

## Marketing Questions

1. If I am to represent this product line, I would like to see how competitive the products and prices are. Will you give me catalogues and distributor price lists, or get me on the Amivo WEB site so that I can review distributor cost before I buy a kit and join?
2. What is your group's position on retail selling of products to customers or recruitment of members and clients? Will you as my upline support me if I encourage and promote retail selling? I ask this since other groups consider retail selling not duplicable and not worthy of upline support. I want to be in a group concerned with teaching a profitable sales business and not an unprofitable networking business. What is the average PV/distributor in your group?
3. I would like to know how quickly the sales are growing in the UK. This will tell me how the "market" accepts this method of distribution. The UK will be my first market. If sales of Amway are growing quickly here at +25%/year, I will be much more successful than if it is only growing at 5%, or not at all. Will you give me Amway year-by-year data for the sales to distributors (not estimated retail), or sales growth rates for UK? Can you tell me how much of the sales growth in USA Quixtar is coming from new members versus cannibalizing sales from the old Amway system?
4. I would like to calculate the growth rate in the number of distributors, and see if it is growing or if new people just replace the people who quit. I would like to know how many distributors I will need to recruit and how many on average will not renew. This will temper me mentally when people quit. Will you give me the year-by-year data for the number of new distributors, renewals and non-renewals in the UK?
5. Amivo has the new "member" and "client" status for people to be a retail customer. These people cannot sponsor others (IBO). Amivo has a retail sales rule that would disallow IBO's from receiving any performance bonus if that IBO did not service at least x "retail" customers and that y% more of a IBO's volume came from retail customers. I would like to know the current proportion of "members", "clients" and "IBO's" to know just how popular the "retail" shopping feature of Amivo is. If it is hard to sign up members and clients then it will be more difficult for me to qualify for a performance bonus.
6. Amivo is supposed to be a WEB based business for IBO's. Can I advertise, promote, and market my personal Amivo WEB page in search engines like Yahoo and Excite? Can I sell my products on E-bay?

## Expenses Questions

1. I would like to know how much money I might have to spend the first year on my business, so that I can plan my finances. People have told me about books, tapes, seminars, AMVOX, travel, recruiting tapes, postage, web hosting, web access etc. How much does this add up to, if I follow your system? What are the normal and customary yearly overhead costs of running an Amway distributorship by your "success system"?
2. If I decided the Amway/Amivo business is not for me, what is your refund policy for the books, tapes and seminars I have purchased from you? How much will I get back? How long do I have to return them? Who is supposed to make the actual refund and whom do I contact if a refund is not forthcoming? Can I get full price for tapes if the shrink-wrap is no longer on them?
3. The duplication cost of a cassette tape is 50p in batches of 5,000 pcs, but the cost to a distributor can be over £5. To whom and how does the difference of £4.50/tape gets split up?

## Revenue Questions

1. How much does the Average active IBO earn each month? I'd like to know that the IBOs average earnings grow faster than inflation. What has the average earnings been in each of the previous five years?
2. Can I earn a commission on selling tapes or books? At what level can I participate? How much is the commission?
3. Must I have sales to non-distributors to qualify for performance bonuses or even to get my x% rebate from personal consumption sales? How much must I have and how many customers must I service each month to qualify for a performance bonus?
4. Am I allowed to sell books to my downline if purchase them myself at wholesale from another company? Will I jeopardise my upline's support if I do?
5. If I do not buy books, tapes and seminars from my upline, will you still support my business by showing plans?
6. I need to plan my personal finances so I can finance my Amway/Amivo business. Based upon statistical data across Amway/Quixtar in the US, what average sales level in £'s must I maintain to personally keep at least £x/year in rebates and bonuses?
7. What is the average and median time a distributor needs to attain this level keeping \$x/year?

8. Using actual examples, of spending patterns, and typical downline configurations and not the standard STP "100PV/month 6-4-2 model", how many people on average need to be in my downline to support me keeping £x/year? Will you draw out your current downline and show me how much this scenario brings in to you?
9. Can I earn a commission on ticket sales to rallies, and weekend events? What are the typical commission rates? What level do I need to be in order to qualify for a commission?
10. Can I earn a commission from hotel reservations and bus tickets of my downline to weekend functions? What are the typical commission rates? What level do I need to be in order to qualify for a commission?
11. If I follow your "success system", working as hard as you have at your business, then knowing your reported profit from the business, I can plan my personal finances. Are you currently reporting a profit to the Inland Revenue with your Amway/Amivo distributorship? May I see the last three years of your Self Assessment Tax Returns for the business?
12. If you are above direct distributor (Platinum) please show me a break down of net income from your Amway products business and your income from the non-Amway products support business of tapes, books and seminars.
13. If I recruit someone who gets to direct status before I do, do I get the x% bonus if his sales were a majority of my business? How much other business would I need to have to receive the full x% bonus?
14. If I sponsor someone overseas do I get the full 4% bonus? What level do I need to be to collect the bonus?

## **Success Rate Questions**

1. I have heard of the "two-to-five year plan". I would like to see the actual results of "the-two-to-five year plan". Can you give me statistics of all distributors from Amway detailing the time it has taken people to become a direct distributor? Can you give me the statistics from Amway on how long it has taken people to become Diamond distributors? Bar Charts would be very useful. I would like to see the exceptional performers as well as all the average performers. Can you give me statistics that break down the levels achieved after 5 years?
2. Have you been in 4 years or more and do you still have outside employment?
3. Since high level distributors must requalify to maintain their bonus levels, can you give me the requalification rate statistics of DD's, emeralds and diamonds? This is important in so that one knows the probability of maintaining the bonuses once the status is achieved.

## **Credibility/Integrity Questions**

1. Has the person you claimed to be your upline Diamond or Emerald re qualified this year for Diamond or Emerald status this year? I would like to know the integrity of people I deal with. If he claims he is a diamond but hasn't re qualified, then this person is less credible in my eyes. He would be lying about his true status.
2. It is claimed that Amway/Amivo has generated more "millionaires" than any other business. Where are these claims of millionaires substantiated and documented? I would like to verify this for myself to know if this is a rumour in Amway/Amivo or a documented fact.

## **Line Of Sponsorship (LOS) Questions - to be used when researching uplines.**

1. Does this LOS survey their distributors for profitability (net profit reported on taxes) in order to constantly improve their system to make more distributors more profitable? May I see this survey?
2. Many businesses have a company slogan, motto, or value statements. Does this line of sponsorship have such a statement?
3. What are the average retail sales in this line of sponsorship? What is the average PV in this line of sponsorship? I want to be in a line that has high sales. A LOS with high sales/distributor will be more profitable for me. Is the retail sales rule vigorously enforced in this LOS?
4. What is the distributor retention rate in this line of sponsorship? Amway reports that just over 50% renew. I want to be in a line that is able to attract and keep new distributors.

5. If your line of sponsorship claims to be a non-profit company, may I see a statement of revenue and expenses so I can know how the markup on tapes and seminars is being spent? I would like to know how the £5+ excess over the manufacturing cost of a tape is being spent.
  
6. In your downline what was the total sales of tapes, books, seminars, and LOS system related tools last year? In your downline what was the total BV your group did last year? I ask these questions to see if people are spending more money on the "system" than they receive in Amway/Amivo bonuses. If the total group BV multiplied by .032 is less than the system expenses, it tells me people lose money on average in your downline, with your "system". I want to be in a LOS that has a profit on average, at least on the "tools" side.

## Comments

How many questions will you get answers for? Not too many, I bet. If they said they "will get back to you", don't hold your breath. They might say they have to ask the "company", but that will do no good. Amway doesn't release such data. They will try to convince you that Amway/Amivo really works and that any showing of data or hard facts is not needed. "Just look at all the successful people!" they will say. Come on, how do you know they have money in the bank from Amway, or are not just faking it until they make it?

Decide for yourself. Have you been given enough quality facts to make a business decision? If you had to invest £3,600 and 500 hours of your time this year in this business, would you do it based upon the quality and quantity of business information you have obtained? Based upon the experience of millions of others in the past, how many years on average will you need to make this investment in time and money, before it pays off for you? Does the experiences of others, via the statistical data of success match what is claimed? Does the data justify the time, effort and costs to get involved? Is there any data or quality facts available to base a decision?

Do you want to make a rational decision based upon facts, or an emotional decision based upon rumours, hype and hearsay?

Would you invest money in a company that would not show you the books? In the UK, that is why publicly traded companies must publish audited data. Although Amway/Amivo is not a public company it is engaged in selling businesses. In any case, it is an investment for you, and you need good information to make a business decision.

This is really good example of why audited financial information is needed:

**STORY FROM A FRIEND IN THE USA:** There was an investment scheme going around work in Feb of 1999. A guy promoted a Limited Liability Partnership out of Las Vegas. He was supposed to be a hotshot stock day trader and could return 10%/month. They asked if I wanted to join. I said, "show me the books and records first". "Show me an independent auditor's statement that the funds are there and secure from a quick trip to Brazil". "Show me the trading results of this expert moneymaker". You know what they said, "hey if you don't believe us, we don't need you nor your money". You know what? I got a similar line in Amway. You know what happened with the Limited Partnership investment scheme? Well 20-30 people at work are out tens of thousands of dollars each, the guy who you were supposed to take on faith is in jail making new boy friends. The FBI as well as several state Attorneys Generals are looking for assets to seize. What is the moral of the story? Get some independently audited data before trusting anything anyone says about a business opportunity. Sure Amway is "approved" by the FTC, but that does not mean it is a profitable business. It is just not illegal! Think of Amway/Quixtar/Amivo as an investment, not as a "some guy told me he makes a lot of money" business. Ask him for a copy of his Tax Return. Most will invent some excuse not to show you. Remember the investment scheme guy I told you about?

AmwayAmivo should do a better job at providing relevant, independently audited business information for potential IBOs, if it wants to claim to be "the best business opportunity in the world". Maybe they should also provide the "best business information in the world" if they wish to keep this title. No professional investor would invest in an Amway/Amivo distributorship given the lack of true business information available. Maybe that is why so many amateurs do Amway.