

Advice to Someone Going into Multilevel Marketing

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I am opposed to multilevel marketing as a business practice, for the reasons given by Bill Ackman here: <http://en.wikipedia.org/wiki/Herbalife#Criticism> , in summary: “the majority of distributors lose money, that the chance of making the testimonial-implied headline income is approximately one in five thousand, and that the company materially overstates its distributors’ retail sales and understates their recruiting rewards....Herbalife distributors ‘primarily obtain their monetary benefits from recruitment rather than the sale of goods and services to consumers.’”

If you still want to get into multilevel marketing, I strongly recommend you treat it like a real business--make a business plan, which includes a budget containing fact-based estimates of how much time and money you will have to invest into each part of the business, and of the business's resulting income, and your final profit (the difference between those last two numbers), and a timeline-style plan for what stages the business will move through (research, planning, purchasing, networking, advertising, hiring, growing, when to fire, when to sell, when to quit). Read what the critics say, find out what pitfalls to avoid. Track your progress relative to someone who has succeeded in the business to see whether you are following the same trajectory, and if you are not progressing well, decide how much failure is acceptable (how much time or money are you willing to lose before you should quit?)