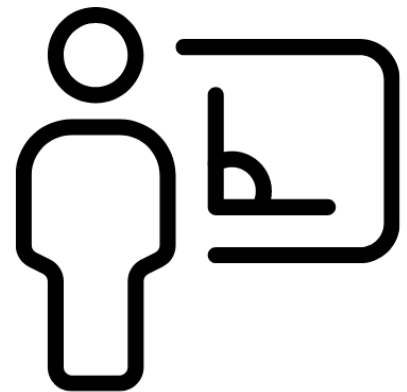


Instructors Guide



On the following pages is a sample module from our Instructor Guide. It provides the instructor with a copy of the material and a Lesson Plans box.

The key benefit for the trainer is the Lesson Plan box. It provides a standardized set of tools to assist the instructor for each lesson. The Lesson Plan box gives an estimated time to complete the lesson, any materials that are needed for the lesson, recommended activities, and additional points to assist in delivering the lessons such as Stories to Share and Delivery Tips.



Marketing is designed to bring people into something.

Sue Naegle

Module Two: How Does Multi-Level Marketing Work



Multi-level marketing, also known as MLM, is a business marketing strategy that many companies use to encourage current agents to perform, while at the same time, growing the team by recruiting and training new agents. This tactic of marketing helps boost the company's sales force not only from the sales of the primary agent, but also from the sales and profits of the agents they have recruited. For many companies, it can prove to be a valuable tool for building revenue, but also for building their marketing and networking circles.

Networking Marketing



Network marketing is a type of business that is known for its part time and flexible business practices. It is typically based on the recruit's effort and how far they can go with the product or service. Recruits are required to supply a low, upfront investment, which usually covers some sort of starter kit as well as product samples. From here, recruits are trained to sell the product or service on their own, but are then encouraged to recruit other sales representatives to create a "downline". A downline is a process in which the original employee is paid for their sales, and also receives a portion of the sales from the people they recruit. As the recruited agents gain business, they can recruit representatives as well as earn revenue on their sales, continuing the downline.

Common network marketing companies:

- Avon
- Mary Kay
- Scentsy
- Tupperware

Estimated Time	8 minutes
Topic Objective	Review the definition of network marketing.
Topic Summary	Network Marketing Discuss the different characteristics of networking marketing.
Materials Required	Flipchart/board, marker
Planning Checklist	None
Recommended Activity	Discuss the characteristics of network marketing. Discuss the ups and downs for its employees. When is this type of marketing successful or unsuccessful? Write some of their answers on the board/flipchart.
Stories to Share	Share any personal, relevant stories.
Delivery Tips	Encourage everyone to participate.
Review Questions	What makes networking marketing so different?

Independent Agents



In multi-level marketing, an independent agent is a non-salaried employee that is authorized to distribute and sell the company's business or service. Because the independent agent can sell directly to the client, they are paid their immediate profit from the sale and will typically also earn some sort of commission from the company. If desired, independent agents can also recruit agents to work under them and sell the company products and services. However, unlike network marketing, independent agents earn their profits from direct sales, rather than downline agents.

Common names for independent agents:

- Distributors
- Dealers
- Franchise owners
- Owners

Estimated Time	7 minutes
Topic Objective	Review the definition of independent agent marketing.

Topic Summary	Independent Agents Discuss the different characteristics of independent agent marketing.
Materials Required	Flipchart/board, marker
Planning Checklist	None
Recommended Activity	Discuss the characteristics of independent agent marketing. Discuss the ups and downs for its employees. When is this type of marketing successful or unsuccessful? Write some of their answers on the board/flipchart.
Stories to Share	Share any personal, relevant stories.
Delivery Tips	Encourage everyone to participate.
Review Questions	What companies might utilize independent agents?

Commission-Based



Commission-based marketing is a common tool used in many sales and distribution companies. Commission-based marketing means that the agent will receive a pre-set portion, typically a percentage, rather than a regular salary or hourly pay. Although it is often the most controversial form of marketing, it can prove beneficial in many ways. Commission-based marketing can allow the agent to have flexible hours and clients, which can help them maximize their earning potential. These agents are able to build a more loyal and personal client base. It also puts pressure on members of management, because if the agent does not make a sale, not only does the agent not get paid, but the company doesn't get paid! Many businesses dislike using commission-based marketing because it requires a lot of pressure and stress from the employee, which can lead to poor performance and low sales.

Estimated Time	8 minutes
Topic Objective	Review the definition of commission-based marketing.
Topic Summary	Commission-Based Discuss the different characteristics of commission-based marketing.
Materials Required	Flipchart/board, marker
Planning Checklist	None

Recommended Activity	Discuss the characteristics of commission-based marketing and why it can seem controversial for many agents. Discuss the ups and downs for its employees. When is this type of marketing successful or unsuccessful? Write some of their answers on the board/flipchart.
Stories to Share	Share any personal, relevant stories.
Delivery Tips	Encourage everyone to participate.
Review Questions	What companies might utilize commission-based agents?

Agents Recruit New Agents



Similar to network marketing, one method of marketing is for currently trained agents to go out and seek new agents to join the team. When current agents recruit new agents to join the team, it is known as creating *downlines*. As these new agents become part of the team and begin to succeed, their profits benefit the company, and the agents who recruited them. In downlines, the recruiting agent receives some sort of stipend, usually a percentage, based on the sales of their downline agents. Then, the new agents become part of the sales and marketing team; each agent with his own unique talents and skills. In time, as these new agents become veteran employees, they too can be trained in recruiting new members, and will be able to bring new agents to the team and keep the cycle of recruitment going.

Estimated Time	7 minutes
Topic Objective	Review the definition of agents recruiting agents marketing.
Topic Summary	Agents Recruit New Agents Discuss the different characteristics of agents recruiting agents marketing.
Materials Required	Flipchart/board, marker
Planning Checklist	None
Recommended Activity	Discuss the characteristics of agents recruiting agents marketing. Discuss the ups and downs for its employees. When is this type of marketing successful or unsuccessful? Write some of their answers on the board/flipchart.
Stories to Share	Share any personal, relevant stories.
Delivery Tips	Encourage everyone to participate.
Review Questions	What is one benefit of agents recruiting other agents?

Practical Illustration



Joseph was talking with Amy about joining his firm and becoming one of their new agents. Joseph was telling Amy that his company was wanting to hire ten new agents before the end of the year to build their team. Amy expressed she did not want to work for a company that had commission-based agents or was only interested in creating 'downline' schemes. Joseph assured Amy that they were not that kind of company and in fact they preferred to have current agents recruit new agents in order for everyone to work together. He added that everyone made their profits and salaries and it wasn't shared through a network of agents. Amy was pleased to hear about that, and asked Joseph to tell her more about the company before she signed on.

Module Two: Review Questions

1.) Which of the following is a common network marketing company?

- a) Avon
- b) Google
- c) JC Penney
- d) Sony

Network marketing is a marketing practice that is performed through either a single agent or even a small group of agents and grows because of their effort and progress. Common companies that use this method are Avon, Mary Kay, and Scentsy.

2.) Network marketing companies are known for creating what?

- a) Return policies
- b) Downlines
- c) Hassle-free sales
- d) Contact lists

Network marketing companies are known for creating downlines, which reflect the use of a 'line' of agents and dividing profits among these agents and their recruiters.

3.) Independent agents are also known as what?

- a) Free agents
- b) Distributors
- c) Lone operators
- d) Rebels

Independent agents are employees that handle almost all aspects of marketing and sales, including obtaining their own product supplies, collecting money and referring clients. Because of this, independent agents are often known as distributors, since they almost solely distribute to clients themselves.

4.) How do independent agents typically earn their income?

- a) From an hourly rate
- b) From a set salary
- c) From freelance work
- d) From direct sales

Because independent agents typically handle their own supplies, sales and collection methods, much of their profit comes from the result of direct sales. The only portions they do not keep are returned to the company for fees, charges and company wages.

5.) According to the module, commission-based marketing usually allows agents to have what?

- a) High stress
- b) Holidays off
- c) Flexible hours
- d) More paid time off

Commission-based marketing does not utilize set schedules or duties, so commission-based agents typically benefit from flexible work day and work hours in order to achieve sales and profits.

6.) Commission-based marketing is often known as the most _____ form of marketing.

- a) Controversial
- b) Lucrative
- c) Depressing
- d) Exciting

Commission-based marketing depends on the agent to make a sale, and many agents are not paid unless the sale is completed. Because of this, commission-based marketing is known as a controversial form of marketing since it does not guarantee some form of pay or reimbursement for an agent's work and efforts.

7.) When agents recruit new agents to the company, it is said to create what?

- a) A high turnover rate
- b) A recruitment cycle
- c) A large office environment
- d) A buddy system

In many companies, the marketing agents are trained on how to recruit new agents to join the company and expand the marketing force. Over time, these newer agents are trained on how to recruit new agents themselves. This creates a recruitment cycle of agents.

8.) Based on the sales of the 'downline' agent, the stipend the recruiting agent receives is typically:

- a) Less than \$200
- b) No more than \$100
- c) A percentage
- d) Received three months after it is earned

When current agents recruit new agents to join the team, it is known as creating 'downlines'. As these new agents become part of the team and begin to succeed, not only do their profits benefit the company, but they also go to the agents who recruited them.

9.) _____, also known as MLM, is a business marketing strategy.

- a) Multi-level management
- b) Multi-level marketing
- c) Many hands make light work
- d) None of the above

Multi-level marketing, also known as MLM, is a business marketing strategy.

10.) Network marketing is a type of business that is known for its part time and _____ business practices.

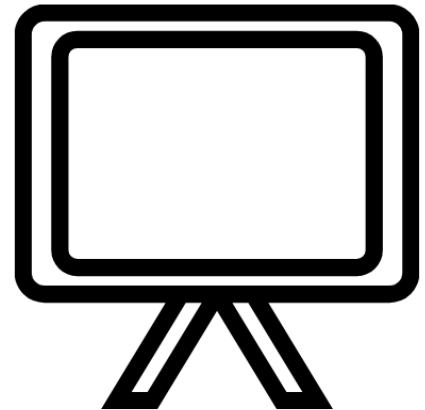
- a) Rigid
- b) Flexible
- c) Strict
- d) All of the above

Network marketing is a type of business that is known for its part time and flexible business practices.

PowerPoint Slides



Below you will find the PowerPoint sample. The slides are based on and created from the Instructor Guide. PowerPoint slides are a great tool to use during the facilitation of the material; they help to focus on the important points of information presented during the training.





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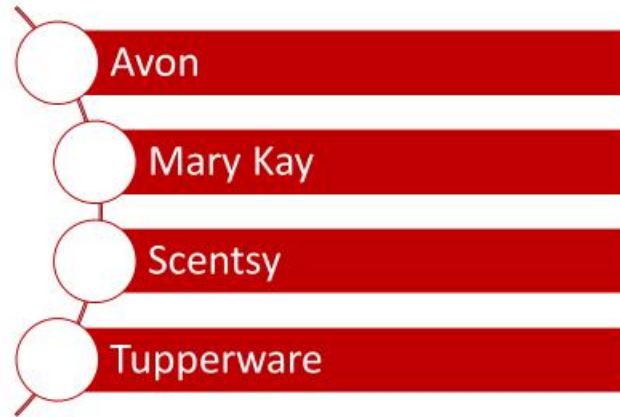
MODULE TWO

How Does Multi-Level Marketing Work

Multi-level marketing, also known as MLM, is a business marketing strategy that many companies use to encourage current agents to perform, while at the same time, growing the team by recruiting and training new agents.



Networking Marketing



Independent Agents

- Distributors
- Dealers
- Franchise owners
- Owners





Commission-Based

Commission-based marketing means that the agent will receive a pre-set portion, typically a percentage, rather than a regular salary or hourly pay.

Agents Recruit New Agents

When current agents recruit new agents to join the team, it is known as creating *downlines*.



Practical Illustration



- Networking Marketing
- Independent Agents
- Commission-Based
- Agents Recruit New Agents

Module Two: Review Questions

1. Which of the following is a common network marketing company?

A. Avon

B. Google

C. JC Penney

D. Sony

Quick Reference Sheets



Below is an example of our Quick Reference Sheets. They are used to provide the participants with a quick way to reference the material after the course has been completed. They can be customized by the trainer to provide the material deemed the most important. They are a way the participants can look back and reference the material at a later date. They are also very useful as a take-away from the workshop when branded. When a participant leaves with a Quick Reference Sheet it provides a great way to promote future business.

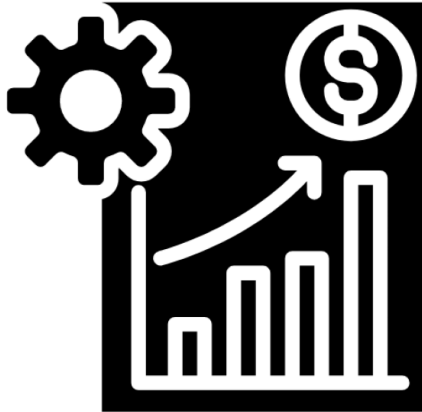




How Does Multi-Level Marketing Work?

Multi-level marketing, also known as MLM, is a business marketing strategy that many companies use to encourage current agents to perform, while at the same time, growing the team by recruiting and training new agents.

This tactic of marketing helps boost the company's sales force not only from the sales of the primary agent, but also from the sales and profits of the agents they have recruited. For many companies, it can prove to be a valuable tool for building revenue, but also for building their marketing and networking circles.

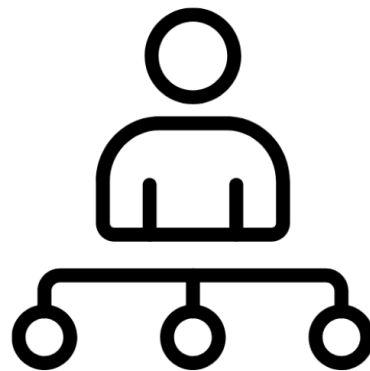


Networking Marketing

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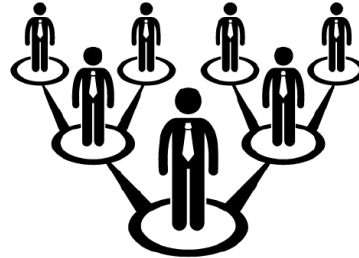
Common network marketing companies:

- Avon
- Mary Kay
- Scentsy
- Tupperware



Agents Recruit New Agents

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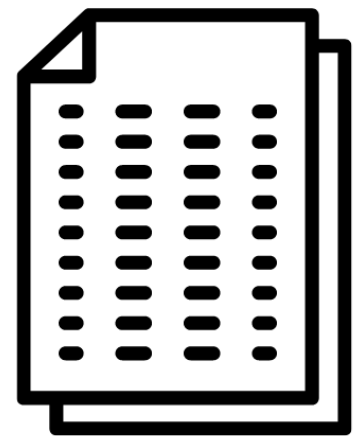
Handouts



Each course is provided with a wide range of worksheets.

Worksheets help check your participants' understanding. If a lesson calls for a worksheet, it will be listed in the Lesson Plan box under Materials Required. All worksheets are customizable and can be found in the Appendix of the Instructor Guide and the Training Manual.

As a trainer, icebreakers give your participants the opportunity to get to know each other better or simply begin the training session on a positive note. Icebreakers promote collaboration, increase engagement, and make your training more light-hearted and fun. Below is an example from the Icebreakers folder.



Icebreaker: Hello, My Name Is...

Option 1:

Method: Perhaps the easiest, most obvious and often overlooked icebreaker.

Ask each member of the training event to introduce themselves by saying *Hello – My Name Is...*

Then encourage the rest of the group to ask the trainee questions. To illustrate,

- Where do you live?
- What is your job?
- Where did you go to school?
etc.

This exercise also encourages questioning and listening skills within the group.

Discussion Questions

1. Did anyone feel uncomfortable doing this exercise? If so, why?
2. How can this exercise help us during today's training event?

Time: Maximum time 15 minutes

Option 2:

1. Have the participants at each table answer the following questions:
 - a. Why are they here?
 - b. What is their level of experience with Multi-Level Marketing?
 - c. What do they hope to get from this class?
 - d. What is the most interesting thing they have ever done in their lives?
2. Have someone be designated a scribe and have them jot down the answers to question C above.
3. On a separate piece of paper, have them write down the most interesting thing done from only one table member.
4. Have the scribe hand the note with the answers to question C to you.
5. Have the scribe stand and introduce the table to the class.
6. Then have the scribe share the most interesting thing from their group.

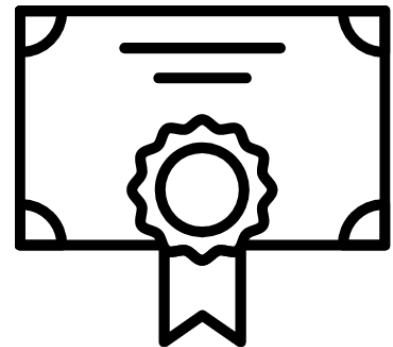
7. Have the class guess whom that person is, which did the most experiencing thing.
8. Go around to each table until all have given you their answers to question C and shared their most interesting thing.
9. Debrief by sharing all the answers to question C with the class.

Thank participants for sharing.

Certificate of Completion



Every course comes with a Certificate of Completion where the participants can be recognized for completing the course. It provides a record of their attendance and to be recognized for their participation in the workshop.



CERTIFICATE OF COMPLETION

[Name]

*Has mastered the course
Multi-Level Marketing*

Awarded this _____ day of _____, 20____

Presenter Name and Title
