



## Presentation Script

# How to Evaluate a Network Marketing Business Opportunity

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### Slide 1.

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John Counsel is the founder and Chief Executive Officer of The Profit Clinic, one of Australia's leading small business training and management consultancies. He's also recognised world-wide as an authority on network marketing.

He writes regularly for magazines like Upline® Journal in the USA, and Money Maker's Monthly in Australia. He's also the lead network marketing columnist for Australian Business and Money Making Opportunities magazine.

He's the webmaster of [www.profitclinic.com](http://www.profitclinic.com), one of the top network marketing resources web sites in the world.

He's a former lecturer in marketing, advertising, Master of Business Administration and Master of Education programs at one of the largest universities in Australia.

John's a best-selling author in the fields of network marketing and small business, as well as a successful network builder and team leader.

All of which really means that John has a reasonable idea of what network marketing is about, and the pitfalls that lie in wait for the unwary.

He created this simple, but incisive, presentation so you could learn what you need to know in order to make a more informed, objective and reliable BUSINESS decision instead of the kind of uninformed, high-risk EMOTIONAL choice made by most people in network marketing, *so you can avoid making the same mistakes as 90% of network marketers, right from the start.*

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### Slide 2.

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When the statistics are so plain, showing that more than 90% of network marketers fail to make money, the thing we need to understand most urgently is the REAL secret of success in network marketing. It's no different to anything else in life... do ONLY the right things, for ONLY the right reasons.

That way, you can't make any mistakes. It's that simple.

By the way, that same failure rate applies to ALL small and home based businesses, not just network market-

ing, and that gives us a clue to the real problem.

The dilemma we face is this:

- What ARE the right things to do?
- What ARE the right reasons for doing them?

Very few people know. So they usually do one of two things that lead them to do the wrong things for the wrong reasons, the wrong things for the right reasons, or the right things for the wrong reasons... *NONE of which is the Secret of Success!*

When faced with a business decision, most network marketers either do what everyone else does, or they take a guess.

The fact that 90% fail should tell us clearly that doing what everyone else does is just a sure-fire recipe for disaster. The bottom line of this approach is alarmingly simple, too... *the person they're all following doesn't know either. They just took a guess!*

So the real purpose of this presentation is to help YOU discover the right things for YOU to do, for all the right reasons, when it comes to evaluating ANY network marketing business.

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### Slide 3.

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There are Three Criteria of Fulfilment that apply to everything in life. If they aren't met by whatever we seek, we end up frustrated, disappointed and dissatisfied. So we need to ensure, right from the start, that we know what they are and why they're so necessary.

Here they are.

The first is ALWAYS **safety**. It means no risk. We won't lose our money, our friends, our good name, our jobs, our dignity or social standing.

The second is **Efficacy**, which means it does what it says it'll do... it keeps its promises. It works. So does everything about it, as we'll see in a moment.

Finally, there's **Value**, which is the difference between the benefits we enjoy and all of the conditions that have to be met to gain them. So the benefits have to far outweigh all those conditions, of which price is only the first.



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## Slide 4.

The Three Criteria of Fulfilment, which determine our EMOTIONAL outcome — how we FEEL about what we get — MUST apply to every aspect of a network marketing opportunity.

The products, the compensation plan, the company, the business opportunity itself, the support systems and your sponsor — and YOU, when YOU become a sponsor — all have to be risk-free, have to do what they say they'll do, and have to exceed our expectations when it comes to the benefits we want.

Only then can we be reasonably sure that the business opportunity has a future. If these three criteria aren't met properly in every single aspect of the business, DON'T JOIN!

You can't have one without the others, either. Take a close look at them... they're really different facets of the same jewel. If you deliver on your promises, you're safe to deal with, so you're good value. There's no way to separate the. It's all or nothing.

So let's get back to absolute basics.

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## Slide 5.

All of us want to be happy. It's fundamental to human nature. Even those strange souls who never seem to be happy unless they're miserable about everything are looking for happiness.

Our happiness ultimately depends on two things:

Our health and

Our relationships.

It's hard to be happy without both, but if your health isn't good, the right relationships will help you through.

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## Slide 6.

The things that undermine both our health and our relationships — and our happiness — are

- Too little time
- Too little money

Until we can get control over our time and money — our mediums of exchange in life — we're going to find our happiness undermined by the stress this CAUSES.

So let's go looking for what really causes this lack of time and money that robs us of our health, our relationships and our happiness.

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## Slide 7.

The real culprit is RECIPROCAL income, which is what we get when we exchange one thing of value for another. For most of us, it's trading our time for money in a job or self-employment, while for others it's trading goods and services for money.

Either way, we trend to end up with the same result... not enough free time and not enough disposable income.

We're conditioned by our upbringing, education and career choices to be two things:

- CONSUMERS and
- EMPLOYEES.

Both involve reciprocal income. We trade our time for money in order to trade that money for other things.

So when we go into a free enterprise business of any kind — including network marketing — we're not equipped to be the two things we need to be in order to survive and prosper:

- MARKETERS and
- INNOVATORS

So when we're confronted by a business decision, and we don't know the right thing to do, or the right reason for doing it, we revert automatically to what we're conditioned to be...

We think like

- CONSUMERS and
- EMPLOYEES

and end up doing the wrong things for the wrong reasons in running the BUSINESS.

Instead of being INNOVATORS, we IMITATE.. we do what everyone else does to reduce risk.

Instead of being MARKETERS and focusing on profit margins, we think like CONSUMERS and focus on PRICE, to remove risk.

Why?

Because we haven't a clue what the right things or right reasons are. So we play it safe.

SAFE????

The only thing dumber than allowing price to be the deciding issue when you're the seller is MAKING it the issue.

When we focus on price, we put our business firmly in the hands of our customers.

We just GUARANTEED that we'd ultimately FAIL!

So we have to come up with a sensible, safe solution that will allow us to sever the connection between time and money, so we can work less and earn more,



enjoy our relationships and have less stress and better health.

Sound like a plan?

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## Slide 8.

The ONLY solution is RESIDUAL income.

This is what you get when you do a job once, then get paid for it repeatedly.

This gives us leverage and proper balance, so that we can begin learning to do the right things for the right reasons, finally.

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## Slide 9.

In other words, residual income allows us to cut all connection between time and money, so we can finally do the only thing that a job won't allow... work less and earn more.

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## Slide 10.

The key to working less and earning more is leverage. To gain that all-important leverage, we need control over two things...

- Our lever and
- Our fulcrum.

It's vital to understand that the length of the lever is not the most important thing here. Nor is the size of the fulcrum, which gives the lever its balance point.

It's the RELATIONSHIP between the four components that's the most important thing.

The size or weight of the rewards you want, and the lessening of the time and effort needed to get them, will be determined by the LENGTH AND STRENGTH of the lever and the RELATIVE POSITION of the fulcrum.

The closer you can position the fulcrum to the load to be lifted, the shorter the lever can be and the lower your work load will be.

So control over the lever and fulcrum are crucial.

To get control, we need to define them... to know what they are, so we can do the right things for the right reasons when using them.

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## Slide 11.

In network marketing, the LEVER is the Compensation Plan.

But the compensation plan is determined by *the company*, not by the network. So you have to be sure that it's going to be long and strong enough to do the job, because you can't change it. Your choice here is

very simple. Accept it or reject it. "Like it or lump it!"

But you'd better be sure, either way, that it's the right thing to do for the right reasons.

So let's examine the lever in more detail.

The first thing to understand is that there are NO perfect compensation plans in network marketing, for one very simple reason...

PEOPLE are involved.

Plans are created by people. And, more often than not, they're created by people who don't know the right things to do or the right reasons for doing them — or there wouldn't be so many fatally-flawed plans.

In the final analysis, based on FACT (not hype, hope or hearsay), you have to answer these six critical questions:

- Can YOU make worthwhile income with this plan?
- Can YOUR PEOPLE make money? (They'll quit if they can't).
- Will THE COMPANY make money? (Important — an unprofitable company won't last.)
- Is the plan FAIR TO EVERYONE? *Or do some people profit at the expense of others?*
- Is there a realistic MONTHLY COMMITMENT? Otherwise you'll need too many people who aren't committed, and your leverage will be watered down, undermining your income and security and increasing the "churn" rate.)
- Is the plan BASED IN REALITY? Or is it too complicated, too demanding, or outside the ability of ordinary people to achieve worthwhile results in a reasonable time with reasonable effort? (Can you even *explain* it to them?)

At the end of the day, YOU have to decide: take it or leave it.

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## Slide 12.

The fulcrum represents your key business relationships and your acquired forms of personal leverage.

It has three corners and three sides. All need to be strong and stable to bear the weights and stresses they'll have to carry as you build your business.

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## Slide 13.

The three corners are your acquired forms of personal leverage — **knowledge, attitudes** and **skills**. These are important because they can be *learned* and *taught*. So they can be DUPLICATED. Anyone can learn them and teach them.



Knowledge and skills (know-how or ability) form the base corners of the fulcrum, while attitude forms the all-important pivot point at its apex.

Attitude is much more important than ability (knowledge or skills) because, especially in the early days of your business, if your attitude's right, you'll either acquire the know-how you need, or you'll find someone to do it for you, or to teach you.

The really important issue here is to determine whether your attitude determines your ability, or whether your ability determines your attitude. If it's the latter, you'd better change — fast!

Make sure that there are systems in place for training and support, from the company and from your upline team. (Systems are just formalised know-how.)

And ensure that there are proven systems that will help you present, sponsor and sell, especially when you and your people are new to the business.

Remember... systems can be duplicated. People can't.

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## Slide 14.

The sides of the fulcrum represent your key business relationships. There are three different kinds.

The first is your **CUSTOMER relationships**. They form the **BASE** of your entire business, because without them *you don't have a business!*

They are the **ONLY** source of money from which everyone — including the company — gets paid. So they are **CRITICAL** to your success. They deliver your reciprocal income — from retail commissions (exchanging products for money) — and your residual income from your downline sales in the form of monthly bonuses.

**THERE IS NO OTHER SOURCE OF INCOME IN ANY LEGITIMATE NETWORK MARKETING BUSINESS.**

A word of warning: if any company pays you for sponsoring, or for any other recruiting-only activity, **DON'T JOIN!**

There are lots of names for this kind of payment, like coding bonuses, fast-start bonuses, training bonuses and others meant to disguise the truth — *that these are usually ILLEGAL and cross the line into pyramid selling territory.*

The simple fact is that the company is doing the wrong thing for the wrong reasons, so it **CAN'T** succeed. Especially once the authorities learn what they're doing. Save yourself grief and steer clear of them, no matter how appealing it may sound.

It is **DOOMED**.

Be sure to check that there are systems in place to help you present your products effectively to your customers, and that there are simple, reliable systems

(preferably on-line and toll-free) for ordering from the company. Ideally, there should be direct ordering facilities for customers who prefer to deal direct with the company.

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## Slide 15.

The left side represents your **INTERNAL relationships** — specifically your upline and downline teams. Make sure they deliver 3 out of 3 — integrity, intelligence and ingenuity, plus safety, efficacy and value — and that there are systems for communication and training, systems for both on-line and off-line support (not everyone is Internet savvy) and systems, including effective, professional, low-cost tools to help you with sales, prospecting and sponsoring.

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## Slide 16.

The right side represents your **EXTERNAL relationships** — all of the people and organisations that interact with you and your team from outside **YOUR** business.

These include the **COMPANY** (your main supplier of products, systems, logistical and administrative support).

Other may include your accountant or tax agent, your printers, phone company, Internet access and hosting, office suppliers and anyone else who provides you with business-related goods and services.

95% of network marketing companies don't make it to their fifth year in business. So, if you really want to increase your chances of survival, make sure the company has been in business for at least five years. *And in network marketing for at least five years, too.*

**ALL** companies have to pass through that first five year barrier. But if you want to reduce your chances of failure dramatically, *play it safe*. Taking unnecessary risks is **NOT** intelligent business behaviour.

Make sure the company management, including the owners, is competent. More MLM companies fail because of incompetent management than almost any other reason. So check them out carefully. Explore the track records of individuals within that team.

And make sure that the company provides systems for trouble-free ordering and delivery, reliable bonus payments and solid network support.

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## Slide 17.

All that leverage is great — but until you understand that leverage needs **BALANCE** to make it work, your leverage won't do you much good.

The best way to control the balance and leverage in **YOUR** network marketing business is to re-learn this simple childhood trick — standing in the middle of



the see-saw and, by merely transferring a little weight from one foot to the other, without moving your feet, YOU control which end is up and which end is down.

Of course, we're talking figuratively here. But the kind of concepts, mindsets, techniques and strategies we'll teach you at The Profit Clinic and our high-powered, on-line support system at [www.infiniteleverage.com](http://www.infiniteleverage.com) will have you producing fast, measurable, profitable results from your first month.

(If you follow our program, we guarantee it!)

## Slide 18.

Here are the Five Factors you need to evaluate in any network marketing opportunity, ours included. In this order, too. To learn why the order is important, ask to see a copy of our Special Report on "How to Properly Evaluate a Home-Based Business Opportunity." The person who gave you this presentation can provide

you with an electronic or hard copy.

## Slide 19.

The products you'll be marketing need to meet the Three Criteria of Fulfilment. They should be safe, effective and give value for money.

They should also be in high consumer demand and satisfy a genuine consumer need, not just provide a convenient excuse for making money.

## Slide 20.

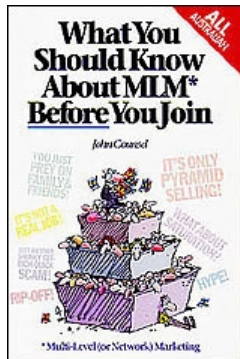
But, at the end of the day, the real question you need to ask yourself about any network marketing business is this one:

**Is this the right thing for YOU to do, for the right reasons, right NOW?**

*Written by John Counsel for the use of clients of The Profit Clinic.*

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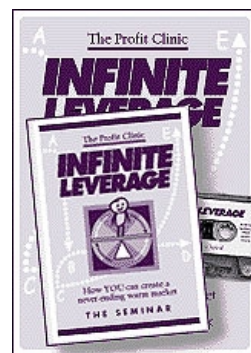
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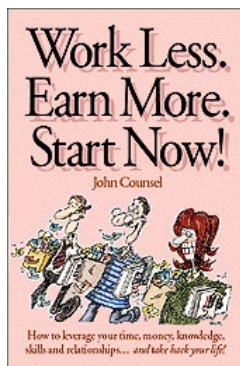


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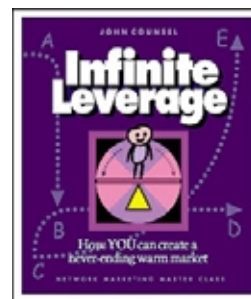
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