

# Don't Confuse Us With Multi-Level Marketing

Because Melaleuca offers a business opportunity, it is not unusual for the casual observer to assume that Melaleuca is a Multi-Level Marketing company. But a closer look will reveal that Melaleuca's business model is the opposite of the Multi-Level Marketing philosophy. Melaleuca adamantly opposes the strategies and business philosophy of most Multi-Level Marketing companies. We do not suggest that Multi-Level Marketing is "bad" or "evil." We do suggest, however, that thousands of lives have met financial ruin by "trying to make it big" in Multi-Level Marketing companies.

We also believe that most Multi-Level Marketing companies are based on strategies that are the antithesis of solid business strategies. It is because of this that the majority of Multi-Level Marketing companies fail after only a few years. Even those that succeed seem to appear to succeed only for a short time, leaving a path of destruction, ruined lives, destroyed hope, and feelings of despair by those who "joined up."

Most multi-level companies are based on the idea of "setting people up in the business" by having people purchase large amounts of inventory with the hope of getting rich, only to learn that it is difficult to ever get rid of the inventory and that it ends up in their garage gathering dust and being a huge drain on the finances of the family.

Compare this to Melaleuca's strategy of having customers purchase only the product they need and intend to use in their home on a monthly basis, not because they are required to purchase excessive amounts of products to sell to someone else.

We have listed below several of the other big differences that indicate that Melaleuca's business model is totally different than the typical "MLM" company.



## TYPICAL MULTI-LEVEL MARKETING COMPANIES

MLMs often require or encourage "business builders" to purchase large amounts of inventory each month to qualify for bonuses.

MLMs often sell products no one really uses—like cases of magical fruit juice, magnets, or green algae—causing increased strains on family budgets.

MLMs often back up phenomenal product claims with folklore and testimonials rather than science and laboratory studies.

MLMs often require their distributors to resell their products to a third person, as opposed to allowing consumers to buy for themselves.

MLMs usually charge several times what the product is actually worth, such as \$40 for a bottle of juice that you would pay less than five dollars for at the store.

## MELALEUCA

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Melaleuca encourages its customers to purchase only what they will use up on a monthly basis. Since customers purchase directly from the factory, Marketing Executives need to purchase absolutely no inventory whatsoever. Therefore this creates absolutely no risk of financial loss for its Marketing Executives.

2

Melaleuca markets products already used in households on a daily basis—except that Melaleuca's products are higher quality, more effective and often safer to use than grocery store or drugstore brands. This means it doesn't cost anything more to be a Melaleuca customer than it does to shop at a grocery store. Many of Melaleuca's products are one-of-a-kind. That is to say they far exceed the quality of what people are already buying every day.

3

Melaleuca's products and product claims are backed by science, with scientific studies comparing Melaleuca's brands with its competitors. Melaleuca's policy is to make no product claims that are not backed up by legitimate science and research.

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Melaleuca does not require any of its products to be resold to someone else. Everyone can buy directly from the company.

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Melaleuca offers "exceptional products at reasonable prices." That means that Melaleuca's products are competitively priced with grocery store brands on a per use basis, even though they are usually substantially higher quality than those brands.

## TYPICAL MULTI-LEVEL MARKETING COMPANIES

MLMs almost always tout a “ground floor opportunity,” inferring major advantages if you hurry and get in on the “ground floor.”

MLMs often operate a “volume line” that a distributor can use to call the company before midnight on the last day of the month to determine how close the distributor is to reaching a particular “volume” qualification. The distributor can then purchase the difference to qualify for specific bonuses or discounts.

The attrition rate of customers and distributors is extremely high in most multi-level companies.

MLM distributors usually tout big checks to entice others to get involved. Rarely will a Multi-Level Marketing company reveal what its distributors actually make. Most Multi-Level Marketing companies will also never reveal their actual annual sales.

Many MLMs suggest that distributors quit their full-time jobs and work full-time in their multi-level business. MLM companies also often suggest that people “fake it till they make it” by appearing to be wealthy by driving fancy cars, purchasing expensive homes, buying motor homes, boats, and motorcycles, by wearing fur coats, diamond rings, and expensive jewelry. This activity has driven thousands of Multi-Level Marketing distributors into bankruptcy, destroyed lives, and even broken homes—all while giving a distorted impression of the company’s actual size.

Most MLMs do not have product return policies unless the distributor cancels their distributorship. Only then will a typical Multi-Level Marketing company honor the Direct Selling Association’s code of ethics, which requires such companies to purchase back 90% of a distributor’s resalable product.

## MELALEUCA

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Rather than deteriorating over time, Melaleuca’s opportunity gets better every year. As products improve through more scientific discoveries each year, it gets easier and easier to outdistance the competition. And it gets easier for Marketing Executives to build a substantial business faster than the Marketing Executives did who joined Melaleuca the year before.

7

Melaleuca has no volume line. At Melaleuca, customers buy only what they need each month. There is absolutely no incentive and certainly no requirement for Marketing Executives to make large purchases at the end of the month to qualify for some volume level. In fact, Melaleuca Marketing Executives are specifically prohibited from purchasing product in order to qualify for a specific volume of sales.

8

The retention rate of Melaleuca customers is extremely high. **Ninety-five percent of all customers who ordered last month will order again next month.**

9

Each year, Melaleuca publishes how much all Marketing Executives make at which status, complete with the high, the low, and the average in each status. We’ve been doing it for years! Such a policy would easily destroy most Multi-Level Marketing companies!

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Melaleuca advocates Marketing Executives to keep their full-time job, become the best employee that they can be for their current employer, and use their Melaleuca income to add to their full-time income. Melaleuca also advocates that its Marketing Executives stay out of debt, pay off their house and their car, and live within their means.

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Melaleuca gives an absolute, no questions asked, 100% customer satisfaction guarantee. We will give your money back even if you have used up all of the product and decide you didn’t like it after you used it. Grocery stores don’t offer such a guarantee. Drug stores don’t offer such a guarantee. And Multi-Level Marketing companies certainly don’t offer such a guarantee.

If you are not convinced we are a lot different than an “MLM” company, then you need to read these comparisons one more time!