



**Beyond
Network Marketing
into...
Intellect Marketing**

**Learn how you can become one of the
10 million ordinary people who will be-
come millionaires in the next 10 years!**

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Introduction

Everything evolves... or dissolves - fashion, music, movies, society, architecture, technology, business, customers, markets, jobs, products, services... *everything*.

If you do not evolve with your environment, then you don't just stagnate, you literally go *backwards* and, to an extent, become *obsolete*... you 'dissolve'.

Life is about *transformation*. It is the natural order of time. As a result of evolution, we are forced to change the way we live and work. In fact, many of the methods that worked well in the past are no longer effective and must be replaced with newer and better ways of doing things.

When we examine the evolution of human society, we will recognise that we are now at another pivotal moment in history - *present at the creation* of a whole **New Economy**, an economy that is driven by technology and information, and one that is likely to cause as much economic upheaval as that caused by the Industrial Revolution in the eighteenth century!

Look carefully at our economic past and you will find that markets have always re-created themselves, and in doing so, *shifted the economic fortunes (the wealth) of those actively involved in the process of re-creation*. It is true that whenever there is a major economic change, some people get rich. Generally, it is the pioneers or trail-blazers that benefit most from change. **As intelligent beings, it makes sense for us to use this knowledge to our advantage by lending influence to the manner in which something evolves.**

Your choice is to evolve or dissolve.

Purpose Of This Report

The purpose of this report is to show that Network Marketing has evolved into a *phenomenon* called **Intellect Marketing**. Basically, it has evolved to such an extent that we have gone *beyond* the traditional network marketing model into **Intellect Marketing**, one of the *most powerful* concepts for wealth creation in the history of capitalism, and *which is limited only by the choice of the business model used for its application*.

So, while this report shares with you little-known insights to the concept of **Intellect Marketing**, it does not recommend any particular business model with which it may be used. To capitalise on this powerful new concept, it is best used with a sustainable business model that is backed up by a proven *success system* (i.e. a business development methodology).

The Problem

The problem is that many enterprising people are not aware that "our economy is in its greatest growth period in history" [*The Perfect Storm Of Opportunity*, p 1] and **Intellect Marketing** is the opportunity of the decade, and therefore they are missing out on securing their financial future through the secret power of **residual income** - *the ultimate passive income*.

However, problems create opportunities for those smart enough to see it and do something about it. This report is for those who are seeking *genuine* financial freedom.

The Opportunity

When we look objectively at the evolution of human society, we will notice that we are now at the beginning of another major leap in *growth and productivity*. A new economy is emerging and it is bringing with it a democratization (or spreading) of wealth.

History speaks volumes. Look at economic history and you will agree that wealth and power have consistently changed hands (from fewer to an ever increasing number of people) as the economy has evolved from one era to the next. You will notice that there have been several distinct periods of

economic prosperity in the history of humankind - periods when wealth and power shifted from few to a much greater number of people. Broadly categorised, these are:

The Era of the Resource Millionaires

This was a time when the kings and queens, the landlords and the upper class of the day owned all the physical *resources* – the farms, the forests, the mines, etc. Everyone else was merely their subjects. This era, which spanned over many centuries, was the era of the “**resource millionaires**”.

The Era of the Manufacturing Millionaires

Then, in the eighteenth century, machinery was invented – in particular the steam engine and the railroad – and this gave rise to the Industrial Revolution, one of the biggest booms history had ever seen. It created massive new wealth at the time and caused widespread social, political and economic upheaval. The advent of the steam engine gave rise to continuous process manufacturing. The wealthy class of the day, the aristocrats, found themselves displaced by the brash new factory owners who controlled the means of production. This was the era of the “**manufacturing millionaires**”.

The Era of the Physical Distribution Millionaires

In the decades that followed, other technological developments (including the advent of the motorcar) allowed manufacturers to achieve “economies of scale” (i.e. cost-effectively mass producing large quantities of products), and “economies of speed” (i.e. transporting products quickly to the growing marketplace). So, we had mass production followed by mass distribution and the creation of a *multi-dimensional supply chain* comprising of several intermediaries - regional and national agents, wholesalers, and retailers - needed to move the products from the manufacturer to the consumer. Again, we saw fortune shift hands. During this period, the people who made most of the money were not the manufacturers, but those who found *better and cheaper ways to physically distribute the products*. This was the era of the “**physical distribution millionaires**”.

The Era of the Intellectual Distribution Millionaires

Well, the axis of world power is shifting again. We are at the midst of another major revolution... an Information Revolution – based on the application of technology and the effective use of information and knowledge. This is a knowledge-based world... and today's worker is a **knowledge** worker. Knowledge has now become the raw material of production and value.

Due to innovations in computer and communications technology, especially the advent of the PC and the internet, the whole world has literally become one big economy – *a global economy* - sharing resources and competing for the same dollar. From an economic perspective, geographic boundaries are becoming more and more blurred as markets converge into one dynamic, complex organism... a global economy or what we now refer to as the **New Economy!**

As a result of easier access to physical and intellectual resources across the globe, more and more companies are taking advantage of a cheaper labour force abroad and are innovating and creating great new products and services at a much lower cost than they can do locally. However, producing great products or services is one thing, and getting them into the marketplace is a totally different thing. Traditional advertising is becoming less effective. Consumers are overwhelmed with thousands of advertising messages every day and are finding it increasingly difficult to distinguish between truth and hype.

So, unless they have tens of millions of dollars needed to create market awareness, most of these companies are faced with a big challenge of getting the message about *their* products and services out to the market amidst thousands of other similar messages. In other words, they have a problem educating customers about the existence of their products and its related benefits.

Because of this, many great new products and services never make it into the marketplace... and that's a pity.

So, to survive and thrive in the New Economy, organisations need to be cost-effective in getting their products and services into the marketplace. *This requires moving away from traditional practices and finding new and better ways of doing business.*

Paul Zane Pilzer, a world-renowned economist and former economic advisor to two presidential

administrations - first Ronald Reagan and then George Bush - says, "As a result of advancing technologies, the actual production cost of an item has fallen to where it typically represents less than 20% of retail price. There is not much room to push production costs down. Distribution costs, on the other hand, now account for 80% of an item's retail price. For that reason the big opportunity now lies in finding ways to distribute products more cheaply. One of the best ways to do that is through Network Marketing."

And this is where the opportunity, or better still, **your opportunity**, lies.

It's now the era of the **intellectual distribution millionaires**. Fundamental to intellectual distribution is the concept of **Intellect Marketing** i.e. *marketing one's intellect* (or understanding) about a specific subject matter.

Intellect Marketing - An opportunity of a lifetime!

As far as intellectual distribution is concerned, the concept of **Intellect Marketing** is simply about *educating* potential users about high-quality products or services that result in sales for which the "educator" is generously compensated. That compensation may be linear or residual.

Renowned economist Paul Zane Pilzer also says, "The *fortunes* to be made in the years ahead will not be predominantly in physical delivery, but in *education* – not in physical distribution, but in *intellectual distribution*; educating customers about products and services that will improve their lives, but that they either don't yet know about or don't yet know are now affordable."

More and more companies, particularly new companies, are finding that they can no longer afford to keep all the profits for themselves. To prosper in this New Economy they need to share the wealth with those who become ambassadors/representatives for their products or services – people who **create exposure** of their products and services by doing *intellectual distribution* for them. It therefore makes sense that *there will be* a spreading or democratisation of wealth!

So, the current trend is toward *direct marketing* where the provider bypasses the middlemen and goes straight to the consumer. These exchanges promise

- greater efficiency;
- reduced cycle times;
- increased loyalty from customers; and
- sales at reduced costs with savings passed on to the consumers.

As the trend toward 'going direct' builds, it will fragment and de-marketise large portions of various economic sectors and will become an ever larger part of the New Economy. And, in doing so, it will create immense opportunities for those that get involved early in the process of this growing trend and *facilitate the change* that is taking place.

In the same way that the industrial revolution created massive new wealth in the seventeenth and eighteenth centuries, today's visionaries predict that intellectual distribution (which incorporates the concept of Intellect Marketing), will cause *another massive economic upheaval*. In his book, *The Next Millionaires*, noted economist, Paul Zane Pilzer projects that there will be more than 10 million new millionaires in the US alone in the next 10 years. Given that the phenomenon of direct marketing is not limited to the US, it is reasonable to assume that much of the developed world can experience a millionaire population explosion of a similar proportion.

Interestingly, this time the pace of change has speeded up. The Information Revolution is not taking centuries to make a difference; it's happening at 'internet speed' ... *and we are a part of that revolution*.

The internet has opened up huge opportunities to build a world-wide network organization. Network marketers can now use the internet to present products and opportunities faster, less expensively and to a far greater number of people than was ever possible. Also, by using the latest technological developments and the cheap availability of internet communications, network marketers can share resources, and train and support their associates literally in any country that their company operates. The impact of these latest developments is yet to be felt across the globe. Web meetings, online conferences, online classroom style training, etc. will be the order of the day.

Web-based technological advancements will have major repercussions in the entire business world. There will be a major restructuring of organizations. Within the next 10 years, most companies will be structured differently. To survive and to thrive in the new economy they will need to be globally-networked. They will have fewer full-time employees on payroll, but rather networks of freelance and on-contract personnel paid commissions and bonuses according to performance. In short, many enterprises will adopt a "network marketing" model similar to that used effectively in the Network Marketing industry – and incorporating internet technology to drive sales and profits.

The concept of Intellect Marketing (marketing one's intellect/knowledge) alters the dimensions of time, place and form to alter fundamental notions of what a market is and how it operates.

The evolution of the New Economy therefore offers you a real chance to become truly wealthy regardless of your background, training or education, provided *you position your economy* (what you do for a living) to evolve congruently with the global economy, an economy which is increasingly being driven by Intellect Marketing and the intellectual distribution of products and services. By embracing Intellect Marketing, effectively you will be going with the tide of change, not against it.

Intellect Marketing is Direct Marketing

Direct Marketing is simply the movement of products or services from the manufacturer or provider direct to the consumer *without selling through retail shops*. Intellect Marketing does just that through *independent* representatives who work for themselves and are paid on performance according to a commission payment plan.

Intellect Marketing can be done by a salesperson on payroll (e.g. an employee for a company such as Dell Computers), or an independent representative earning commission on actual sales (e.g. a mortgage consultant working as an independent representative for a bank). In the case of the mortgage consultant, commission is earned only when new business is obtained by making a 'sale'. However, when there is no sale, no commission is earned. The income is based totally on results.

So, direct marketing can take many forms, and while more and more companies are using independent representatives to go direct to the consumer, not all of them are 'Direct Marketing' companies. For example, a bank that uses the services of independent mortgage consultants is not a direct marketing company. Direct marketing companies are specifically established as such.

There are two distinct types of Direct Marketing companies - single-level or multi-level.

Single-level vs Multi-level

A *single-level* marketing company pays its representatives commission and/or bonuses for their *own* personal sales activity only. They are prohibited from developing their own sales team to multiply their sales. Hence, they are not allowed to *leverage* from the efforts of others e.g. Avon.

A *multi-level* marketing (or MLM) company allows its representatives (also called distributors, affiliates, business partners, independent business owners, or business associates) to build a sales team by sponsoring other representatives and developing a network of representatives which is generally referred to as their downline. So, besides earning an income from their own marketing effort, representatives also earn commissions from sales generated by their downline (many levels deep) according to a predefined commission payout plan. Multi-level marketing is also referred to as Network Marketing because the products or services are marketed through person-to-person contact through a network of independent representatives. The terms multi-level marketing and network marketing are often used interchangeably, as is the case in this document.

Network Marketing is simply a system for distributing products or services that bypass the middlemen who add little or no value to the final product or service yet often inflate the price four-fold or more by adding their handling costs and profit margins. Effectively, as a network marketing representative, *you* become the *promoter and the consumer* of your company's products or services – a 'prosumer' i.e. you **consume** and you **promote**, hence the term 'prosumer' which was first coined by Alvin Toffler in his best-selling book, *The Third Wave*. Prosumers buy from themselves and directly from other prosumers.

As the buy-direct 'prosumerism' trend builds, it will fragment and de-marketise large portions of various economic sectors and will become an ever-larger part of the economy creating opportunities for those who choose to become both consumers and providers of product or service.

Basically, there will be two classes of people: those who have networks and those who don't. Or, to put it bluntly: those who are networking and those who are not working.

Beyond Network Marketing... into Intellect Marketing!

Remember, *everything evolves*, and Network Marketing has evolved to the point where it is now being heralded as the "Next Major Profession". In their best-selling book, *The New Professionals – The Rise of Network Marketing as the Next Major Profession*, James Robinson, a former senior vice president of the US Chamber of Commerce, and Dr Charles King, a Harvard Business School graduate and a professor of marketing at the University of Illinois at Chicago, explain how the Network Marketing industry is changing and **why your image of it might be seriously out-of-date**.

They say that the old model whereby you trade forty years of your time, talent, and singular devotion to a company or profession in exchange for a secure and steadily growing income, peer recognition, and employer loyalty has been shattered, and with reference to modern-day network marketing say, "**Only the foolish, complacent, or lazy refuse to see it and seize the opportunities to protect themselves and their families.**"

It is true that almost every new concept goes through 3 stages of 'acceptance':

- first it is ridiculed (treated as a joke);
- then it is fiercely opposed (perceived as a threat);
- and finally it is regarded as self-evident (accepted as an ideal).

For example, when the franchise business concept was first introduced it was scoffed at as a viable business model. Then, when it appeared to threaten traditional business, there was an attempt to outlaw it – it is reported that in 1963 the US Congress came within 11 votes of outlawing franchising as a business concept. Fortunately they didn't because franchising has now evolved into a respected business model that moves billions of dollars of products and services, creating employment for millions of people in economies all around the world.

The Network Marketing or Multi-level Marketing (MLM) business concept suffered almost the same fate. First it was ridiculed as a business model, then in the 70s it was considered a threat to traditional business and was taken to court in 1979, but the court ruled that it was a legitimate business, not a pyramid scam as it was alleged to be. Today, it is 'self-evident' that Network Marketing has come of age and it is one of the most effective ways to move products in the information age.

So, if you are aware of Network Marketing, and consider it as an unworkable model that rewards a few highly sales-oriented people at the expense of the masses, you may be forgiven because that was characteristic of the old model. To an extent, one can understand the stigma attached to the industry. Often people were enticed to join with the promise of quick returns. Many people got disillusioned when they did not make big money quickly, so they quit and 'bagged' the industry. Also, the entry of various 'scams' pretending to be legitimate network marketing opportunities hurt a lot a people and further impacted the credibility of the industry.

Given the scale of change we are experiencing, it is clear that the way we conduct business today has to be very different than we did 10 years, or even 5 years ago. Those days of fast talk, glitz and glamour, and coercing people to get involved with the promise of quick returns, are over. Today people are smarter, they are more discerning, more skeptical, and certainly more informed. They are looking for genuine solutions to problems. This means that Network Marketing must be done in an ethical and professional manner... as a knowledge worker doing **Intellect Marketing!**

It seems that Network Marketing is fast becoming an outdated term because it has so many connotations that simply do not do justice to a powerful, legitimate, highly-effective and very lucrative marketing channel that has now entered into a bright new future through the concept of Intellect Marketing.

Intellect Marketing is a growing concept because the higher quality products now being produced by forward-thinking companies needs to be differentiated from similar off-the-shelf products. This requires a new community of subject-matter experts – fifth-generation network marketers - to share product information through face-to-face marketing. This creates an incredible opportunity for those savvy enough to see the looming changes and take advantage of it now by becoming fifth-generation network marketers doing Intellect Marketing as opposed to the traditional sales-oriented network marketing.

The People's Franchise

Today, Intellect Marketing using the multi-level structure is an attractive business proposition to many people as it allows the average person to build a lucrative home-based business generating leveraged and sometimes, residual income through starting part-time and with minimal upfront investment. In fact, it has become a significant industry attracting a new breed of person.

There is now a growing groundswell of people, with hard-earned education and a wealth of experience, that are being discarded by or simply giving up on the traditional job or business, and who are increasingly realising the enormous potential of modern-day Network marketing and are willing to embrace it as a serious option. Unlike someone starting a traditional business from scratch, the new representative has the support of an upline sponsor and a MLM company that supplies the products or services. While most MLM companies do provide extensive training for its representatives, it is usually the responsibility of the sponsor to help the new representative get started and provide ongoing training and support.

This arrangement is similar to a franchise model where the franchisor is paid royalties from the sales of individual franchise operations, however (unlike a franchise model) it is not limited to a single-level. Effectively, it is a *multi-level franchising model* without a significant capital investment. Remember, the Franchise model is more successful than its predecessor, the traditional business model, which tends to have a failure rate of about 80% in the first five years of operation.

The smart thing to do is to take advantage of this new arrangement... *a multi-level franchising model*, which is increasingly being referred to as **"The People's Franchise"**. *(This is one of the greatest insights you will gain from this document!)*

Network Marketing has literally evolved into "The Peoples Franchise" – *the next step in the evolution of free enterprise*. Effectively, it is Intellect Marketing *incorporating* the multi-level structure. Understand that the multi-level structure is simply a concept for **leveraging**, which is one of the most powerful concepts for creating wealth.

With "The People's Franchise", every participant is a franchisee and a franchiser in his/her own right – every participant is a consumer and a promoter (Prosumer) of product or service at the same time. The beauty of this concept is that there no franchisee fee to be paid and no major infrastructure is required. Profits flow to those who chose to become "franchisers" – the bigger the franchiser (network of business associates), the greater the profit. And, this business model is operated from your own home – no boss, no employees, no fixed hours and no fixed workplace!

This is leveraging at its best! Remember: *Self-made millionaires use leverage extensively.*

The Power Of Leverage

Leverage is the key to multiplying your potential for success and financial achievement. It involves using methods that allow you to accomplish (a lot) more things in association with others than you could accomplish on your own. Every successful person takes advantage of leverage.

You can achieve 100 times more through a team or organisation of people than you can ever do by yourself. There are only 24 hours in a day, and no matter how talented you are or how much you get paid per hour, you're limited by the number of hours in a day, and doing it all by yourself means that you are simply trading hours for dollars. This means that there is a cap on what you earn. So, alone you have no leverage. However, by learning to leverage you can also benefit from a percentage of other people's

efforts and thereby dramatically increase your income.

Multi-level Marketing (MLM), as the name suggests, allows you to leverage by building a *multi-level* sales organization like no other business model on the planet. It is very much a people helping people business. Clearly, it is prudent to draw on the knowledge, experience, skills, contacts and credibility of others, especially if you lack in any of these areas. MLM allows you to do just that. You are in business for yourself, but not by yourself.

Your objective as an independent representative in Intellect Marketing is to build a multi-level organisation of 'prosumers' – people who *consume* and also *promote* the products or services. You buy the products at wholesale from the company you are representing for your own consumption and/or for resale and then promote the concept to others. Real success is in building the multi-level organisation structure through duplicating yourself (and this is a comprehensive subject in its own right). The best way to do this is to become as knowledgeable as you can in all areas of your business and then do a 'knowledge transfer' i.e. teach your downline representatives all you know.

Duplication Is The Key

The key is to have leaders, because 'no leaders' means 'no business' in the long term. Interestingly, being successful in business is no different than being successful in life. It's about *self-improvement*. It is about becoming the best you can be by developing yourself into the kind of person that others will pay attention to. It's about *self-leadership* – leading yourself first before you can lead others. It is about improving yourself before you can ever hope of improving the lot of others... and the goal is to create advantage or value for others!

Wealth comes from creating value for others. Money is simply a symbol of value that is exchanged. What each of us earns today is a reflection of the value of our services in the marketplace. So, to earn more money and create wealth, we must find ways to create more value in the marketplace. This is the key to sustainable success!

As an independent Intellect Marketing representative, you are a one-person business entity. Sustainable success is the result of developing yourself into the best you can be (self-leadership) and 'cloning' yourself as many times as you can through the multi-level structure inherent in every MLM model. For example, in the era of the Physical Distribution Millionaires, Sam Walton (of WalMart) started with one retail store, and then over a period of time, through a process of *duplication*, he created about 2500 similar stores and became the richest man in the world at the time.

MLM structure facilitates duplication like no other form of Intellect Marketing in the world – you have the opportunity to 'clone yourself' as many time as you wish. The real success is in building the organization. Your sales come as the natural result of building the organization. In this way, through an organization of 'prosumers' you create maximum value in the marketplace, and the rewards for your contribution flow back to you. It is simply the Law of *Cause and Effect* in operation. What you put out comes back to you... multiplied!

Final Thoughts

There are fads and there are trends. A fad is simply a craze, and it is not lasting. A trend, on the other hand, develops slowly over a period of time and results from deep-rooted needs that reveal the *evolution* of human society as a whole.

Right now there is a convergence of several factors - economic, demographic, psychological, historical and technological - that suggest that we are in the midst of one of the greatest growth periods in the history of humankind. By taking advantage of these factors, those who *influence* the evolution of the New Economy can reclaim their time and secure their financial future.

Intellect Marketing is part of a distribution system (called intellectual distribution) that is actually guiding in the New Economy, which is based on being globally-networked.

Intellect Marketing is creating a whole new marketplace and has the power to render the conventional retail world obsolete. It is likely to become the most efficient way to distribute products or services and therefore dominate the world of distribution. Also, as the business can be started with a relatively small upfront investment, has a low downside risk, can be operated efficiently from the home, and has unlimited residual income potential, Intellect Marketing is likely to become the business opportunity of choice throughout the world!

Today, as a result of workplace reforms and global competition in the marketplace, career cycles have been shortened, and the focus has shifted from job security to staying employable by working hard and keeping one's skills honed and polished. This is a never-ending process. In fact, commentators will tell you that if you have not been laid off yet, you can count on it in the future. In boom times employers need your services and during an economic downturn, you are an expendable commodity. There is no point getting upset about this. That's just the way it is and that's the way it is always going to be.

Investment guru and author Robert Kiyosaki sums it up this way: "It's time for people to begin minding their own business. A job means you're being paid to mind somebody else's business. In this new economy, you are paid to mind your own business."

The most effective and time-tested way to wealth is to build a successful business of your own. It is hard to get rich working for someone else. The future belongs to those who see possibilities before they become obvious. Every time there is a major change, someone gets rich. Change brings opportunities for those savvy enough to act quickly. We are in a time of great change with immense possibilities for those seeking true prosperity.

Clearly, we have moved **beyond Network Marketing... into Intellect Marketing**, *an idea whose time has come*.

Ask yourself, "Would this idea improve my life?"

If the answer is "Yes.", then the sensible thing to do is act on the idea.

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About the Author

Virend Singh was born and educated in South Africa. In early 1989 Virend migrated to Australia to start a new life with his wife and two young children. Since then he has worked for three major corporations in various systems-related roles until eventually realising that his chances of becoming financially free in a job was virtually non-existent. In 1998 Virend started a part-time, home-based business which, less than four years later, generated a generous residual income treble that of his last job.

Virend now enjoys complete autonomy - the kind of lifestyle that most people, including some of the most successful CEOs and business owners, dream about. Virend attributes his success to helping others evolve and grow into the best they can be and achieve their goals in life.

A business professional with an MBA and a graduate of the 'school of hard knocks', Virend thinks of himself as an on-going learner, and a student of life. As a result of learning first-hand what it takes to succeed in life, Virend has, by default, become a skilled life-coach.

He is a warm hearted, compelling speaker and trainer, who is committed to helping people improve the quality of their personal and professional lives. He delivers non-profit, customised programs on Self-leadership, Self-mastery and Building A Home-based Business, to select candidates.

For other resources by Virend Singh go to www.VirendSingh.com

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For more information on the concept of Intellect Marketing and how you too can position yourself to become one of the 10 million ordinary people who will become millionaires within the next decade, contact the person who shared this report with you.

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