



Friends, Lies and Network Marketing

By Kim Klaver

Two-thirds of Americans want a venture of their own, according to a Yahoo survey in May 2006.

The number one reason? To do something they love, finally, versus making money to pay the bills.

So, how do you do it without mortgaging your house to buy a franchise or chasing down venture capital?

NETWORK MARKETING PROPONENTS SAY THAT THEIR INDUSTRY IS THE ANSWER.

Build a network of people who use and market a product line. Start with your own social circle and earn overrides on the business of the people you recruit, those they recruit, and even those multiple levels away. These overrides add significantly to the income from sales of the products or services to customers. Indeed, most networkers focus on the recruiting end of the business rather than on direct sales.

Low barriers to entry are a big draw. No need to spend money on a franchise fee or on store locations. Work conveniently from home, with the parent company taking care of shipping products, collecting from customers and sending the reps monthly checks.

The dream of easy money and relentless promotion of the extraordinary success of a few people, has drawn all kinds of folks to network marketing over the last 30 years. The lure of earning \$100,000 a month, or even \$10,000, is irresistible to many who are not told what it takes to make that kind of money in network marketing. Hence, 95% of them fail...and warn their friends to stay away. Everyone seems to know somebody who has had a bad experience. Network marketing is, perhaps, the most maligned industry in the U.S. today.

How can you get past the negative word-of-mouth to build a successful network marketing business doing something you love?

Here are twelve tips to make a meaningful career in network marketing—without using or abusing friends, family and neighbors.

1 > DON'T MISLEAD YOUR FRIENDS BY INTRODUCING YOUR PRODUCT OR BUSINESS AS IF YOU WERE RECOMMENDING A RESTAURANT OR MOVIE.

Most new networkers do what their trainers or upline tell them to do: “Just talk to your friends. It’s like recommending a restaurant or a movie.”

But is it? How many friends has anyone lost recommending a restaurant or movie?
How many friends have been lost recommending network marketing?

Yes, it starts the same way: You meet for lunch or at Starbucks. You exchange news and pleasantries. And then you extol the wonders of your new find. But in the end, you have to tell her you’re selling the thing. That’s when the tension and anxiety set in on both sides—your friend doesn’t like saying “No” to you, and you don’t feel comfortable revealing your hidden agenda at the end and asking them to buy. One of my students said, “I feel like a piranha.”

Networkers joke among themselves that they are members of the NFL—No Friends Left. How often does that happen when you recommend dining at a restaurant?

For fifty years, the network marketing industry has been selling millions of people on empty promises of easy money: “All you have to do is talk to your friends, like recommending a restaurant.” Countless hopefuls have spent \$500 to \$10,000 before quitting. The money from drop-outs (95%) is a major source of income to the companies and the distributors at the top of big network marketing groups. That’s why the recruiters continue recruiting, leaving in their wake millions who have lost money and self-esteem, and who have no place to go for Christmas dinner.

2 > WARN THEM UP FRONT THAT YOU'RE SELLING WHAT YOU'RE GOING TO TALK ABOUT.

If you do this with sincerity and without apology, most friends will at least give you their ear. AND they won't feel betrayed at the end. They might even give you a referral or two.

Friends often recommend things to each other, but no one expects their friend to be selling what they recommend. To act and talk as if it's a regular recommendation from one friend to another, and then surprise them at the end with, "Oh, I sell it," is a guaranteed trustbuster. The feeling of having been snuck up on and used is what strains the friendship, not the fact that you're a marketer.

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Here's a way to introduce your thing to your friend without losing their trust. Before you say anything about your product or business, you're immediately transparent:

"Say Lulu, I have this new thing I'm selling because I finally lost some weight with it, and I have to tell you about it..."

Now you've told your friend up front that you're selling the thing you're going to talk about. She may cringe inside and steel herself to prepare for the solicitation she's sure is coming. But you surprise her...

3 > DON'T ASK YOUR FRIENDS TO BUY. ASK FOR A REFERRAL INSTEAD.

It's hard for some people to say "No" to a salesperson, especially a friend. So they say "Maybe." And you hope; you call back, but in vain. They see you on caller ID and don't pick up anymore.

To prevent this, don't ask for the sale, ever. Ask for the referral instead. Here's a way to do it:

Assume you've used the opener above: "Say Lulu, I have this new thing I'm selling because I finally lost some weight with it, and I have to tell you about it." [Lulu cringes.]

Smile and continue: "In case you know anyone [pause, to allow her brain to take in that you're not hitting her up] who might want to know about a product like that. Ok? [pause for Lulu's reply.]

Instant relief. Her brain might even light up and think of someone. You haven't abused her trust, and she might even spend a little time thinking about whom she might know who might want to buy from you, her trusted friend still. She'll probably even think of you whenever any of her friends ask her about weight loss—because she knows you won't pressure her friends either.

Every word in the line above is the result of trial and error over many years. Others who use it word-for-word tell me that it's working for them too. Jan H., a Melaleuca rep, said:

"I talked to 43 people, got 3 new customers and 8 referrals. I was shocked..."

Sandra P. of Isagenix said: "This week I spoke to 13 people. I got 2 autoship customers and 3 referrals; one is a health club owner. Nothing like this has ever happened to me before. It's fun to work now."

Asking a friend to buy is like bopping them over the head. Friends want to help their friends. They feel bad when they can't. Give them a chance to help by asking for the referral, never the sale.

4 > DON'T ASK YOUR FRIENDS TO SELL. ASK FOR A REFERRAL INSTEAD.

Don't listen to trainers who demand that you "make your list of 100 closest contacts and start calling to share this wonderful and amazing business opportunity with them!" They're asking you to trade in the friendships you have built over decades for a few quick bucks.

The dream of financial freedom is as American as apple pie. Friends want to believe that this might be it. Then they fail. That's when they feel abused. They trusted, bought in, then discovered that they can't sell. They get mad at themselves, then they get mad at you. "I can't believe I let you talk me into this. I must have had a stupid moment." There goes the Christmas dinner invitation.

In a recent survey I did of my blog readers, I asked why their friends had said "No" to the business opportunity. Over 100 networkers from 50 different companies responded. 47% reported that their friends said "No" to the business because: "I can't sell." Another 26% said, "I won't sell to my friends" or "I won't pressure my friends to sell." That's 73% who can't or don't want to sell. So, why subject yourself to that level of rejection? And why subject your friends to the unpleasant task of saying "No" to you?

They trusted, bought in, then discovered that they can't sell. They get mad at themselves, then they get mad at you.

Instead, ask for a referral to someone who loves to sell: “Do you know anyone who likes to sell and who might be looking for something like this?”

Then let go. If they want to sell, they’ll ask. Then you can show them what’s involved, without pressuring them or offering dubious promises of riches if they buy in.

And never ask a customer to sell, either. They’re like everyone else—most don’t want to sell. You can ask for referrals, yes. And if they themselves are interested, they’ll ask you about it: promise. They bought product from you, didn’t they? Trust them to put two and two together.

5 > LEAD WITH YOUR OWN HOT BUTTON.

Dispense with second-guessing them, overcoming objections, mind control, scare tactics, or other persuasion techniques.

Sales people are supposed to sell; so, they’re always thinking about ways to get people to buy. Books and seminars on how to get to yes, how to find their hot button, or how to overcome objections are standard fare. Popular titles include "The Secret to Being a Great Closer," "Mind Control Marketing," and "Hypnotic Marketing."

Every company believes its products are the greatest and that they’re the best in the history of the world. “Everyone wants these products; they sell themselves!”, companies promise their tens of thousands of sales recruits. If people aren’t buying, it must be that the sales people don’t know how to sell.

So, these folks learn how to find people’s hot buttons, overcome their objections, create fear of loss—everything they can to persuade those !@#*! people to buy. After a few rejections, especially from

friends or family, the once enthusiastic marketer loses self-esteem and quits. And this is not just your average person.

Over dinner one evening, a CEO of one of the largest companies in the industry confided:

“I have high level corporate friends who always had high self-esteem and great confidence in themselves. Then they got into our industry. Their self-esteem took a big hit because they weren’t used to the personal rejection. Many of them didn’t get past it.”—Bob Shults, former President and CEO, Shaklee Corporation

This is no small problem. The drop-out rate in this industry is 95%.

Instead of trying to sell everyone you know, why not find those who might already be looking for what you sell? No need to persuade anyone.

Lead with YOUR hot button, so that people whose buttons match yours can find you. Call out your own name, and those with the same name will perk up their ears! It’s like introducing yourself at a party to someone who has the same name. Isn’t there instant rapport between two Ashleys or two people with the same birthday or the same car?

When you lead with your hot button, you’re speaking with authenticity. Who knows better than you what turns you on? You don’t have to feign enthusiasm. It bubbles over. The task is to reign it in. You don’t have to scheme to get your friends or anyone else to buy.

Instead, bring to consciousness why you love your product, why you decided to start selling it. Why you keep on doing your business, no matter how hard it is to keep slogging. This is your hot button, your why. And it’s a reflection of who you already are.

Lulu is into the environment and recycling. She decides to sell non-toxic household cleaners—the same ones she uses herself. She learns how to tell her story with authenticity and without hype.

She spends her time, energy and money putting her story in as many venues as she can. Environmentally-conscious people who are looking for non-toxic household cleaners will find her.

Lulu's task: Put her passion for non-toxic cleaners out there in an authentic way, to reach like-minded people. Not persuade everyone that non-toxic cleaners will save the environment.

The people who find her are happy to buy. Bonus: Even if they don't buy, it's more fun to talk to people who share a hot button with you. Makes it more likely you'll stay in the business long enough make it.

Two hundred million people on the National Do Not Call List can't be ignored. Do you want to be on your friends' Do Not Answer list?

6 > STORY REPLACES PITCH.

Skip the glowing hyperbole or esoteric technical descriptions of a product. Instead, "tell us some good stories and capture our interest. Don't talk to us as if you've forgotten how to speak. Don't make us feel small." (Levine, et al., *Cluetrain Manifesto*)

Two hundred million people on the National Do Not Call List can't be ignored. Do you want to be on your friends' Do Not Answer list?

When people detect the scent of a seller, they're gone. (Kim Klaver, [If My Product's So Great, How Come I Can't Sell It?](#), Ch 4) But marketers slide into seller talk whenever they think a prospect might be listening. They unconsciously get up on their mental soapbox:

"X is the most amazing, unique, patent-pending nutraceutical complex—it penetrates the cell membranes directly and it will set your clock back ten years. Blah blah blah..."

Compare that with how Lulu talks to her Grandma at the kitchen table: "Grandma, I never thought I could lose that stupid 10 pounds without starving myself, and now I did! Look at me now! I found something that actually works!"

Learn to talk about your thing the way you would if you were not selling it. The same way you might talk to your grandma or your 13 year-old nephew when you tell them about a product you've just discovered that's helping you. Then ask for the referral.

7 > NO PROMISES, NO PROBLEMS.

"It's easy! Anyone can do it!" "Make big money fast!" "Next billion dollar company!!" "Everyone wants this product! It sells itself!"

Most people know that's an MLM (multi-level marketing) calling. It's how the industry's members have been taught to sell for years. It's also what has gotten the companies into trouble with the regulators. Why do they keep doing it?

It works. Pulls in tens of thousands of desperate people clutching their last \$500, hoping for some magic to save them. And others, like me, who couldn't walk away after hearing, "If this simple waiter with no education can make \$90k a month, you can too. Err, can't you?"

Ha! We never knew how many years experience he'd already had, that his father built a huge organization which he brought with him to the new deal we were in. No one told. Because we were sold with, "Easy, if he can do it, you can too."

Not so. Only a small percent make it. Isn't it misleading to promise an easy road to financial freedom when 95% of the people who buy in fail? People who fall for those promises are the wrong people for the business anyway. Most long-termers stay in because they love their products or some aspect of their network marketing business.

8 > ENTHUSIASM SELLS. HYPE AND HOUNDING DON'T.

Don't tell them how great your thing is. Don't use exclamation points. Don't use big red type on a bright yellow background. Don't keep hounding.

Just yesterday, a real estate broker who was looking to start a network marketing business told me he had stopped looking into a deal because the person kept hounding him about it. Six phone calls within two days of his inquiry, all to tell him how great the company was. Never asked him what he was looking for.

Who believes the claims sales people make anymore? We've all bought on hype and promises that were never delivered.

The greater you say your thing is, the more suspect and desperate you look. Remember, they know you're selling it and will make money if they buy. Tell your hot button story. Then let the authentic tale and referral magic do their work on like-minded people.

Enthusiasm comes from the inside. It's the energy with which you tell your story. The deep emotion and passion for your thing that touches the person you're telling it to. People love to be swept up in a wave of enthusiasm. Energizes them, too.

9 > RECOMMEND THE SMALLEST PACKAGE, LIKE A PRUDENT ADVISOR WOULD.

Imagine your friend is interested in starting their business with you and it's time to buy inventory. They often ask how much you started with. Tell them the truth, whatever it is. Even if you started with the biggest deluxe package, surprise them:

"You don't have to start with the biggest one. Maybe the starter package is the best one for you. Tell me how you would use the product and we can see if that's the best option. You can always buy more later."

What do you think they expect a seller to recommend—the biggest or the smallest? Your recommendation tells your friend you're still a friend, advising them rather than preying on them.

Get your story out in as many different places as possible—from doorknobs to the blogosphere.

10 > SKIP THE THERAPY.

THEY DIDN'T ASK FOR IT AND WON'T PAY YOU FOR IT.

Women especially want to save the world, save people from themselves. But you're a marketer, not a therapist. Therapists get paid by the hour; we get paid by the piece. Besides, unsolicited therapy often comes across as nagging. How many sales could you have made in the time it took you to try and change all those prospects? How many friends might you still have if you hadn't insisted on saving them from their obesity, fatigue, poverty, etc., with your product or opportunity?

Even if people say they want to lose weight or make more money, etc, often they're just venting. They might whine or make jokes or beat themselves up about it, but they never do anything to remedy the situation. And they won't spend money on your thing. Arghhh. They're venting. Let them go.

11 > USE MULTIPLE VENUES TO TELL YOUR STORY.

Get your story out in as many different places as possible—from doorknobs to the blogosphere. Your choice of venue depends on your interests, budget, time, skills and creativity.

With a budget, you could do Google ads, print ads or direct mail campaigns. With little or no money, you might choose Orange [ads](#), a Network Marketing Central [profile](#) or the belly-to-belly methods: mixers, home parties, business leads groups, social websites and chat rooms.

If you like causes, join volunteer groups and interest groups. If you enjoy public speaking, give talks to audiences who might benefit from your product.

If you're good on the phone and don't mind rejection, do phone leads. If not, try direct mail.

Do what you're good at and what you enjoy doing. All these methods have worked for some people. Don't be pushed into one method or another by your upline. Don't blindly copy something someone did who is now successful. You may not have the same skills and circumstances, and therefore, not the same success. Experiment and see what works for you.

12 > WOMEN: STAY IN YOUR COMFORT ZONE. YOUR INSTINCTUAL WAYS ARE WORKING IN TODAY'S SKEPTICAL MARKETPLACE.

Business gurus like the authors of *The Cluetrain Manifesto*, Doug Rushkoff and Seth Godin have observed that a gentler, kinder way of doing business is working better in today's marketplace. Advances in communication technology are allowing the people to voice their resistance to being steamrolled by marketers. Instead they are displaying their individual passions and creating millions of tiny market niches (Chris Anderson, *The Long Tail*).

The old ways are largely styles and strategies that come naturally to men.

Men tend to strut their stuff; women don't, says Marti Barletta in *Marketing to Women*. Today's consumers are tired of hearing that every product is the greatest in the history of the world. Phrases like "scientific breakthrough" don't get sales anymore. Advising today's marketers, Levine, et al, ask: "The inflated, self-important jargon you sling around... what's that got to do with us?" (*The Cluetrain Manifesto*, p. xvi).

Huge generalization warning: Men like to score on the first date. They push to make the sale on the first call. Women like to wait until they've been wined and dined. On the first date, they open the kimono just a little. They revel in the romance before the score. Godin [says](#) business is the same:

“Great blogs...are built brick by brick, a little at a time. You learn what works and do it more.... It’s okay to be long....”

Men love to talk about a gadget’s technology, the science behind it. Women care more about how other women are using the gadget to make their lives easier. Many of my students tell me that they are trained to lead with the science of their product, to use technical jargon and breakthrough language to impress the customer, to sound like a mini-doctor. The reaction from their friends? “Their eyes glaze over!” Women come to my class to get the courage to go back to what they used to do years ago—tell how their product helped them. Marketing consultant David Meerman tells marketers that today “gobbledygook” doesn’t sell (from [The Gobbledygook Manifesto](#)).

Unlike men, women tend to support what’s best for the other person regardless whose side they’re on. I’ll never forget how mothers at a little league baseball game cheered when any child got a hit, no matter what team they were on. The dads would react in shock: “Hey, that’s the wrong team. What are you cheering for?” Rushkoff sides with the women, in his book, *Get Back in the Box*. He tells company CEOs to follow a play ethic that values staying in the game over a war ethic which values only winning and destroys innovation in the process. More [support](#) for women’s style comes from Dr. Gregory Berns, psychiatry and behavioral sciences professor: “Humans are wired to collaborate. Altruism turns people on even more than making money.”

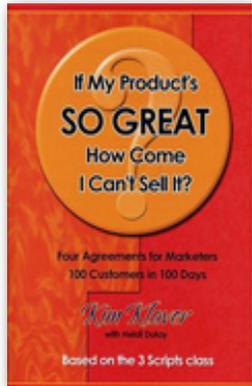
Harvard has just appointed its first woman president, Drew Gilpin Faust, “to move the University forward expeditiously...in a time when society has become ambivalent, even skeptical about universities.”* Might allowing women to take the marketing lead move the industry forward expeditiously, in this time when the marketplace has become ambivalent, and even skeptical, about marketers?

[82%](#) of network marketers are women. What if they were given the freedom to build on their own natural styles to develop marketing approaches? Instead of being pushed to market like men? Given the current 95% drop-out rate in the industry, how could we lose?

**John S. Rosenberg, “A Scholar in the House: President Drew Gilpin Faust,” Harvard Magazine, July-August 2007.*

End Note

These views are the manifesto of a tiny cadre of network marketers. We tell our friends up front what we're doing—selling our thing—the same way a newly-minted cardiologist might announce to her friends what she's doing. We don't ask for the sale: we ask them if they know anyone who might like to know about what we're doing. We tell our story, make no promises, tell no half-truths, and never hound anyone. Once we announce, we let the magic of genuine word-of-mouth among friend networks do the work.



BUY THE BOOK

Get more details or buy a copy of Kim Klaver's [*If My Product's So Great, How Come I Can't Sell It?*](#)

ABOUT THE AUTHOR

After four false starts in five years, Kim Klaver built a network marketing organization of 31,000 people. Disillusioned with the high drop out rate and distasteful recruiting practices, Kim quit and spent the next ten years teaching, writing and working out a new business model with her students from over 100 companies. Kim has written four [books](#) and made numerous [CDs](#). She writes a [daily blog](#) and runs a [social site](#) for networkers. To implement her ideas she started her own network marketing company, [Uptown Naturals](#), with a product line for people who know they don't eat right and want some damage control. Kim has an MA degree from Harvard.

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