

Australian Binary MLM Plan

A Complete Guide

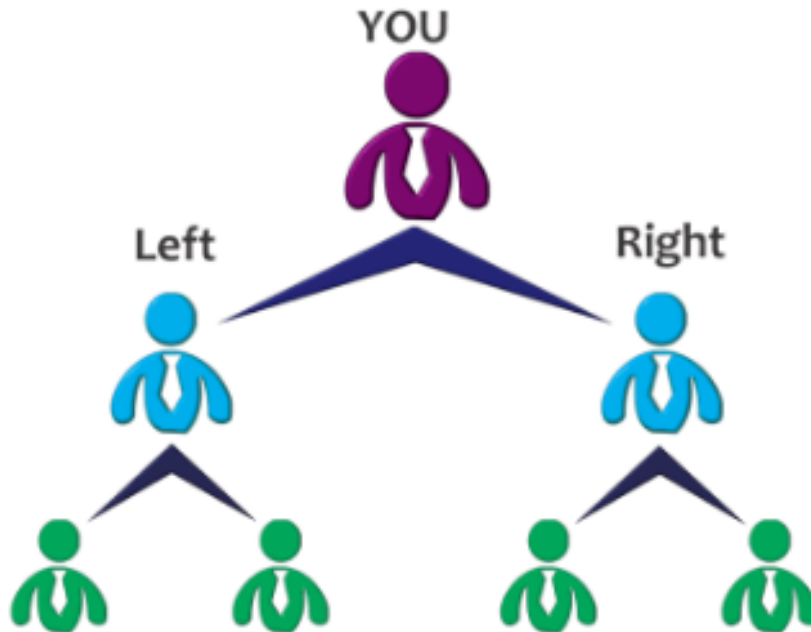


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What is the Australian Binary MLM Plan?



The Australian Binary MLM Plan is a compensation structure in multi-level marketing where distributors are organized into two legs or teams. One leg is called the Power Leg or Strong Leg, and the other is the Profit Leg or Weak Leg. Participants can build their downline to any depth because the organisation permits unlimited depth. This plan is a variation of the binary MLM plan & encourages collaboration among distributors to help each other succeed.

How Does the Australian Binary Plan Work?

In the Australian binary MLM plan, affiliates build two teams: a left leg and a right leg. Unlike traditional binary plans that require a 1:1 matching ratio, the Australian Binary Plan allows for flexible matching ratios such as 1:2 or 2:1. This means that a distributor can earn commissions even if one leg has more recruits than the other.

Key Features:

- **Dual Leg Structure:** Distributors build two teams, left and right.
- **Flexible Matching:** Commissions are earned based on flexible matching ratios (e.g., 1:2 or 2:1), allowing for easier qualification.

- Spillover Effect: Excess recruits from uplines can spill over to a distributor's downline, aiding in team growth.
- Carry Forward Volume: Unused sales volume from one leg can be carried forward to future cycles, ensuring no loss of potential earnings.

Commission Calculation Example

Let's consider a distributor, Alice:

- **Left Leg Sales: \$1,000**
- **Right Leg Sales: \$2,000**

With a 1:2 matching ratio, Alice qualifies for a commission based on the weaker leg's sales volume. If the commission rate is 10%, Alice would earn:

- **Commission: 10% of \$1,000 = \$100**

Even if the right leg has higher sales, Alice earns commissions based on the weaker leg, promoting balanced growth.

Advantages of the Hybrid MLM Plan

- **Simplicity:** The plan offers a straightforward structure with only two legs, making it easy to understand and manage.
- **Spillover Potential:** Excess recruits from uplines can spill over to a distributor's downline, aiding in team growth.
- **Balanced Compensation:** The flexible matching ratios promote balanced compensation by considering the sales volume of both legs.
- **Dual Income Streams:** Distributors can earn from both their weaker and stronger legs, increasing the potential for earning a significant income.
- **Fast Growth Potential:** The plan facilitates rapid growth as distributors focus on building only two legs, allowing for quicker expansion.

Disadvantages of the Hybrid MLM Plan

- Limited Market Reach: Due to the rapid saturation of their target market, distributors may have difficulty growing their clientele.
- Unequal Leg Development: Distributors may experience imbalanced growth between their legs, leading to disparities in earnings.
- Dependency on Upline: Success in the plan is heavily reliant on the performance of the upline, reducing distributor autonomy.
- Reduced Spillover Opportunities: With network growth, spillover decreases, necessitating increased personal recruitment.
- Increased Complexity: Managing carryover volumes and ensuring balanced growth can add complexity to the plan.

