

Four Questions to Ask Yourself When Looking to Join a Direct Selling Company

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Nancy Collamer, in her *Forbes* article "[Can You Really Make Money in Direct Sales?](#)" offers four suggestions to potential consultants who are considering joining a MLM company to earn extra income.

- 1) **Are You Outgoing?** Network marketing is a great industry for outgoing people. Those who are uncomfortable asking friends and family to purchase products, or are generally shy, may want to consider other ways to earn auxiliary income other than direct selling.
- 2) **Do You Love the MLM Company and its Products?** Find a company with high-quality products that you can get excited about selling. Also, be sure to do a little research to ensure that the company you want to join has a good reputation. The Direct Selling Association provides a list of members who agree to abide by its Code of Ethics, which is a good place to start researching direct selling companies.
- 3) **How Much Does it Cost to be a Consultant?** Make sure that you completely understand how much you will be paying for the startup kit and any ongoing costs/fees. Average startup kits range around \$99 (according to the Direct Selling Association); however, the price range for startup kits can greatly vary. Be sure that you are aware of the company's fine print.
- 4) **Do You Know all There is to Know?** Ask as many questions as you can think to ask the company. Ms. Collamer suggests some examples:
 1. a. *What are your annual sales?*
 2. b. *How much money did you make last year — your income and bonuses, less expenses?*
 3. c. *What percentage of your sales were made to distributors?*
 4. d. *How much did you spend on training and buying products last year?*
 5. e. *How much time did you spend on the business last year?*
 6. f. *How many people have you recruited?*

If you are unable to get satisfactory responses to your questions then it may be that the company isn't right for you. There are many other considerations potential consultants should keep in mind when searching for the right MLM company. The short list above isn't exclusive.

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On Assignment

On any given day you can catch [Jeffrey Babener](#) lecturing on Network Marketing at the University of Texas or the University of Illinois, addressing thousands of distributors in Los Angeles, Bangkok, Tokyo and Russia, or writing a new book on Network Marketing, an article for Entrepreneur Magazine or a chapter for a University textbook. Over two decades he has served as marketing and legal advisor to some of the world's largest direct selling companies, the likes of Avon, Nikken, Melaleuca, Discovery Toys, NuSkin, and he has provided counsel to the most successful telecom network marketing companies...Excel, ACN, World Connect, ITI, AOL Select and Network 2000. An active spokesperson for the industry, he has assisted in new legislation and served on the Lawyer's Council, Government Relations Committee and

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