

Objectively comparing network marketing companies

Company numbers:

- Look over compensation plan 1st, if you can, & understand it
 - Ask enough questions so you feel you have a good enough understanding of it
- How old is the company?
- How many distributors do they have?
 - US
 - World-wide
- What is their volume/how much are they doing in sales?
 - US
 - World-wide
- What is the ratio or percent of their dollar to PV/BV/etc.
 - i.e. Our cases cost \$100 & each case is 100 PV, so our percent is 100% or 1:1.
 - Why you want to know this: (for the next question)
 - Because we get paid on PV/BV/etc. (i.e. XanGo's is 50%!)
- What was their actual payout, not theoretical, last year? (for chart - % payout)
 - Theoretical – almost every company says we pay UP TO...
 - That's taking how much the company paid out to the distributors divided by what their volume was last year
- Company's retention rate?
 - (If I can get it... this is rare that they know.)

Individual's numbers:

- How long have they been in it?
- How many people have they personally sponsored?
- How many are in their group now?
- What is their volume last month?

Xango

Spend 100
100 pv
50% of pv
\$50 payout

You need twice as much volume in company X to get paid the same as Xango

Company X (fairly common #s)

spend 100
75 pv
30% of pv
\$22.50 payout

avg. order vol/dist = \$80

avg. order vol/dist = \$20

You need 4 times the number of distributors in company x to equal XanGo income

3 years old

3 years old

400,000 distributors

100,000 distributors

It is 4 times harder to sponsor people into company X than XanGo

If you need twice as much volume, 4 times the number of distributors and it is 4 times harder to recruit....(4x2x4=32) Company X is 32 times harder than XanGo and you will need at least 8 times the number of distributors to get the same results.