

## Business Model and Compensation Plan

They are a typical MLM (Distributorship) company. What's more interesting than anything about this company is that their business model ENCOURAGES distributing products and DISCOURAGES direct sales to the customer (for their representatives). Understanding their business opportunity will help you here.....

There are 5 ways to earn money...

1. Retail the products (Distribute)-Buy wholesale, sell retail, keep the profits (mark it up to whatever you want....reps compete with reps???)
2. Personal Rebates (enables customers to order whenever the FEEL like they want the products)-Have customers order on your account (drop ship or distribute), you make 20% over your minimum requirement on your account
3. Fast Start Bonuses (a percentage of new customers you enroll in their first two months and paid to you weekly)- Earn 5-20% of each new Partner's/customer's orders for the first two months...after that, you earn whatever percentage you have them on in your matrix...the most you can make is 8% per personal enrollee if they are in business with Noni....with Melaleuca, it's 20%.
4. Unilevel Checks (STILL not sure what this means)-Earn ongoing residual income if you maintain your customer base (???...sounds like they are just stating you will earn residual income each month if you keep pressuring your customers to order!)
5. Global Bonus Pools (similar to our Leadership pools but still not as good as ours)-2-3% of company's sales IF you're a top performer or in Executive Director type status...you do have to qualify each month for it.

Their matrix is Unlimited x 8 deep matrix....**NOTE: They call their "downline", "DOWNLINK".**

1st level = 1% (of product order each month IF THEY ORDER DIRECTLY WITH TNI and set up autoship!!!)

2nd level = 5% ("ditto")

3rd level = 5% ("ditto")

4th level = 6% ("ditto")

5th level = 7% ("ditto")

6th, 7th, 8th levels (and Compressed to infinity) = 8% ("ditto")

So where do you make money if you only enroll customers??? Think about your Melaleuca Business...would you make any money off your first 3-4 generations if you were at 20 personal customers and only earning a max of 6-8%??? Off your personals???? Yes, having "secondary" customers ordering is going to net you about the same, but not personal enrollments. However, their reorder rate is much lower because these are NOT necessity products.

[Here's an example...](#)

You enroll a great customer right off the bat (a Newby)...you have no other customers and they want to order directly through the company and get put on autoship (required for building a business). What do you get? 1%!!! You have no other people to put them under! You HAVE to place them on your first generation. The only way you can make money off them is to SELL THEM MARKED UP PRODUCTS!!!! That's right, they encourage distributing products at double retail (TNI marks it up for you and you mark it up for your partner). If you sell the product to your partner and get them to order through you each month, you make the mark up (whatever you want it to be...you will compete with OTHER reps...you could buy it cheaper from a different rep down the street or even on EBAY!!!) AND you make 20% of their order over \$120.

How's that work, you say?

Well, if you agree to your "minimum" AUTOSHIP (\$120 or about 4 bottles of juice...you will only go through 2 bottles PER PERSON EACH MONTH...what if you're single, you ask?...you will be either stocking 2 bottles per month in your garage or giving away two bottles per month to a family member JUST TO KEEP YOUR STATUS!! That's called Inventory and going into debt to make money)....anyway, you will be able to make 20% of whatever your customers order THROUGH you each month over and above YOUR \$120....again, it encourages distributing.

Say you enroll a customer and they only want the juice....well, you could put them on your first generation and make 1% per month off whatever they buy directly from the company as a business partner OR you could have them call the company, give YOUR ID # and order whatever they want (no minimum or membership fee required because they did not get a membership) and those products will come to your house and you will have to give them to your one time "customer" when you have a chance to go over there. You could have them drop-shipped to them but you make less money (no markup).

**Bonuses...**well, none really...until you hit what they have that is equivalent to Senior / Executive Director (Pearl / Black Pearl). You can get bonuses for having top personal, preferred customer growth and/or org. increase. That's about it.

**There's NO:**

- Car Bonus
- Advancement Bonuses (AT ALL)
- Leadership DEVELOPMENT bonus
- Leadership bonus pool (unless you're in Executive director status or a top company performer)
- Increase in commissions when you have more personal enrollments/customers (maxes out at 8%)
- Peg volume
- Additional SD and ED monthly "growth" bonus
- Cap on Volume commissions (the more you can get your customers to order, whether or not they need it, the more you can earn...people get more than they need and go into debt)
- ELC type of trips with the company each year (they will take you to Tahiti when you become like a Senior Director and a cruise if you are a top performer each year)
- Incentive to HELP OTHER PEOPLE (they have breakaways...partial)

Extra info:

\$1 = 1 pt

120 pts is the minimum requirement to be a distributor AND you HAVE to be on monthly auto ship for the minimum requirement