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Use your network marketing imagination…

Are you really thinking very, very small when you do a project? Perhaps with a bit of imagination you can see some new possibilities!

by **Tom Schreiter**

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Most of us are probably earning only a fraction of what we really could in this business. Is that true for you?

I think the reason is we don't use enough of our *"Network Marketing Imagination."* Let me show you what I mean.

I'm going to tell you about a legendary guy named "Bungee Bob." I know some of you have been to the Power Marketing Workshops and know a little about him. I'm also going to ask you to do a few math Network Marketing problems. Have a pencil, calculator and paper handy.

Bungee Bob is an MLM distributor, and he sells an information manual for $75 through the mail. You know, one of those "Financial Independence" manuals that explain Network Marketing and recommends companies, especially the one he works with. Hopefully, a few of those readers will join under Bungee Bob after reading his manual.

He advertises in the *Network Trainer*, *Money Maker Monthly*, different publications. Over a period of one year, he invests $4,000 in advertising. (You might want to write that down.) His ad offered free details and a free report. Bungee Bob collected 1,000 responses for his $4,000 advertising expense.

Now, how did Bungee Bob do on his promotion?

Of the 1,000 leads he received, 50 bought his manual. At $75 each, that was what? $3,750?

So he got $3,750 gross sales on his $4,000 ad. (If the math is getting too difficult so far, let me just double check your bonus checks.)

Let's see… he's lost $250, hasn't he? Would you say that's a pretty lousy return on investment? Losing $250 is nobody's idea of fun. As a matter of fact, if I went and asked you right now for $250 as a gift, a lot of you might just say "No." Actually, Bungee Bob lost a lot more money.

You see, it cost $20 to print and mail his information manual, so if it cost him $20 times 50 manuals, it cost him $1,000 in expenses to print and mail. Which means he now has $5,000 invested in the campaign and he's lost how much? $1,250.

That's not too good.

You probably came into Network Marketing to make money, not lose it--right? But let's take a look at the math and what actually happened to Bungee Bob.

Pencil sharpened? Good. I'm going to ask you to figure up his total return. Here are the facts:

Of the 50 customers who bought Bungee Bob's manual, 20 joined his MLM company. Bungee Bob's first month override profit from the 20 new distributors was $500.

All right. Of these 20 new distributors, five of them quit while 13 stayed on and earned Bungee Bob $200 per-month profit for the next five years. Two of the new distributors, Steve and Betty, got really excited about the MLM opportunity and earned Bungee Bob $2,000 per-month profit for the next five years.

I'm going to give you about 45 seconds here: How much did Bungee Bob actually earn, counting all his MLM profits? Hurry. Work fast...

How'd you do here? What did you get? In our PMP workshops, people come up with anywhere from $300,000+ to $30,000.

Okay. The correct answer is Bungee Bob earned a lot. Because we're not finished. To your answer, you should add a few other things that you probably skipped over because you're kind of rushed on time. Let me tell you a little bit more about Bungee Bob.

Bungee Bob had a good thing going here. In fact, it was a license to print money! Think about it: He has $5,000 invested. He's getting, what? Even if he only got $31,000 for every $5,000 invested, wouldn't you say that's a license to print money?

When Bungee Bob ran his ad and received a lead, he knew how much money he was going to put in the bank, because he could figure out his cost per lead. Now, he decided he wanted twice as many leads from each ad he ran. Why?

> ***Why not make twice as much money from the same investment? Work smart, not hard.***

First, he included a toll-free telephone number printed boldly at the end of the ad. More people would pick up the phone and call than would write, plus each caller was then presented with buying Bungee Bob's new prospecting cassette. So the extra money kept flowing in. He sold a cassette on the side to everybody who called in.

Then he decided to offer a few more premiums, gifts and free reports for responding to the ad. By knowing how much each lead was worth, Bungee Bob knew how much he could invest in getting each response. To keep costs down, Bungee Bob got all his extra premiums, gifts and reports free.

How? He told the suppliers that the premiums and reports would be great promotional advertising to his qualified leads. He could give away a free newsletter or report to somebody 'cause a lot of people will read free

newsletters and stuff to get the free sample, right? How many of you have ever mailed in a card to get a subscription to a magazine-- first issue free while you check it out? All these things he could give away to get even more leads than those first original thousand.

He also offered a money back guarantee. Not just any old generic guarantee. Bungee Bob promised each buyer that, if they were not completely satisfied, they could return the manual and keep all the promotional premiums and reports for their trouble. (The ones he didn't pay for.)

> ***And the customers felt Bungee Bob was a sincere, helping person.***

Now let's talk about those original 950 leads that didn't buy, plus all the new leads he got in. These names composed a highly qualified, ready-to-buy mailing list. Bungee Bob asked his competitors how much they invested to get a qualified lead.

His competitors said, "We invest about $4 to get a good lead. Same as it costs you, Bungee Bob." So Bungee Bob sold three of his competitors the 950 leads, each at a discounted cost of only $2 per-lead. A pretty nice return on the leads that refused Bungee Bob's original offer.

You are keeping score here on our total price for Bungee Bob-- right?

Next, he contacted the author of The Make Money Opportunities Listing Book. It's a directory of over 500 money-making opportunities. Bungee Bob's 950 leads were prime prospects for that directory-- right? They didn't like his program, so maybe they'd look at a different one.

Rather than renting his list, Bungee Bob offered to endorse the offer instead. Why?

Those 950 leads already knew Bungee Bob, so his basic letter said something like…

"I'm sorry you weren't interested in my information manual; I know it's not for everybody. If you're still serious about making money, I highly recommend, The Money Making Opportunities Listing Book..."

Bungee Bob and the owner of Money Making Opportunities… split the profit on the sales from mailing to those 950 people.

How are we doing so far? Keeping score on Bungee Bob?

Could he do more? Use your Network Marketing imagination.

Bungee Bob had a system that ran just like clockwork. He placed the ads, and then went to the bank. The system was documented and easy to follow. It could work with many non-competing businesses, too, such as mail order, business opportunities, direct sales, etc., so Bungee Bob licensed his system to other entrepreneurs for $1,000 each. Included in the system was one day of training, phone support and five percent of the gross revenues while they used the system.

Bungee Bob licensed his system to competitors who were not in his same geographic area. Japanese, German, South African, New Zealand and French licenses paid him $5,000 plus two percent of the revenues for the exclusive right to market the system in their countries to other Network Marketers. How many people here have a system that works pretty well that other people might like to use? Especially non-competitors or people in different countries.

Bungee Bob's new distributors knew of the many tax advantages of having their own home-based business. Unfortunately, most local accountants are not aware of all the possibilities for tax deductions. Bungee Bob arranged for a professional accountant to do MLM tax returns for only $250 each. The accountant's expertise saved each new distributor over $500 additional on their taxes. Instead of advertising or hiring commission sales people to get new clients, the accountants simply gave Bungee Bob $100 in sales commission on each tax return to reimburse him for his marketing cost.

Why? 100 tax returns at $250 each meant an instant $25,000 income boost for the accountant. Instead of him paying for advertising money, he

just gave that money to Bungee Bob who could do what with the advertising money? Run some more ads-- get more leads.

Want to hear more about Bungee Bob?

Bungee Bob's monthly newsletter to his new distributors became a profit center. Bungee Bob sold ads to vendors whose products and services would be of interest to his downline. Sometimes he endorsed a product and split the profits with the vendor.

Bungee Bob's distributors loved the first-class service of regular monthly newsletters complete with special discount offers on printing, business cards, advertising and automobile maintenance, negotiated on their behalf by the wonderful Bungee Bob.

Bungee Bob compiled his best instructional articles from several newsletters and made a book called Network Marketing Guru Tells All. He sold several thousand of these books to his captive audience, newsletter subscribers, distributors, licensees, and used the profits to pay an assistant to handle his daily work. (Somebody had to go to the bank.)

Bungee Bob offered free books and tapes for the best testimonials received from his readers. He compiled the testimonials in a book and sold the rights to the book to his parent Networking company.

What do you have now for figures on Bungee Bob? A lot.

Bungee Bob was just getting started, because he knew a few other entrepreneurs who needed more money and better cash flow. Bungee Bob educated these entrepreneurs to endorse his manual and special letter to their present customers. Sales of Bungee Bob's manuals increased dramatically while Bungee Bob split the profits with his fellow entrepreneurs.

Next, Bungee Bob's advertising campaign tested the response from several leading publications. He sold his testing results to other entrepreneurs and even competitors. They saved a bundle by advertising in the most effective publications. How many of you would like to know the best, proven places to advertise? If somebody had already tested and has all the data, wouldn't it be worthwhile for you to just get that data? (Bungee Bob used the extra money to hire a maid.)

Let's take a look at a couple more things. Bungee Bob's bonus checks compounded and he was besieged by insurance salesmen. Bungee Bob said he had a large group of distributors who needed inexpensive life insurance. Would the agent put together a special, low-cost insurance program and reimburse Bungee Bob for his marketing cost?

Next, Bungee Bob stopped paying for local meeting rooms as his distributor group grew. If he held the regular meeting at restaurant, many of his distributors and guests would eat their evening meal at that location, so he auctioned off the rights to his meeting to the highest restaurant bidder.

Have you ever tried to collect meeting-money from distributors coming through the door? You know a dollar here, two dollars there. Wouldn't it be better if a restaurant actually paid you to have your meeting there? (It's just a thought.)

Bungee Bob's competitors loved his marketing book, but didn't want to sell it or promote Bungee Bob. So he licensed his book's contents under their own name and let them reprint it-- $1,000 plus ten percent royalties to five separate competitors. Bungee Bob then licensed his monthly newsletter's generic articles to competitors and fellow entrepreneurs. They loved the articles, and it saved them time and money. (Bungee Bob used the profits to hire a chauffeur.)

The imaginative Bungee Bob wasn't through yet. His newsletter columns became so popular that newspapers ran his articles in exchange for free ad space. Bungee Bob resold the ad space to local distributors. (He used the profits to hire a butler.)

Bungee Bob remailed those 950 leads that didn't originally buy his manual. His new offer was to join his MLM company and get the manual free. Bungee Bob converted 50 more leads to become distributors, because he kept a computer database and remailed his leads 30 days later. They just wanted a different offer.

How are you doing now on total return on Bungee Bob? All right!

Bungee Bob sees this all works pretty well, so he decides to trade his information manual-- and this will take a little more math-- with a retail

value of $75 (remember it cost him $20 to print and ship) for $100 worth of computer software. Now he can sell his manual for $75 and give away $100 of free computer software to induce even more people to purchase. (How much does it cost him to get the software? By doubling his raw production cost-- one manual and one traded for the software-- from $20 to $40, Bungee Bob increased his sales and still made a large profit on every sale.)

Remember Bungee Bob kept all those names? Sixty days later, Bungee Bob mailed a copy of his newsletter to the remaining 900 leads that did not purchase a manual. His newsletter gave glowing testimonials from satisfied purchasers. Included with the newsletter was an offer to receive $100 worth of free computer software and Bungee Bob's information manual for free just for joining his MLM program. Also, he included an insert with a terrific offer for his mailing list. Bungee Bob converts another 30 leads to join his MLM program and sells enough mailing lists to pay for the mailing. (And hire a part-time gardener.)

But what else does Bungee Bob do? His printing business increased at the local print shop. The printer offered to finance the meeting room and mail promotion for Bungee Bob to teach his system to his downline. The printer knew his up front investment would pay off with new printing clients who followed Bungee Bob's system.

A computer company developed a contact manager program that keeps track of prospects. They signed a joint agreement with Bungee Bob to market the program to his downline to make them more efficient and to make his downline sub-dealers market the product to others. (He uses the extra money from the joint marketing agreement to buy a summer house.)

Next, Bungee Bob starts the Association of MLM Mailers which he markets as an insert with a follow-up package to every lead. Cost to market-- about five cents for the flyer. Membership is low price and includes a newsletter. Of course, the newsletter recommends the purchase of Bungee Bob's marketing book and his new six-cassette seminar on marketing by mail.

How are you doing so far?

I won't belabor Bungee Bob and take up this entire issue, but take a look right now. Are you really thinking very, very small when you do a project?

In the beginning you might have thought, "Gee, Bungee Bob lost $250 or $1, 250," and quit. But can you see some new possibilities now?

> ***If you expand your thinking-- your Network Marketing imagination-- can you see some ways to make 10, 20, 30 or 40 times what you're making?***

I'm not saying do all these things. There are lots of variations you could do, but the point I want to make is that the biggest problem you have is how you think in your marketing-- how you're using your Network Marketing imagination.

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Tom "Big Al" Schreiter is a speaker and all-time best-selling network marketing author, having sold way more than 10 million "Big Al" books world wide. Tom began his career in 1972 and is considered by the leaders of the industry to be the master's master.

In addition to *Big Al Tells All, Sponsoring Magic, How To Create A Recruiting Explosion, Turbo MLM, How To Build MLM Leaders For Fun & Profit, Super Prospecting: Special Offers & Quick-Start Systems,* and *26 Instant Marketing Ideas To Build Your Network Marketing Business,* Tom is also the author of numerous audio programs.

Tom spends 375 a year traveling and speaking to network marketers around the world in the U.S., Canada, U.K., Germany, Switzerland, Netherlands, Russia, Belgium, France, Hong Kong, Taiwan, Malaysia, New Zealand, Australia, etc.

Tom publishes the *Fortune Now* newsletter and the Big Al Recruiting Newsletter, is the producer of the Power Marketing Principles workshops and has been called "the funniest man to have ever built a downline of over 100,000 distributors."

To learn more about Tom and subscribe to his free newsletter, visit his website here: FortuneNow.com