

What They Didn't Tell You About Compensation Plans

When it comes to fairly getting compensated by a referral based company, the deck has always been stacked against you and it is only by learning the truth that you can you avoid compensation plans that are out to get you.

Many sleepless nights have gone into devising compensation plans that will pay you pennies for bringing a wealth of business to a referral based company and perhaps for the first time, I will uncover some of the myths that have long kept referral marketers in the poor house.

Every trick that can be added to a compensation plan to keep you from earning a dollar, is an extra dollar that the company owner gets to keep, hence the incentive to prevent you from making money. Let's look at some of the things that you need to watch out for if you are considering joining a referral based marketing company.

Breakaway Plan

The breakaway plan is rarely used any more, but it was popular in the early days of referral marketing. When someone you referred achieved a certain rank, they would break away from you, causing your income to take a serious dive. There are still a few of the older companies that still use such a plan, so marketers beware.

Matrix Plan

One of my least favorites is the matrix compensation plan. If the matrix were the only plan left in the referral based industry, I would be forced to leave the industry. That is how much I disdain this compensation plan. In a nutshell, you have a limited width (2x, 3x, 4x, 5x, etc.) whereby you can only have x number of people on each level.

For example, a 2x plan means you can only have two people on level one, four people on level two, 8 people on level three, etc. If you refer three people, two of them will go on level one and the remaining one will go on your level two. Once your matrix is filled, you have maxed the compensation plan and can go no further.

The likelihood of maxing the plan is almost zero because this kind of plan attracts welfare mentality people who never refer anyone. If you are the worker, you will find yourself surrounded by a bunch of drones who only want to eat the honey that you produce. They don't want to help gather it.

From a long-term income point of view, only one company in the industry has survived 20 years with a matrix compensation plan. Another one got close (18 years) before they collapsed.

I have never heard this expressed by anyone else, but I believe there is a reason why matrix compensation plans fail. Very simply, they violate natural law. Natural law says, "The laborer is worthy of his pay, but the non-worker shall not eat the bread of the worker."

A matrix compensation plan forces the worker to share his earnings with the non-worker and when you look at how miserably all welfare plans have failed, then you will understand why the matrix plan also fails.

With tens of thousands of companies having employed a matrix comp plan and all but one of them failing before 20 years, I suggest that you run as fast as you can the next time somebody asks you to join a company that has a matrix compensation plan.

Binary Plan

Binary plans are about twice as successful as matrix plans. What I mean by that, two binary companies have survived twenty years in comparison to the matrix having only one.

However, binary plans also violate natural law. Natural law says, "A double minded man is unstable in all his ways." A binary plan forces you to be double minded. You have to

build and balance two legs. I personally tried to work several binaries before I finally learned my lesson.

I have built successlines as big as 3,000,000 people in number and even I could not balance two legs in a binary. The company always ended up with the lion's share of the money and furthermore, 97% of the people who join a binary never make money, so once you understand this, you probably won't want to join a binary company with the hopes of leading a bunch of unsuspecting people into a situation where you know they are going to fail.

Australian 1-up, 2-up, 3-up, etc.

In these plans, you permanently give away some of the people that you refer, which means that somebody other than you is going to receive the commissions on those folks forever!

What generally happens in the Australian give away plans is that the average person gives up their best people to an upline sponsor and then they can't build enough momentum beyond that point to make money themselves.

Very similar to the binary, the Australian plan benefits a few top marketers and it leaves a majority of the members hungry and broke.

Modified or hybrid plans.

Hybrid plans are a combination of two or more plans married together, like a unilevel plan on the backend of a binary plan. This is generally an improvement over the pure binary or Australian plan, but it still a long ways from fixing the problem. The majority of people still do not earn enough money in the beginning to entice them to stick around long enough to start making money in the unilevel, so these plans still have a large turnover of members.

Unilevel Plans

Unilevel plans are by far the most stable and I believe the most fair. Historically, people have made more money with unilevels than with any other compensation plan and this is the compensation plan that I recommend if you are looking for long-term residual income.

Unilevel plans however, can be stacked with a number of gotchas like difficult rank advancements and group volume requirements, so the unilevel by itself does not guarantee a good compensation plan. You need to look at how many tricks are built into the plan before deciding if it is something you are willing or able to do.

Because a unilevel by itself tends to take some time in order to achieve a significant income level, a way to overcome that temporary downside is to put a hybrid plan on the front end, but it must be a plan where the average person can realistically succeed, if you want to create a good retention of members that you bring to the table.

Momentarily, I will show you how FreeMart has overcome all of the weaknesses of typical compensation plans employed by referral based companies.

Rank advancements is where company owners have literally robbed people blind! I strongly recommend that you stay away from all companies where rank advancements are not based solely upon your efforts.

And, if there are group volume requirements and or any kind of requirements placed upon successline members in order for you to receive your own advancement, then run the other way. Even if you personally could be successful, you will be leading other people into quicksand that will steal a majority of their earnings.

For example, let's say that you have to recruit three members to advance to Gold rank. And then you have to have three personally sponsored Gold members to advance to Ruby. And then you have to get three Rubies to advance to Diamond, and three Diamonds to advance to Double Diamond, etc., I simply won't go there and if you knew how impossible it is to accomplish such a thing, you wouldn't go there either!

And many companies have more difficult rank advancements than the one I just described. One company I am familiar with, you have to have 18 personally sponsored people who achieve the next to the last rank advancement with \$1,000,000 in group volume in order for you to reach the top ranking.

When you add group volume requirements to other requirements like in the example above, you might as well not even try and truthfully most people don't. If someone took a thousand random folks to a rock-faced cliff going straight up vertically and told them to climb it, how many would even try? Most people view the silly requirements in compensation plans the same way.

Furthermore, YOU CANNOT depend on anyone else to climb the ladder they are required to climb in order to push you up to the next higher rung in the ladder. Compensation Plans should be built so that the person on top is reaching down to help the person below them to the next level, not the other way around.

The only thing you can really count upon is what you are personally willing to do. People will almost always let you down when you are depending upon them to move you up the ladder. Never join a company where you are forced to depend upon successline members for your promotions. If you do, you are building your house on a very sandy foundation.

Then you may ask, "What can I do?"

I asked this question for 53 years before starting FreeMart and truthfully, I found no viable solution or answer to this question until FreeMart was created.

So, your answer is probably one of two things; start your own company or join FreeMart.

FreeMart Fast Start Profit Sharing Plan

We put a Hybrid Fast Start Profit Sharing Plan on the front end of a 9-level Unlimited Width (UW) Profit Sharing Plan.

The Fast Start is a Coded Bonus Plan. In this plan there are 5-ways to earn money based upon rank advancements. These are however the easiest rank advancements in the history of this industry and they are totally based upon your own personal achievement and nobody else.

Refer one purchaser - earn 10% and advance to Diamond Member + 10% increase in pay.

Refer two more - earn 20% and advance to Double Diamond + 10% increase in pay.

Refer three more - earn 30% and advance to Triple Diamond + 10% increase in pay.

Refer three more - earn 40% and advance to Ambassador + 35% increase in pay.

Ambassadors earn 50% on all personal referral's purchases made within 90 days of making their first purchase and they earn overrides on successline purchases made by members of a lesser rank.

Then, ninety one days after making their first purchase, a member will then be moved from the Fast Start Plan and put into the 9-Level UW Plan.

9-Level UW Profit Sharing Plan

The FreeMart Profit Sharing Plan does a better job of leveraging than any other plan in the industry and therefore out-pays other popular plans by 4-10 times.

Nicola Tesla said that if we understood the significance of the numbers 3, 6 and 9 that we would have a key to the universe. So, I chose a 9-level plan because it provides more leverage than either 3 or 6.

Also wanting to be as consistent with Natural Law as possible, I applied the Fibonacci sequence of numbers to those nine levels. Leonardo Fibonacci discovered that everything in nature, from the human cell to a snail shell, to a tree, in fact every living plant and animal grows in nature according to this sequence of numbers.

By applying this same sequence of numbers to our profit sharing plan, I believe that we have a living compensation plan that will literally take on a life of its own and will outgrow and out perform any other compensation plan in the history of referral based marketing.

Time will tell, but in the meantime, we have eliminated all of the trickery found in other compensation plans that effectively steals your time and money, so if you want a breath of fresh air and you want to associate with a group of people who believe in treating others the way that they want to be treated, then welcome to FreeMart.

What Some Members Do That Hurts Others

Some of the wrong attitudes that are occasionally displayed by a minority of members are not necessarily from a desire to hurt anyone else. They are sometimes simply a trickledown effect of the heavy yoke that has been put upon them by inflation and taxation from governments and unscrupulous company owners that have taken advantage of them.

Good and evil is a duality that dwells in the hearts of all mankind. Different people have called it different things. In Ephesians 6:12, it says that we all wrestle against spiritual wickedness and I believe that our biggest battle is right inside of our own hearts and minds.

If this is true, then the temptation to take even the smallest advantage of others is something that we all need to resist.

How do Some Members Take Advantage of Others?

Financially, it makes no difference to FreeMart where a person is in the member organization when they make a purchase, but it does make a difference to the individual members who are building a member team.

I believe that most members consciously try to avoid hurting others, so how do some members take advantage of other members? By sponsoring themselves, family members and sometimes even pets with names for the purpose of unfairly gaining rank advancements and for the purpose of ordering their own products under another name in order to receive a kickback in profit shares on their own orders, both of which effectively takes profit shares away from members in the upline who according to our Profit Sharing Plan, rightfully deserve to receive them.

Our policies do allow multiple people from one household to have a FreeMart membership so long as they join with the intent of either purchasing products for themselves or building a FreeMart business. Most husband and wife teams would be wise

to work together on one membership because they will have a better chance of sharing in our global bonus pools, but there are a few husband and wife teams who can achieve that level individually. Do the best thing for you while consciously taking care of the best interests of others.

FreeMart does not want to micromanage your business, but when we do find memberships that were created for the sole purpose of taking unfair advantage, we will eliminate those positions.

We solicit your cooperation in helping us to protect the rights of all members and we simply ask you to be as fair as you can and to fight the good fight by resisting the temptation to take money away from anyone in your member upline.

Cross Recruiting

Some members have multiple companies that they are promoting and they are free to do so, however cross-recruiting is not only against our Policies, it is also unethical.

What is cross-recruiting? It is promoting another business opportunity or another company's products to any FreeMart member that you did not personally recruit into FreeMart.

Naturally, someone can promote another product or opportunity to personally sponsored FreeMart members and they can purchase advertising that goes out to the public in general, where perhaps a member of FreeMart may see it, but to use FreeMart websites, forums, meeting places, conference calls, etc. to promote other products or opportunities to FreeMart members other than your personally sponsored is not permitted.

Doing such a thing is only self-serving and does not display esprit de corps toward other FreeMart members, which is the common spirit existing in the members of a group and inspiring enthusiasm, devotion, and strong regard for the honor of the group.

The Law Of The Harvest

There is always a blessing that comes from doing the right thing for the right reason. There is an eternal law called the Law of the Harvest. This law says that you will reap what you sow. If you sow enough good seeds, you will eventually receive a good harvest and if you sow weed seeds, your harvest will not be so desirable.

In time you will come to learn that there is nothing you can do to stack the deck in your favor that will come close to comparing with the multiplication factor of the Law of The Harvest, when you forget about self and just go to work with the goal of serving others.

Playing by The Rules is The Fair Thing To Do

When you invite "real" people to learn about FreeMart and you offer them a free lifetime membership into our FreeMart Shopping Club, you are sowing good seeds, and if you sow long enough, some of your seeds will fall on fertile soil and your efforts will be multiplied in the form of FreeMart Profit Shares.

Sadly, the United States has raised several generations of people who by and large believe that life owes them a living. Many have reaped where they did not sow because of our welfare system. Let's show these people a better way. As FreeMart members, let's all be good examples by doing the right thing for the right reason.

Zig Ziglar said, "You can have everything in life that you want, if you just help enough other people get what they want. The answer to your success is in service to others.

Experiment with The Law of The Harvest. Become an excellent sower and you will come to know first hand that hard work and honesty is the best policy and if your harvest is not yet as big as you would like it to be, then all you have to do is sow more good seeds.

God bless,

John Austin CEO