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# Passive Residual Income

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People join network marketing to create a *passive residual income*.

Of course there are those rare exceptions.

For example... someone is suffering, consumes a product and feels much better. So they sign up as a distributor because they are now emotionally compelled to share the miracle that has taken place in their life.

But most of us get involved PRIMARILY with the goal of making more money. The sooner the better, and the more the merrier.

Plain and simple.

The promise of being able to work part-time, over time, to create a true walk away, highly leveraged passive residual income is the draw.

## The Passive Residual Income Myth

Did you know in most legitimate network marketing compensation plans it takes THOUSANDS of people on autoship to earn a significant residual income?

True story. Let's take a look at just a few examples:

\* One company offers a unique service costing only \$31 per month. Distributors earn a 2-32% commission depending on where the volume falls within the compensation plan. Let's say the "average" commission is 8%. This would mean you would have to have 40,4322 on your team to earn a \$100,000 per year passive residual income.

\* A well-known internet company pays ONE DOLLAR per month passive income on a \$10 per month subscription. So to earn that same \$100,000 per year... you will need to have a team of 100,000 active customers or distributors on autoship.

\* Yet another 500+million dollar per year, publicly-traded health and wellness company pays charges an average of \$240 per month to stay active. You can select from vitamins, skin care or weight loss products. Being a binary program, they pay a solid 20% commission on the WEAKEST LEG volume. This mean, in essence, you'll earn on 50% of your efforts. To rake in \$100,000 per year... you will need about 9000 active distributors... 4500 on the left leg and 4500 on the right leg.

So how in the world can a person expect to make a solid six figure passive residual income in network marketing

FAST with numbers like these?

In most cases you can't. It's not going to happen.

But wait! Before you run off discouraged...

## **Passive Residual Income Solutions**

Understand there are normally three ways to make a significant INCOME in network marketing:

- Retail sale commissions
- Promotional commission (Sign Up Bonuses)
- Residual income (volume commissions)

Retail sales can earn you a few dollars fast if you have a product or service people want, at a price they can afford and if you are willing to go into "sales" mode.

Passive income, as we previously discussed, is the holy grail and there are many, many thousands of people who rake in a nice six-figure, multiple six-figure and even 7-figure residual income stream. It simply takes a massive effort over an extended period of time.

But with the right company and the right comp plan, it is the promotion commissions that can add up to a very significant cash flow fast. Hundreds, even thousands of dollars paid weekly. More than enough to help you keep your head above water while you are waiting for the passive residual income checks to add up to something worthwhile.

For example, some companies offer a nice \$100+ sign up bonus when you bring in a new team member. That's promotional income.

The same company then offers a "matching bonus" when your new team member sponsors someone... and another when that team member duplicates.

All of the \$100 sign up bonuses and matching bonuses are what can create a very nice SIX FIGURE income almost immediately... while the passive incomes grows.

Makes sense?

It's the idea of getting into the right company... taking action to create promotion income... teaching your team to do the same (assuming your company offers matching bonuses)... and hanging on for the ride of your life while the residual income catches up.

Figure 1-2 years of massive promotional income before the residuals "catch up" and double, even triple your income.

It amazing, really. Most amazing.

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