

Your First Year in Network Marketing

By Mark and Renee Yarnell

Commentary by Leo Schreven

Hello my friend, and welcome to the book of the month! And what a great book it is! “Your First Year in Network Marketing” is the authority on this subject. If you study and apply these principles it will guarantee your success in the days ahead. Mark and Rene are known and loved around the world in the network marketing business.

As always, we want to give full credit to them and their book. I am going to summarize it and add my commentary, but all credits go to Mark and Rene. One of the things I like most about Mark and Rene is their flat-out honesty. This book is not about pie in the sky. It deals with real life stuff—down-in-the-dirt joys and pains of building a successful business.

You will get many real life stories of the struggles, the triumphs, and the victories people have had. The overall message will be—keep on persisting, don’t give up! Those who stick with it end up being very successful! So, let’s get started.

As you know, at all Power we strongly believe in networking. All successful businesses have networks. Whether insurance, a grocery store, a doctor, or pastor, we all rely on networks of people to run a successful business or ministry. Business and ministry grow by adding more members to that network.

The book begins by bringing out the wonderful truth that network distribution is literally the last bastion of free enterprise—a business in which common people can invest a small sum of money and rise to staggering levels of financial freedom.

Network marketing annual sales are over \$20 billion in the USA alone with over \$110 billion world-wide. In fact, it is estimated that 1/3 of all goods and services will be moved by networking in the 21st Century. Many network companies are publicly traded on the stock exchange, and we all know that word-of-mouth advertising is the best form of advertising.

But to be successful, it takes hard work, perseverance, and effort. Sixty percent of network marketers quit the first year. To be successful you need to develop a clear mind set and repeat it to yourself every day. Ask yourself this question: **Do I want to stay in the masses, trading time for money, being a slave to a boss and achieve survival, or, do I want to work hard for a few years, build a business network, have residual income and never work another day of my life?**

It is very important that you make this decision or you will give up. Mark and Rene jump right into the heart of this in Chapter 1—“Ignoring the Rejection Rocket.” This is your #1 challenge as you build your business. The rejection rocket can strike at any time. It can destroy your enthusiasm and excitement, and thus your business.

The challenge is that this rejection often comes from those we love most—spouses, parents, best friends, associates, etc. It is estimated a full 50% of people fail before they even get started because they were not prepared for this rejection. As you build your team and business, I encourage you to train them thoroughly about this. The more your people are trained for this the more successful your network business will be.

In practical terms that means no matter how nice people are to your face, 50% will not keep their promise to be on the call or attend your meeting. Many people will roll their eyes and mock you. Others will tell you that you are getting involved in a pyramid scheme—you must prepare for this with a smile on your face and realize friends and family are often your greatest dream stealers.

I have had to face this over and over through the years. But I realize people's rejection is a gift they are offering me and I can accept it or

reject it. I simply reject it. If I had listened to all the naysayers in my life, all the people who laughed at me, all the ones who said I was a dreamer, all the ones who rolled their eyes, all the people who told me I should come off my high tower and come down to their level and all the people who said it would never work—I'd have quit the first day. But I'll tell you something else—today those same people come to me asking for money, and they don't mock me any more. So, you need to train and prepare your people for this.

I found Chapter 1 fascinating because the principle they teach here is exactly what we teach in evangelism. Do not approach your friends, relatives, or spouse about this business until you are trained how to do it and are totally acquainted with the material. People do not listen to you if you don't know what you are talking about. You must know and then duplicate what you do in others. If you are going to be successful, here are the things you must absolutely do before you share with others.

#1.

You must thoroughly understand and use the products you sell. If you have not read the articles or watched the DVD's and books on your product it is impossible to talk to others about how good they are and how much you are benefiting. If you have not experienced it, it is hard to convince someone else how it changed you and inspire them to do the same. If you are not part of the company coaching calls and get excited about what you are learning you can't sell it. If you are not getting the tax benefits by using your business you can't tell people how much you saved. And most of all if you can't show them how much money you are making you will have a hard time selling your product.

#2.

You must thoroughly understand and be able to teach the benefits of your product or service. The more you can talk intelligently about it the more people will be impressed that you know what you are doing and want to join.

#3.

You must thoroughly master the compensation plan so you can explain it to anyone. This is probably the most important of all. Most

people join your business because they want to make money. If you can clearly show them how the compensation plan works, you will sign up most people immediately.

#4.

You must thoroughly understand the company website and its features. This is critical for success. Remember this one rule if you are going to be successful: **Your state of mind must be one of absolute belief in what you are selling to others.**

The reason you need to train and be prepared for a lot of rejection is that this fear will keep you from getting started. Success in this business comes from making things happen. The fear of not being taken seriously can stop you. So train and prepare your mind to anticipate rejection. The best way to deal with it is to remember this one principle: **When people say “no” they are not rejecting you. It is no different than a waitress offering you coffee and you decline.**

I like this analogy because it keeps it in perspective. I encourage you to do the same. The next important point in this chapter is about not talking to enough people. Mark and Rene suggest you need to talk to at least 5 prospects a day about your business. Eighty percent of your time should be spent prospecting. This dramatically increases your percentages of those who say, “Yes” to you.

Chapter 2 gets into “Avoiding the Management Trap” and focusing on team building rather than supervising people. Let’s define the management trap: **Devoting your time trying to make your people successful rather than recruiting new distributors.**

Networking is a self-made business. The trap here is that you take people who do not have the drive, ambition or vision and you try to do all the work for them. They become dependent on you to help them, do their work, and soon you have created weak and apathetic networkers. In this business you train, equip, and lead by example, and others have to take responsibility to do the same. If they don’t, then don’t waste time on them—they will never be successful.

Your job is to train people in the four areas we looked at earlier. When you have given them the tools, encourage them to lead others and do it on their own. You want to create leaders. It is a fundamental principle: **Those members in your network that demand the least amount of your time become the most successful!**

The general rule here is that the first 90 days are the most important. There is another critical component here—the more people you prospect the more success you will have—just do the numbers.

It is a temptation to work with your people who are already signed up—it is easier than facing the rejection of recruiting new people. But remember, your people will only do what you do. If you spend your time managing them, they will do the same with their people. If you spend your time prospecting and recruiting, so will they. If you stop recruiting, your organization will die a slow death.

Boy, that sounds like what we preach in evangelism! Don't get caught up in making sales material, babysitting, or holding people's hands who won't grow. Just get out there and recruit. Don't fall into the trap of "Hey, give me your list and I'll build it for you!" It never works! Instead show them how to do it and turn them loose.

Chapter 3 is on, "Dodging the Depression Torpedo." As our culture changes in the information age, have you noticed how people today are basically void of emotional energy? For example, most jobs today do not take emotional energy. If I sit at my computer typing all day, my computer doesn't care if I am happy, sad or depressed. But our business is different!

Success in networking requires a positive, uplifting enthusiasm, and huge amount of emotional energy invested in people. And the main reason you need to develop this is because depression is a temptation common to anyone in this business. To effectively deal with this we need to clearly understand what depression is and how we experience it. Depression comes from dwelling on problems, rejections, or people who let us down and then taking it personally.

You have to train yourself to be philosophical. I just got 9 “no’s,” so I’m that much closer to a “Yes!” As a leader especially, your network members should never see you down. It can literally destroy your entire business in a few weeks. So, let’s look at the positive benefits of your business. Dwell on this any time you are tempted to be depressed.

- We are the only entrepreneur home business with literally no downside risk.
- We literally have no limit on our earnings and income. We can create a raise in our income any time we want.
- We are the only business where we get paid on the efforts of thousands of others.
- We can have the time freedom we choose by how much effort we extend.

Those things can’t help but make you excited!

Next, I encourage you to go for a 4-year plan. Work hard for 4 years at this business and you will be set for life. Depression will only kill your business. Enthusiasm on the other hand is always contagious!

Another interesting point here is that Mark and Rene teach something we are really strong on at All Power. You have to watch the influences that are contributing to depression. They suggest that you not watch any TV or news for a month and see what happens. Use that time to build a business and you will be amazed at the results. Use the time to listen to CD’s like this. Remember this:

Every day 50,000 to 60,000 thoughts go through our head. Ninety-five percent are about things in the past that hold us back from success.

Break this habit and start to think only about your bright future. Visualize your goals. In All Power we have learned from the studies of Dr. Bandura and Charles Garfield at Stanford and Berkley on autogenic programming that a positive, happy, confident attitude is your best defense against depression. This dramatically affects our subconscious mind which directly affects our daily productivity. As a business owner, you and your network should avoid dream stealers, and negative people who would destroy your success.

Mark and Rene then go on to my favorite part of the book—the story of Dr. Naff. He does a great piece on the parallels of how network marketing and Christianity model each other. I encourage you to read it on pages 72-73.

This chapter concludes with the revelation of the amazing fact that 95% of those people who did not submit to depression, but persevered and stuck with it for 10 years reached the highest pay levels in their company. Did you hear that?—95% of them are the top money earners in their company. Go for it!

Chapter 4 talks about breaking the false expectations tank. This is a more difficult chapter because we all want to promote our business, and give it the best possible image, and at the same time remain honest and credible. So let's begin with the first principle.

The network business is a work industry. Those who make it, apply themselves and stay with it for 3-4 years. Like any honest business, the rewards are equal to the effort put forth. The unique thing however, about our business is that everyone is given the benefit of the doubt, and has the possibility of being the highest earner in the company. There are no politics, no boss, no favors. The only thing that will hold you back is the limits you place on yourself.

Also, I think we need to be aware that success is measured in things other than money. It can be measured in personal growth, friends, or something as simple as an introvert coming out of their shell. When a member makes preposterous claims, it attracts people—kind of like the lottery. Not only is this illegal, it hurts the company.

If people believe they can get something for nothing, they go for it in most cases. The average network vitamin company loses 86% of their members the first year due to this. Many other companies lose nearly the same amount when members are told this business requires no effort. Here is the truth: In network business only those who treat it like a profession get the big money. Do it steadily part-time and in time you will get there as well.

In this business honesty is everything. The people you talk to should have no illusions of what it is going to take to build the business.

While you speak positive, you love it, you share the incredible income potential, but you also tell them honestly how they are going to get it.

Part of this chapter, pages 93-95, goes into the 4 major types of multilevel marketing plans. If you read pages 93-95 you will see this. I have friends in these who make millions each year. It is important to look closely at the different plans. There is no question some plans are vastly superior to others. This scrutiny should be a major part of your choice of a company.

Another perception is the amount of time needed to succeed. This is subjective because I know some networkers who made a million in their first year and never had to work again. It is possible if you are a real go-getter and give it 1000%. However, in this presentation we are going to look at the average person. The golden rule here is: **“You cannot accomplish full time goals with part time effort.”** As my friend Rick Kinmon says, **“If you treat this business as a hobby you will get hobby income. If you treat it as a business you will get business income.”**

Another faulty premise is the belief that the people who signed you up will do the work for you. This has never worked. The same with the belief that you don't need to sell anything. Network business is all about selling.

What we are really dealing with in this chapter is treating people like they are intelligent. Never succumb to slick advertising, or sensationalism. This is a challenge for one reason. People by nature have a hard time grasping the potential power of networking business. So present your business honestly and professionally.

Chapter 5 is “Attacking the Warm List Warhead.”

This chapter is the foundation of all successful marketers. Creating what is known as a “warm list.” A “warm list” is a group of people from your past and present whom you know and can talk to. This is your edge for success. Studies reveal that by age 30, most of us know 2,000 people on a first name basis. So, if you want to be successful you must take this step. Let me repeat, you must take this step. You must make a list of 2,000 people you know. Select the top 25 and begin with them.

On pages 115-118, Mark and Rene provide you a great resource in order to bring these people to your mind. This is one thing I would urge you to do right now. Spend several days on it—there is nothing more important. This business requires you to talk to large numbers of people. Go with a passion to help people. When I do this I keep one thought in mind. “If I had a cure for cancer, I would tell the whole world!” The good news is, there are many businesses that have a cure for all kinds of problems—so, go tell them!

OK, once you make this list, Mark and Rene bring out several “war heads” that can strike you and kill your success.

Warhead #1. Lack of conviction.

You can’t sell what you are not convicted of. This is why, as we mentioned earlier, you must master the material yourself. You have to be so enthusiastic about your products and business it becomes contagious.

Warhead #2. Lack of self-esteem.

Many people do not work their list because of poor self-image. We are afraid of people laughing at us, or ridiculing us, or rejecting us. This is why we have taught you to master this in the All Power 60-day program. It would be good to review the lesson on overcoming fear and then move forward with high self-esteem.

Warhead #3. Fear of losing credibility.

Remember God has not given us the spirit of fear, but of power—no fear, just confidence and power.

Warhead #4. Embarrassment from prior failures in business.

You can easily overcome this by turning your past into a positive asset. Simply tell people that you have been researching and learning for the last few years, and feel you now have the education and experience that is making you successful.

Warhead #5. Trying to qualify your leads.

This is what makes networking so unique. It is not like other sales where you qualify people to sell to. In our business everyone is equal. We have all seen countless cases where people we thought were hopeless losers become the biggest money earners! And we have also seen the brightest lights go out. Never assume. See everyone as a potential winner.

The next tool to use is brought out on page 130. Create a card file or computer file of all your names. Contact them every 6 months. Contact them as an educator, not a sales person. Your job is to show people a better way of life. Raise their curiosity. Use three primary tools.

1. A desire for more money.
2. Fear of loss.
3. Having total control over time.

One of the best things to say as you recruit people is the quote on pages 133-134. Let's take a look at this: **If you were absolutely convinced it was possible for you to earn \$20,000, \$30,000, or even \$50,000 a month and relax in a few years without a major investment—would that be a business that would interest you?** With this approach there is no reason for objections. Try perfecting this approach.

Another really critical point is this: If the people you are talking to do not believe they can succeed in this business, all the facts and logic will not convince them. So inspire them with hope. And one of the best ways to do this is show them a check. If you did it, so can they.

Chapter 6 is called "Fending off the Scatter Bomb."

This is pretty simple. The scatter bomb is an explosion in your brain that takes you in different directions while you lose your focus on what works. In networking these bombs are deceptive because they always look so good and helpful—a new sales aid, a great speaker with a new program to generate leads, a new leader to follow who guarantees results, etc. Let's make this simple. Network business is a business of duplication. So every time you change your system everyone in your system gets confused. So consistent duplication of

one simple success system is a guarantee of success. You will be successful at building your business if you have the ability to shut out every distraction, internal and external, and stay the course with clear vision. Keep it simple like the following:

1. Master the material 100% until it is part of every cell of your body and you can talk to anyone about it.
2. Master the company training until you can share it with excitement straight from your heart.
3. Master the advertising material and share it with every one you meet.
4. Download the company training papers and start a home group or church group that meets every week.
5. Create your lists and contact at least 10 people a week.

Then model this to others. Tell every new member to make absolutely certain they do not deviate from this path—be consistent—we know what works. Just do it.....

Something else worth noting here is that many who join network business are used to a “structure” that was done for them—supervisors telling them what to do, how much to produce, etc. In network business it is different. Each person is their own boss and has to do it themselves. So providing a structure of what works gives people a sense of clarity and direction. Recognize that every time you sit down with someone you have the opportunity to make a difference in their lives. Tell them your story, be human. They will respond.

Perhaps the biggest challenge today is people not having time. This is a genuine problem we all face. It used to be more of an excuse for people, but today it is a legitimate problem. The solution for people who tell you this is priorities. Here is what we have consistently found—once people realize what the business can do for them, they find the time. There are hundreds of examples. Some people just quit watching TV. Some got up one hour earlier and in three years were millionaires. What I encourage you to do is simply make it a priority. If your goal is clear—“I’m going to do 10 presentations this week,” then you do it.

Chapter 7 is on “Eluding the Meeting Mines.” This is a good one. Here is what it boils down to. Meetings can be great obstacles for

workers who are results-oriented. Now, it is critical we make a distinction here. There are two types of meetings. One is profoundly necessary, the other is damaging. In a successful network, one of the core success principles is to have a meeting each week and invite as many as you can to it. In this meeting you are showing others your wonderful business and you are signing people up as a result. You do these meetings in your home, office or church. This is wonderful and one of your best tools to build business.

What Mark and Rene are referring to is the trap many fall into of endless meetings with lots of information and training and no one works. There are several real dangers here. Let's look at each one.

First Mine: Hotel meetings.

They are the least effective recruiting systems. Network business is a people business. A large impersonal room loses the intimacy of one-on-one. The setting is wrong for networking. They create dependency—"Hey, I don't have to work! All I have to do is send people to the hotel meeting." People end up becoming professional meeting attendees to avoid the possible rejection of frontline recruiting. Hotels are not private and this is a big issue to many. Hotels create a feeling—"there are so many people, this business is already saturated." But most of all, hotels do not promote personal development.

Second Mine: Adult day care centers.

This is where a person's home becomes the social gathering spot for members. They eat, drink, talk and socialize. The home becomes a 24-hour drop-in center but no work gets done. The purpose of the home is to bring in new prospects. When they sign up, they should not attend more than a month till they see how you do it. Then they go and duplicate what you are doing in their own homes.

Third Mine: Deception meetings.

Never invite people over for a "dinner" and then spring a presentation on them at the end. This will ruin you overnight and the strict integrity of the business.

Fourth Mine: The office meeting.

You will be tempted to be the “Business Man” open an office, show your business, look professional, and meet with people there. Let’s just get this straight, it does not work! This has been proven over and over. Nothing is more effective than in-home meetings. Always remember this is a duplication business. What you do, your members will do. Office meetings can’t be duplicated! Memorize this rule: **The method you use to recruit new members should be easily duplicated so they can do it the next day with their recruits.**

Fifth Mine: “The other guys place.”

It can be somewhat effective, but you lose control by distractions like TV, kids, etc.

Sixth Mine: Technology.

If you do everything with computers, projectors, and expensive equipment, your members will feel they have to do the same. You want something simple that everyone can do with little technology. Any type of meeting that cannot be copied and taught by the least articulate and successful person in your group is automatically doomed for failure.

Mark and Rene tell the story of one of their most successful members who became wealthy. He had signed up thousands of new recruits and was the best. He bought a yacht and invited new recruits, served them cocktails, caviar, and expensive food. His business nearly failed because he could not sign one person up! He sold the yacht, did home meetings and in a few weeks was back on top.

Let’s deal with another reality—people who do not show up after they promised to come. This would be completely unacceptable to you and me who have personal ethics. I can’t imagine ever not showing up for something I agreed to do. But you have to recognize that 50% of people do not have this ethic. It is just the way it is. Through the years this used to bother me to the point of insanity. Now I have

come to realize that 50% of people are that way and I just feel sorry for them. So the point of this is, recognize that “no shows” are normal, so if you want 10 people, you need to invite 20. Be at peace with it and focus on those who did show up.

Now let's look at a few last areas. The first is your training meetings. Here is a study you will be interested in. A person with average intelligence retains approximately 15% of what they learn in the first hour, 10% the second hour and only 3% after that. The rule is this: If you have been through training once, and it was done right, your recruit should be able to teach it as well. It should be that simple and clear. The sooner new recruits become self-reliant and follow a simple success formula, the better. In network business the only successful people are those who recruit dozens of other people and train them how to do it.

Networking is about sharing products and services with family and friends, based on your own personal excitement with the results it has produced in your life.

Chapter 9 narrows the focus to some specific groups of people you will get into your business, and how to work with each one. Let's begin with the executive. Executives go to meetings all day to plan future meetings and write memos. Executives make great networkers, but they have to be re-programmed. They automatically assume they can be successful because of their credentials. “After all, if this single mother working from her home can generate six figures, this will be a piece of cake!” The second reprogramming is they often think they can transfer their management style into the network. It does not work. In fact it most often intimidates the new recruit and destroys them. Special time must be spent with executives, training them in the things in this presentation.

When going for the corporate business person, they have discovered two things.

1. They want information that the business is legitimate.
2. They respond better if you are personally committed to the business and you can show them how.

Once you recruit a business professional, realize they have a degree of credibility. Therefore, they can sway your network very positively or negatively. So take time to train them. Strategies that brought them success in their business do not work in networking. Business professionals start writing plans, ideas, memos, new technology, and office work. None of this means anything in networking. Only action counts. The executive needs to accomplish one thing. When he does the business properly, the person he talks to goes home saying, "I can do this, I have a living room, and all kinds of friends who need more time and money—I know I can do this business!"

Most executives have spent their whole life telling others what to do and overseeing their activities. This same behavior in networking can destroy your entire organization quickly. Because we are a business of duplication—whatever he does, the people will duplicate. So you need to show them how to lead by example rather than supervision.

Networking business is from the heart. It is story telling and sharing the ups and downs. It is the emotional, passionate, personal side that makes it work. PowerPoints, emails, websites, hotel meetings, mass mailing all have their place, but nothing takes the place of a simple, easily duplicated, work-at-home network story.

The book concludes with a wonderful story that drives home one point. No one actually "does" this business. It is just something you give to other people. This is your ultimate success tool. When you approach others with the sincere love and desire for their well being and offer a gift—people will sense it. And they will want it. Use this powerfully.

All you need to do is make the decision and then apply everything you have learned on this presentation. I want you to seriously analyze your future. Are you going to work a job, trade time for money, get taxed to death, and get paid only once for your effort till the day you die? Or, are you committed to work hard, sacrifice, and give it your all for one or two years, and create multiple streams of income and never have to work another day of your life? Are you willing to do everything you just learned and never give up till you succeed? If you do, you will soon be in the top 1%. Let's do it.

This time next year you will look back with tears of joy and say, “It was worth it all—I’m free!”