmetics**
- **Herbalife**
- **Avon**
- **Amway**
- **Team Beach Bodies** (P90X Workout System)
- **Tupperware**
- **Primerica Financial Services**

## What Kind of People Endorse Network Marketing?



- **Bill Clinton - Former US President**
- **Warren Buffet - Investment Giant**
- **Robert Kiyosaki - Entrepreneur & Author**
- **Jim Rohn, America's Business Philosopher**
- **Paul Zane Pilzer, Nobel Prize Winning Economist**
- **Anthony Robbins, Motivational Speaker**

## What Kind of People Participate in Network Marketing?



**People from ALL walks of life are turning to Network Marketing to help secure their financial future!**

- **Doctors**
- **Lawyers**
- **Pro Athletes**
- **Celebrities**
- **Entrepreneurs**
- **Financial Planners**
- **Teachers**
- **Engineers**
- **Coaches**
- **Salespeople**
- **Housewives**
- **College Students**
- **Retirees**

## The Beauty of Network Marketing



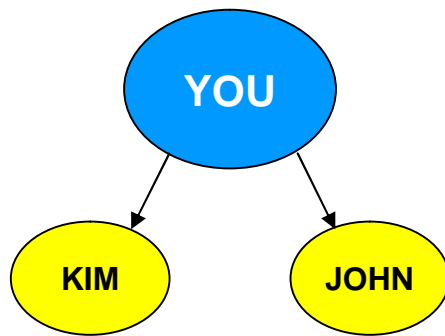
**Starting a traditional business can be costly, very risky and extremely time consuming.**

**The beauty of Network Marketing is that everything is done for you.**

**The distribution infrastructure is already in place just waiting for you to step in and utilize.**

**All you need to do is find a product and company you believe in and start spreading the word.**

## Understanding “Sponsoring”



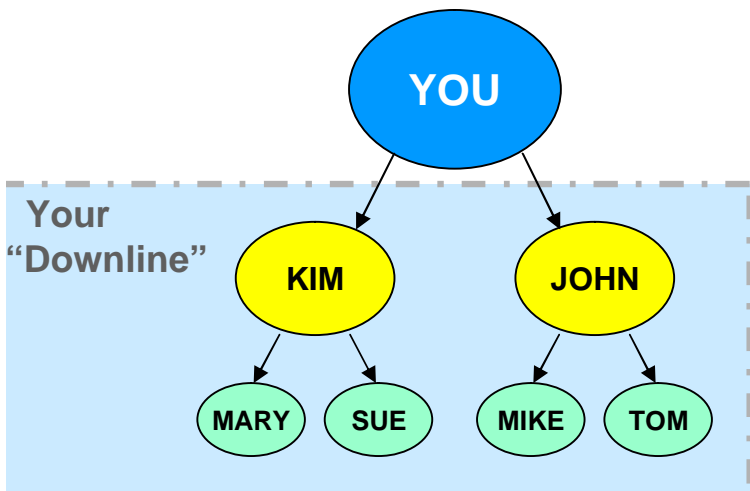
You Sponsor  
Kim and John

**The potentially lucrative aspect to Network Marketing is that you can introduce other distributors to the company, get paid on their sales volume, and build a large sales organization for yourself.**

**The act of introducing new Distributors to your business is called “Sponsoring.”**

**The image to the left is typically how Sponsoring is visually depicted.**

## Building Your Sales Organization or “Downline”



You Sponsor Kim & John  
Kim Sponsors Mary & Sue  
John Sponsors Mike & Tom

Your “Downline” now consists of  
Kim, John, Mary, Sue, Mike & Tom.

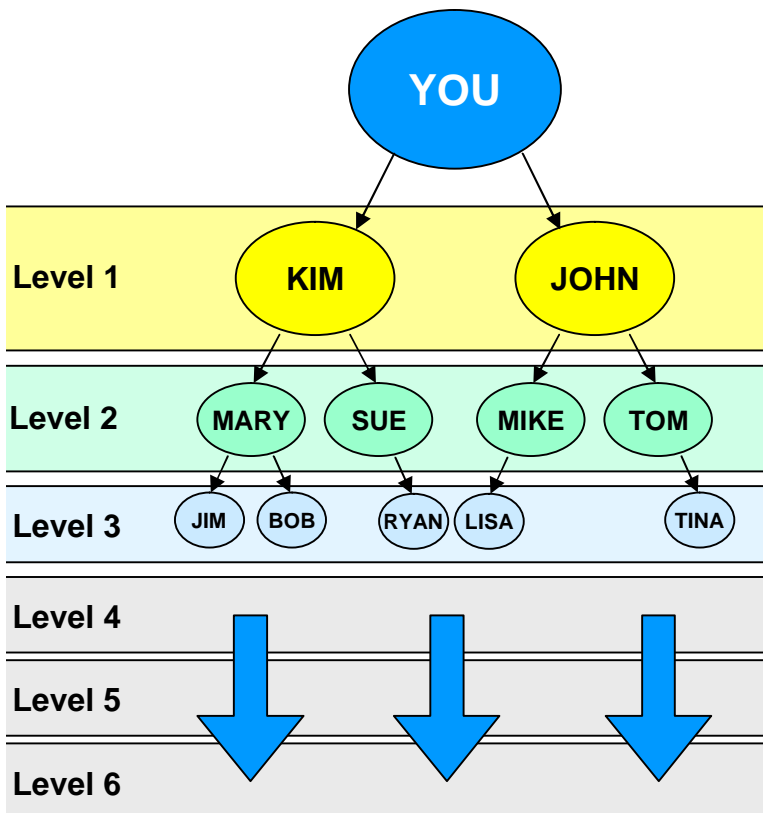
**Anyone you sponsor into the business also has the ability to Sponsor new Distributors into the business.**

**Any time someone you sponsor sponsors a new Distributor into the business, that new Distributor is also a part of your Sales Organization, and you can get paid on their sales volume as well.**

**As the people you sponsor start to sponsor others, you begin building your Sales Organization, which is referred to as your “Downline.”**

**Typically speaking, the bigger your downline, the bigger your commission checks.**

## Understanding a Multi-Level Commission Structure



**In the Network Marketing world, generations of sponsorship are typically referred to as "Levels."**

**Anyone you personally sponsor will fall on your 1<sup>st</sup> Level. (Kim and John)**

**If someone on your 1<sup>st</sup> Level sponsors someone, they will fall on your 2<sup>nd</sup> Level. (Mary, Sue, Mike & Tom)**

**If someone on your 2<sup>nd</sup> Level sponsors someone, they will fall on your 3<sup>rd</sup> Level. (Jim, Bob, Ryan, Lisa & Tina)**

**And so on and so forth.**

**The Level that a Distributor falls on in your Downline will typically determine what commission percentage you can earn from their sales volume. (For example: 10% on Level 1, 10% on Level 2, 5% on Level 3, etc.)**

## A Simple Three Step Process



**Network Marketing is a very simple business comprised of just three basic steps:**

### **Share**

**the product with others using our effective marketing tools and sell it to prospects interested in trying it out.**

### **Sponsor**

**those prospects interested in the business opportunity.**

### **Teach**

**your new prospects how to do the same thing.**

## The Power of Exponential Growth

One of the most exciting things about Network Marketing is the potential for EXPONENTIAL growth!  
Check out the table below. These numbers will amaze you!

Level	Everyone Sponsors 3 People	Everyone Sponsors 4 People
<b>1</b>	<b>3</b>	<b>4</b>
<b>2</b>	<b>9</b>	<b>16</b>
<b>3</b>	<b>27</b>	<b>64</b>
<b>4</b>	<b>81</b>	<b>256</b>
<b>5</b>	<b>243</b>	<b>1024</b>
<b>6</b>	<b>729</b>	<b>4096</b>
<b>Total Downline Through 6 Levels</b>	<b>1091</b>	<b>5460</b>

## A Network Marketing Analogy



**Building a successful Network Marketing business is like climbing a mountain.**

**If you only focus on the peak, it always seems far away and out of reach.**

**If you just keep putting one foot in front of the other, eventually you will get there. And by doing this, you will have time to enjoy the journey as well.**

**Network Marketing is a very simple business. All you need to do is keep putting one foot in front of the other until you get to where you want to be!**

You Have the Dream...

You Have the Drive...

All You Need is the Vehicle...

A large, stylized version of the Oxygen 4 Energy logo, with "OXYGEN" in black, a large blue "4", and "ENERGY" in black.