A great deal has changed since I wrote *Your First Year in Network Marketing* last century and it's time to update the rules in order to help more entrepreneurs like you succeed in our industry.

Thousands of individuals have joined our profession and many quit before they had time to succeed. Hundreds of new companies have come and gone and a remarkable number of technological breakthroughs have confused many fledgling networkers.

For a short time it appeared that the Internet would become the ultimate new tool for reaching the masses. Some folks believed that smart phones and social networking sites would yield huge financial success in direct sales. It just made sense to assume that any technological enhancement for reaching the masses more quickly would translate into greater distribution networks and significantly more sales volume.
Many are still trying to figure out how to maximize network marketing success through technological innovation.

The jury is still out on technology in our sector, but a number of new rules have emerged in the relationship marketing world which must not be ignored.

Last century, state and federal regulators wasted little time padlocking the doors of ponzi schemes and protecting the vulnerable masses. That was back at a time when regulators had plenty of time and only a few companies were being launched. Today, a new deal pops up every single week and regulators have bigger fish to fry.

People like Bernie Madoff and others in the financial sector have caused government lawyers to shift their focus to much more damaging con artists. That shift opened our industry to a migration of small time grifters.

What concerns industry veterans like me is not the occasional business kit purchase that goes down the toilet. Most folks are not overly concerned about wasting a few hundred bucks on products or services in a culture of online poker addicts who think nothing of gambling away their assets. We are more concerned about vulnerable boomers who have been stripped of their assets by investment schemes just in time for retirement.

These new MLM rules are for people who need to accumulate income from legitimate business ventures, not those who want to keep rolling the dice for unmerited gambling returns.

If any of these new rules offend you…there's probably a good reason.
New Rule 1

Tacit Wisdom in MLM Trumps Outsider Wisdom

Always research the company owners to make certain that they have had extensive experience running successful network marketing ventures. Field distributors and wealthy individuals from other areas of capitalism do not usually succeed in creating and perpetuating billion-dollar network marketing companies.

Over the years we have received pre-launch calls from excited networkers who are singing the praises of some expert in a totally unrelated field who is suddenly launching an MLM company. They range from celebrity sports stars and television personalities to high profile authors and positive thinking gurus.

We’ve seen dozens of experts from other sectors in capitalism crash and burn in network marketing by assuming that they could succeed in building a business in our field.

Pay attention to this fact: do not hitch your wagon to a star unless that star created her reputation by building a successful international direct selling company. Network marketing is a highly specialized distribution model with very significant internal challenges… not a simple business for celebrities and wanna-be entrepreneurs.

Verify the backgrounds of any MLM owners by doing research on independent web sites. Verify that their backgrounds include network marketing expertise.

Tacit wisdom, that is those skills specifically related to success in network marketing, is critical in our sector of capitalism.
New Rule 2

Go Up or Go Home

Track upline to make certain that someone above you in your organization is both accessible and successful, especially when an inexperienced friend or relative is recruiting you. You need expert support… not just a passionate sponsor.

This is a very critical piece of information. If you cannot Go Up, that is, find a skilled network marketing leader somewhere on your upline team who can coach you and execute three-way validation calls, you might as well stay home and do research into another company.

There’s an old adage in our industry, “Every great networker was a lousy networker first.” We all were. I was a greenhorn when I started – a college dropout from the back woods of Missouri with no special skills or previous experience and I went from rags to riches in a relatively short time span ultimately earning over $20 million through my networking business.

So, accessibility to a qualified, respected leader is absolutely critical. In my own case I can tell you that without my first upline mentor Richard Kall, I would have probably failed and walked away from network marketing permanently. I had to track him down because he was a full six-levels above me.
New Rule 3

Arrows in Your Back = Millions In The Bank

If your financial goal is to earn huge checks, get into an upstart company before it starts distributing millions of products in dozens of countries. Early timing is no different in network marketing than any other business or investment. Timing is critical.

My mentor taught me way back in 1986 that, as a pioneer, I would be known by the number of arrows in my back. He warned me that it wouldn’t be easy, but that my perseverance and hard work, as a ground floor participant would result in huge checks. He was right.

Upstarts are risky and everything that can go wrong often does. But if the owners are experienced in running a successful networking company, the products are legitimate, and the leadership core values are beyond reproach, the biggest rewards in capitalism always flow to the early pioneers.

You’ll take fewer arrows in a stable network marketing company that’s been around for years but you’ll frequently earn less money. That’s just economics 101.
New Rule 4

You Can’t Succeed In Secret

If your spouse refuses to support you, forget this business. It’s tough enough to build a solid business with the support of loved ones. Without that support it is virtually impossible.

Believe it or not, I’ve had men and women tell me that they could not admit to their spouses that they had gotten involved in network marketing until they started earning big checks.

Many have told me that they intended to keep their participation in network marketing a secret from their families. Right. That cannot be done…period, end of the story.

If potential distributors cannot get their significant family partners to support them, move on. I’ve had the unenviable privilege on more than one occasion to visit with a distributor’s spouse who was kept in the dark about his or her partner’s involvement in my company.

Let’s just say, I’d rather deal with a cornered wharf rat or jump barefoot into a box of light bulbs. Never again.

New Rule 5

There Are No Part Time Millionaires

Do not believe for one minute that you can achieve full time income in network marketing on a part time effort. Big money networkers are exceptionally focused, full-time professionals. You can Dance With The Stars on some reality show, but you probably aren’t going to end up running a Broadway Dance Troupe. The same principle is at work in network marketing.
I don’t know what it is about our industry that encourages a belief in unmerited wealth. Network marketing is a business that rewards people for hard work.

I get calls all the time from people who tell me they’ve “dabbled” in several companies. Sorry folks… dabbling won’t cut it!

If you are articulate, have a great mentor, get in a legitimate company early, and bust it for two to three years full time…you can earn the big checks. Tell prospects the truth if you want to build a great team of resilient leaders.

New Rule 6

Birds Tweet…Adults Talk

Your first approach to a prospect should always be face-to-face or over the telephone. People will not take a tweet or email seriously. Many will never even see them. There are no exceptions to this rule.

In network marketing some of us earn more money in a month than many lawyers or doctors earn in a year. Treat prospects with respect. No one is going to change careers because he gets a typed message on his computer or smart phone.

If you want to tell a friend about a new restaurant or movie, by all means use technology. But when you decide to approach people about your business venture, extend them the courtesy of a phone call or face-to-face meeting.

By the way, most of your competitors will depend on texting and emails which provides you with a major strategic advantage if you are using respectful, adult dialogue on a personal level.
New Rule 7

The Second Time Is A Charm

It’s perfectly ethical and advisable to sign up under the person who introduces you to your first network marketing venture. But if you love the industry and fail to succeed the first time, pick an expert sponsor for your second attempt.

Over the years I’ve visited with countless individuals who had nothing but bad things to say about our profession. Generally it is because they signed up in a lousy company, at the wrong time with dubious products or services. Often, people are pressured to join a company by a friend or relative.

No one should participate in less than two companies if they fail in the first one. The first business venture is frequently an effort to please others; we simply can’t resist the passionate plea of someone we respect or love.

The second company should be selected based on rational due diligence. It should be about creating personal wealth rather than helping a relative or friend.

Your coach for better networking,

Mark Yarnell
About the Author

Yarnell is the author of twelve books, including the long-standing international bestseller Your First Year in Network Marketing and the most recent release, How to Become Filthy, Stinking Rich Through Network Marketing. As a network marketing leader, Mark has built an organization of 300,000 people in 21 countries. He has educated thousands of entrepreneurs through his books, webinars, presentations and private coaching.