



# UNLOCKING YOUR ENTREPRENEURIAL SPIRIT

by **John Fleming**

With nearly 100 percent growth in the last 10 years and \$100 billion in annual sales worldwide, direct selling has people talking about unlimited potential.

**Y**ou see them every day on your way to your 8-to-5 job. People involved in activities they only have time for after work or on the weekends: a lady walking her dog, a couple out for a light jog, a family hitching up a boat to their SUV for a day on the lake. Subconsciously you ask yourself, “What do these people do for a living? It’s Tuesday morning for crying out loud! Shouldn’t they be on their way to work like me?” More and more people are finally realizing there is a better way to make a living—by starting their own home-based business. These individuals are breaking the rules that corporate America has set for decades: get up, go to work from 8-to-5, come home, go to bed, then repeat this process every weekday.



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These “rules” have been ingrained into our culture for decades and they are major roadblocks that discourage people from going out on their own. In Robert Kiyosaki’s book, *Rich Dad, Poor Dad*, he states the primary reason why many people seek job security is because they are taught to seek it, at home and at school. “Our educational system focuses on preparing today’s youth to get good jobs by developing skills. Schools focus on teaching people to work for money, not how to harness money’s power.”

And it’s not just the schools that have preached this doctrine. A majority of people have grown up with the mentality that you go to school, get a secure job and work your way up the corporate ladder. This is the way it worked for a majority of families in America. Any divergence from this plan was met with severe opposition and disappointment from parents, grandparents, siblings and peers. However, more and more people are debunking this long-held tradition by becoming successful on their own. Yes, the times “they are a changin’.”

### **Business Is Booming**

According to an article in *Fortune* magazine, it is, “An investor’s dream... The best-kept secret of the business world... An industry with steady annual growth, healthy cash flow, high return on invested capital, and long-term prospects for global expansion.”

Former President Bill Clinton hailed its opportunity: “Your industry promotes core values all around the globe and gives people the chance to make the most of their lives.”

British Prime Minister Tony Blair declared it, “A tremendous contribution to the overall prosperity of the economy.”

And billionaire investor Warren Buffet labeled it simply, “The best investment I ever made.”

None of which should be news to the 13 million Americans and 57 million people worldwide who are already part of the business of the 21st century. It’s called direct selling, or network marketing. Others term it multilevel marketing or referral marketing. Whatever you call it, right now in the world of direct selling, business is booming. Direct selling has grown more than 91 percent in the last 10 years and currently enjoys annual sales of \$30 billion in the United States and \$105 billion worldwide.

Each and every week, about 175,000 people in the United States, plus more than 300,000 around the globe, dive headfirst into the industry’s exciting potential. Yet, despite its explosive growth, less than one percent of the world’s population is currently involved in direct selling, meaning the industry has only tapped a tiny fraction of its limitless possibilities.



How is it possible that an industry is thriving when we're supposedly stuck in the middle of an economic recession? Well, that is simply a matter of perspective.

The glass-is-half-full camp believes this is a time of massive economic change. And discerning entrepreneurs who recognize these shifting trends and stake their claim in these new and emerging industries will be the ones to gain enormously. As *Fortune* magazine recently stated, "Forget the paycheck; your W-2 days are over. It's a 1099 world now."

And one of the fastest-growing industries is direct selling. Distinguished economist and best-selling author Paul Zane Pilzer predicts 10 million new millionaires will be created in the United States between

2006 and 2016. That's more than double the previous 10 years. What's more, Pilzer specifically states that many of these new millionaires will be from the direct selling industry.

### **Three Reasons Why Business Ownership is on the Rise**

What is causing this monumental cultural shift to working for oneself? How has this entrepreneurial surge become so prevalent? There are three factors that are changing the landscape of how people make a living in the 21st century.

#### ***1. No Job Is Secure***

The days of staying with one company for your entire career (like your father

did) are over. In these days of frequent layoffs and downsizing, even state and government jobs no longer enjoy this "secure" status. Budget constraints due to a lack of consistent tax revenue coming in (the money that goes to pay for these jobs) have forced many of these people to consider other job opportunities.

#### ***2. Technology***

The computer and the advent of the Internet has allowed small business owners to expand their reach for customers from a local business, limited to a certain geographic area, to a global enterprise almost overnight. The way we communicate today has little to do with where your office is located—millions start their own

businesses right out of their homes. Even employers are seeing the benefits of having employees work out of their homes.

### *3. A Desire to Take Control of One's Future*

For most middle-income Americans, living paycheck-to-paycheck has simply become a way of life. In *Rich Dad, Poor Dad*, Robert Kiyosaki talks about the long-term effects of this kind of lifestyle. "Financial struggle is often directly the result of people working all of their lives for someone else. Many people will have nothing at the end of their working days." A new generation of entrepreneurial-minded people is reversing this once inevitable subsistence by starting their own businesses. They are creating a better life for themselves and their families by taking control of their income.

#### **The Word is Out**

Several business-savvy individuals and large, respected companies have taken notice.

Sir Richard Branson, founder of Virgin Records and Virgin Atlantic Airways and one of the richest men in the world, owns Virgin Cosmetics Company, one of the leading cosmetics firms in the United Kingdom and a direct selling company. Companies such as Lillian Vernon, Time Warner and Citigroup, among many others, have launched direct selling companies.

In addition, Kiyosaki, financial planning expert David Bach, whose appearances on *The Oprah Winfrey Show* have changed the financial fortunes of millions, and Stephen Covey, author of the legendary *7 Habits of Highly Effective People*, each have noted the enormous potential of direct selling.

If these respected business owners, companies and authors have taken a closer look at direct selling, why haven't you? For many, direct selling remains an enigma, and despite its resurgence, it's still dogged by misconceptions. "It's a pyramid scheme." "Only a select few actually make any money." "You end up with a bunch of

products you can't sell." Such antiquated views and general misunderstanding of how the business actually works often rest at the core of the industry's relatively low profile. In truth, direct selling is a decades-old business model that is really quite simple to master.

#### **Unlock Your True Potential**

If you are serious about starting your own business, the most important thing you need to do first is simply take action. If you don't know what kind of business to start, there are several resources you can tap into to give you some ideas. Here's a quick checklist to set you on your way.

#### *1. Do Your Research*

Once you have decided that you want to experience the rewards of small business success, your job is to explore every single detail of the business. Leave nothing to chance; investigate before you step; talk to lots of other people and gets lots of input. Your job is to minimize, reduce and eliminate risk wherever possible in the pursuit of profit so that the profits are real and the losses are minimal or non-existent.

#### *2. What Are You Passionate About?*

Passion is the critical factor in determining business success. Many people start businesses selling products that they particularly like using themselves. Other people start businesses because they are passionate about the technology or the science involved. Some people start businesses based on their hobbies or other interests. Look around you at the parts of your life that you enjoy the most. Think about the products and services that you have the strongest feelings about.

#### *3. Start Small and Grow As You Go*

Whatever your motivations, if you've ever thought of starting your own business,

## **Why is business booming in the direct sales industry? Here are eight compelling reasons:**

1. It is a business built on relationships, and people trust personal recommendations. If you've ever recommended a product to someone else, then you've participated in a form of direct selling. Now imagine getting paid for your recommendation.
2. More and more Americans are forgoing the usual inconveniences of corporate America and creating business opportunities from their homes, and direct selling is the perfect vehicle for such a start-up. No headquarters, no employees and most of the legwork can be done over the phone or on the computer.
3. A small initial investment and low risk generates high return and high earning potential. And most companies have, and supply access to, a proven marketing plan and strategy for finding and maintaining customers.
4. There are no boundaries to direct selling; no sales territories or restrictions, granting the direct seller full access to national and international markets.
5. Recent changes in U.S. tax law have given the home-based businessperson the ability to enjoy the same kind of tax-deferred savings and benefits as corporate employees.
6. Residual income is the key to time and financial freedom. Miss a day of work? No problem—the money continues to roll in.
7. No education? No previous sales experience? No problem! Direct selling is open to absolutely everyone, regardless of age, financial status, education or experience.
8. You don't succeed unless others succeed, promoting a vested interest in helping others, prompting ethical standards for conducting business so as not to harm others counting on your guidance and leadership.

## Despite its explosive growth, the industry has only tapped a tiny fraction of its limitless possibilities.



you should just get on with it, right now. However, do not quit your day job! Well, at least not yet. You'll need a steady

flow of income coming in while you're getting your new business off the ground. Start working out of your house, offering a

product or service part time, in the evenings and on the weekends. This will help you get a taste for what being an entrepreneur is all about. And when you start earning some money, keep some aside for your business. It will be very tempting in the beginning to spend all of the money on other priorities. By reinvesting some of it back into your business, it will help offset some of the operational costs and help you grow your business faster. Repeat this process of putting money aside as your business grows.

### *4. Stay Focused On Your Dream*

There will be many ups and downs no matter what business you decide to start. It's part of the "rite of passage" of becoming an entrepreneur—taking the good with the bad. And there will be days when nothing goes right and you'll start to debate whether you should pack it in. This is the time where you'll need to work even harder. Some of the most successful companies had to go through years of failure before they got it right. You will have to go through a similar process to see what works for you. Like these business trailblazers, you will have days full of challenges and failure. But keep in mind, they are your challenges and failures, not your employer's. It's how you deal with failure that will determine your ultimate success.

### **It's Time**

The human spirit was never intended to be boxed in. But if you look around you, that cubicle you're in is doing just that. A cubicle is more than just a "small-portioned space" as the dictionary defines it; it's a barrier of sorts—blocking the view of your true potential. Many people have escaped these barriers and are choosing their own destiny. And with a little courage, faith and perseverance, you too can unlock your potential by starting a business that will allow you to enjoy life's many activities any day of the week—even Tuesdays. **\$11**