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The Five Failure Factors

Get to work and develop a system that will eliminate the five failure factors.

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1. Takes too long to make money – although there are a few that pay daily, most network marketing companies pay residuals either monthly or weekly. The average new network marketer takes sixty days or longer to sponsor their first person. During those first sixty days, they have paid the costs to join, bought products or activated a service, purchased marketing materials, and possibly paid to be part of an advertising co-operative or purchased leads. They have also made their list of 100 or 200 warm market prospects and are tentatively blundering through those, experiencing a great deal of rejection. All this and they haven't made a penny in the business.

Now, I recognize that some programs offer the opportunity to retail products or services and make some money. Some people will do this. However, most people hate sales and will not be comfortable trying to sell products or services to their family and friends, so this is also not a viable avenue for making quick money.

> ***The key is to have something that can be sold automatically through the Internet – the best is an information product (i.e. e-book, training program, etc.).***

This product must have huge value and be appealing to people involved in network marketing. By offering this product, you accomplish several

things. First, it's a low ticket item compared to joining most network marketing companies, which will increase the number of people who buy. Second, it attracts exactly the people you want for your network marketing business. So, give some thought to writing an e-book or training program or using one that has already been written. Make sure it appeals to those interested in network marketing and has solid value.

2. Run out of warm market prospects – Social scientists say that we know 2,000 people and all we have to do is remember them and we've got a great base of prospects for our business. The problem with this is that there are very few of those people who are actually open to your business. Yes, they could all benefit from your product or service and from the financial and time freedom that can result from network marketing, but they still won't join your company or mine or anyone else's. So, that new associate is going to join your company and begin working through his/her warm market, getting "NO" after "NO" until they begin to doubt that it's going to work for them. At that point, they are encouraged to purchase leads, which they have to call using a phone script. Most people would rather jump out of an airplane without a chute than make cold calls to people they don't know, so this typically doesn't work and within 60 days or so, they quit returning your calls and e-mails and disappear into the network marketing twilight zone.

Selling an information product via the Internet, will also eliminate this failure factor, as your Internet-based system will be attracting quality leads 24 hours a day, 7 days a week and sending them right to your e-mail box. All you have to do is call and find out if they are looking for a network marketing; already with a company, but not happy; or with a company and happy. The first two categories are leads and you should introduce your company and your lead generation system that enables you to get paid to prospect. These people are already sold on network marketing, so all you have to do is present yourself, your business, and marketing system in such a way that they can see themselves doing it.

3. Afraid to approach people – Network marketing is an entrepreneurial type business that attracts primarily people who are not entrepreneurs. The problem with this is that most of the people who join your business or any other network marketing business are going to be afraid to approach people. They don't know what to say, are afraid that someone will ask a question they can't answer, are concerned about what other people are

going to think (particularly friends and family), and are afraid someone is going to get upset with them.

> ***Fear probably destroys more dreams than anything else in life and it is very active in network marketing. Fear can very quickly drive your very excited new associate out of the business in just a matter of days or weeks.***

An Internet-based marketing system is perfect, because you only talk with qualified people. This reduces the amount of rejection and increases the number of people joining your network. Plus, if you are using a system that works, you'll never run out of quality leads.

4. Don't know how to build on the Internet – As you have probably recognized, Internet marketing is the wave of the future. Everyone is talking about "social networking", "You Tube presentations", and funded business proposals. There are so many great opportunities for marketing on the Internet and lot's of training programs that will "teach you how to make millions on the Internet." The problem is that most of the people who join your business will not have a clue about how to build on the Internet.

> ***So, the key is to find a simple, easy to understand program for marketing on the Internet, that won't distract them from their network marketing business.***

This is a tough one, because the Internet gets more complicated every day. So, you can either bite the bullet and pay thousands of dollars to learn how to develop an Internet marketing system, hire someone and

pay them thousands of dollars to design one or use an already proven system (see below). No matter how you do it, make sure you've got an Internet marketing system working for you every day.

5. Aren't trained properly – Some network marketing companies and upline teams do a great job of training, however this is more of a rarity than the norm. Unfortunately, most people who join network marketing companies are never trained properly and so they fail. It's not their fault. The key to training is to have someone who has been there, done that, and made a lot of money do the training. However, usually that type of person in your upline is either too busy with his/her own huge downline or they are off enjoying the free time that results from a big residual income. Either way, people aren't being trained. So, what is needed is a system, developed by a successful network marketer that will help you train your downline and give them something that will enable them to train their downline.

Check with your upline leaders to see what training is available and then devote time and resources to gaining the best training possible.

> ***The more you know, the better you will do (as long as you put that knowledge into action). Keep in mind that this is a business of duplication, so find trainings that teach methods that fit your personality and budget.***

Now you know the five failure factors and what to do about them. The question is what are you going to do about it? Your answer and following actions will dictate your level of success in network marketing. If you're going to be the leader of a large network, you'll need to either find or develop a system that will eliminate or at least minimize the five failure factors. It will need to help new associates make money quickly – their first week or two in business. It will need to be a lead generation system, so they never run out of prospects. It will need to be something where they don't have to make a lot of direct contacts with cold prospects, so as

to reduce the feeling of rejection. It will need to be a simple, easy to use Internet system that works for them 24/7. It will need to include simple to follow training that can get them started quickly. Finally, it can't compete for their time with the network marketing business you and they are working.

Be assured that if you develop just such a system, it will help many of your downline go on to create full-time incomes in network marketing and reduce the failure rate in your network. If developed and implemented properly, a system like this will also dramatically increase your network marketing income. So, get to work and develop a system that will eliminate those five failure factors.

Rod Nichols has been involved in the network marketing industry since 1979, as a company founder/owner, distributor, consultant, trainer, coach, and author. His books *Successful Network Marketing for the 21st Century* and *Would You Like to Dig In My Goldmine?* were industry best sellers for several years and his latest books, *The Twelve Power Secrets for Network Marketing Success* and *The Ideal Business* are quickly becoming must reads for anyone serious about success in network marketing. Rod is also the co-founder of The 2 Percent Plan. He has trained tens of thousands of people and is known as a "nuts and bolts" trainer. Rod is available to speak at conventions, conferences, or any other event requiring a dynamic outside speaker. More information about Rod, his fees, and other great network marketing resources are available on his website at www.RodNichols.com or you can e-mail him at Rod@RodNichols.com

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