

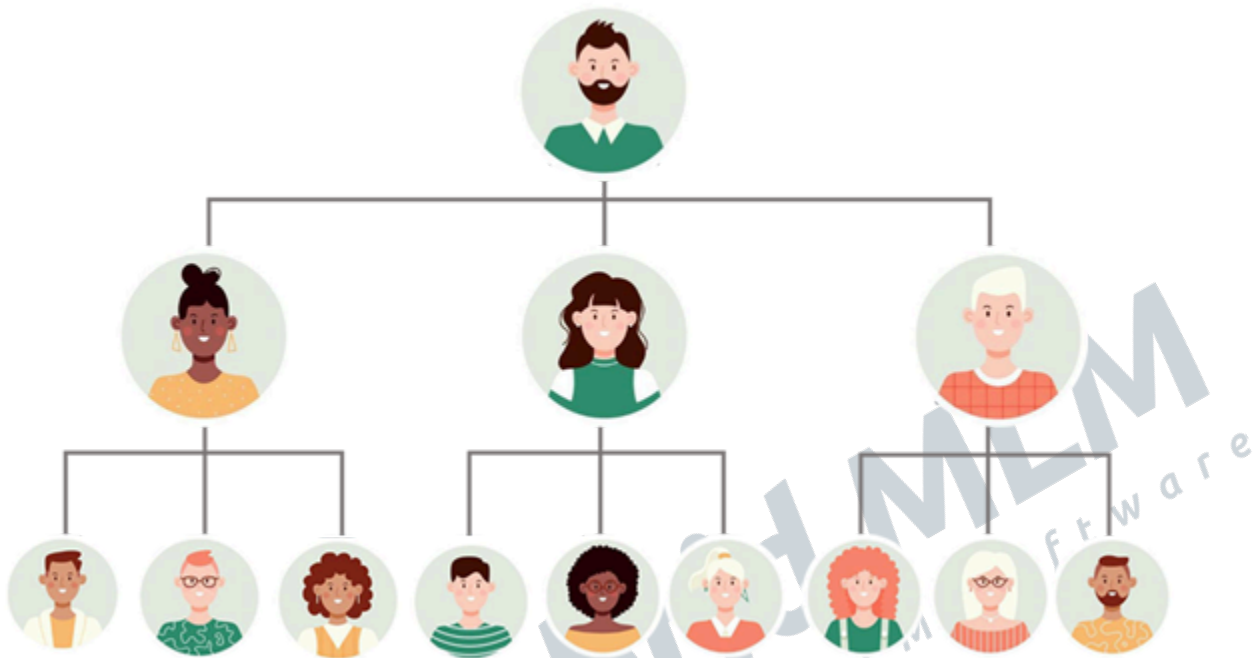
Matrix MLM Plan

The Matrix MLM Plan, also known as the Forced Matrix MLM Plan, is a network marketing system with a fixed and structured layout, where each distributor can recruit only a specific number of members directly under them—such as 2, 3, or 5 per level. Once the available spots are filled, additional recruits are placed in the next available position within the matrix, creating spillover and helping the downline grow. This structure encourages teamwork and collaboration, as distributors need to support their downline to expand the network and increase overall income potential.

Earnings in this plan are based on the sales made by the distributor's team within the matrix, and commissions are typically earned from sales made by both direct recruits (frontline) and recruits further down the matrix (team). This system is designed to promote the growth of the team and encourage collaboration within the matrix, ensuring that everyone has a chance to benefit from the growth of the network.

The Forced Matrix setup also ensures that new recruits are placed within the matrix in a way that may provide spillover support to others, promoting teamwork and network growth even if some members may not be actively recruiting.

In addition to binary commissions, which are calculated based on the weaker leg's sales volume, the plan often includes other typical forms of commissions. These additional commissions can be distributed alongside the binary commission, providing distributors with multiple streams of income and further incentivizing network growth. This holistic approach ensures that distributors have various opportunities for earnings, driving both short-term and long-term success.



Key Terms in matrix MLM Plan

1. **Width (Matrix Width):** The fixed number of direct positions (e.g., 2, 3, or 5) a distributor can have on their first level. Once these positions are filled, additional recruits are placed further down the matrix.
2. **Depth (Matrix Depth):** The predefined number of levels within the matrix structure. Commissions are often limited to a certain depth to ensure payouts remain manageable.
3. **Spillover:** When a distributor recruits more members than their matrix width allows, the extra recruits are placed in the next available position under their downline, helping their team grow.
4. **Matrix Tree:** A visual representation of the matrix structure, showing the fixed positions and levels of the distributor's downline.

5. **Personal Volume (PV):** The sales volume generated directly by a distributor through personal purchases or sales, often required to maintain matrix activity and commission eligibility.
6. **Team Volume (TV):** The total sales volume generated by the distributor's downline within the matrix, used to calculate bonuses and commissions.
7. **Auto-Fill:** A placement strategy where recruits are automatically assigned to the next available position within the matrix, ensuring efficient use of space.
8. **Leg:** In a matrix structure, each leg represents a position under a distributor. For example, if you have 2 users under you, it means you have two legs, with one user in each leg.

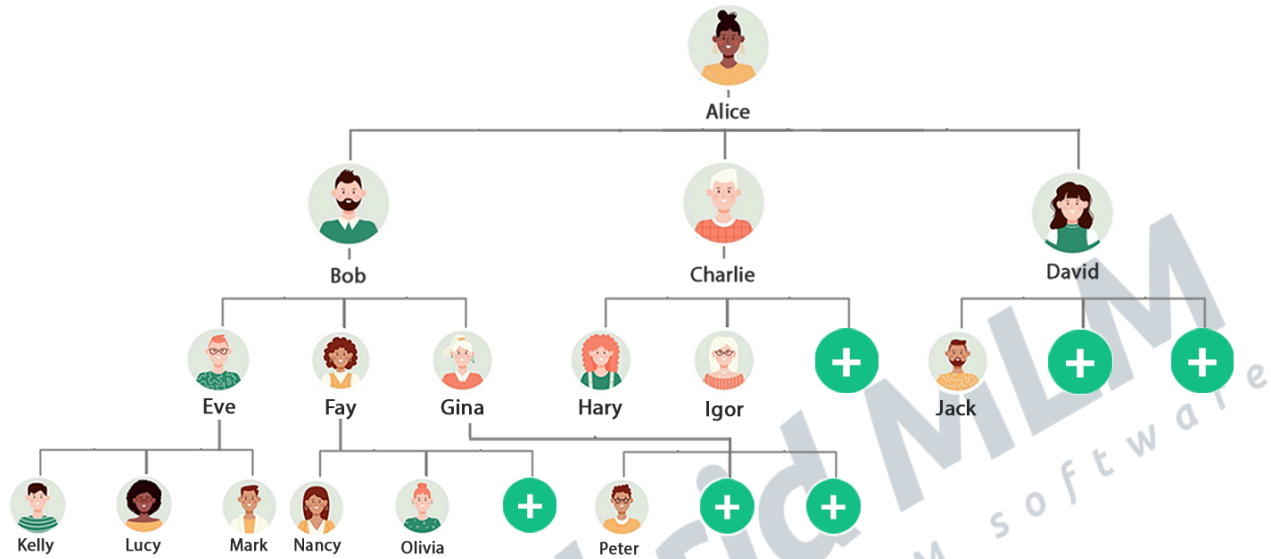
How the Plan Works

In the Matrix MLM Plan, each distributor builds a network with a fixed-width structure, meaning they can only recruit a limited number of direct members on their first level. For example, in a 3x7 matrix, each distributor can recruit up to three members on their first level, and the structure goes seven levels deep. Once the first level is full, additional recruits are placed in the next available position within the matrix, creating spillover for their downline.

Commissions are calculated based on the sales volume generated by the distributor's team within the defined matrix structure. This encourages distributors to actively support their downline to maximize performance and earnings. As the matrix fills up, distributors earn income from level commissions, bonuses, or incentives like matrix fill bonuses, ensuring steady rewards and motivating them to grow their network strategically.

This structured approach promotes teamwork and ensures an organized expansion of the network while providing opportunities for both personal and team success.

Example



Let's say Alice is a distributor who joins the Matrix MLM Plan, which operates on a 3x7 structure (three recruits wide and seven levels deep). She begins building her network by recruiting Bob, Charlie, and David, filling all three positions on her first level.

- Level 1: Bob, Charlie, and David are Alice's direct recruits. Her first level is now full.
- Level 2: Bob recruits Eve, Fay, and Gina, placing them in his three positions on Level 2. Similarly, Charlie recruits Harry and Igor but still has one vacant position, while David recruits Jack, filling only one of his three positions.
- Level 3: Eve recruits Kelly, Lucy, and Mark, completing her three positions on Level 3. Fay recruits Nancy and Olivia, filling two positions, while Gina recruits Peter, filling one. Harry and Igor recruit more members, gradually filling their positions, and so on.
- Level 4 to 7: As the network continues to grow, new recruits fill the remaining positions in each downline across the levels, with each distributor focusing on filling their positions and supporting their team to fill the subsequent levels.

Once Alice's matrix begins to fill, any additional recruits from her or her team that exceed the defined width (three positions) spill over to the next available position under her team, ensuring a balanced and organized network. Commissions for Alice are calculated based on the activity and sales generated within her matrix, level by level, incentivizing her to support her downline and maximize their performance.

In a 3x7 matrix, Alice's team can grow across seven levels, and the spillover effect ensures that her downline receives support from her direct and indirect efforts, enhancing the overall growth of the network.

How to decide the position of the new user

- **Auto Placement:** The system will automatically place new recruits in the matrix by checking the available positions from left to right and top to bottom. The recruit will be placed under the sponsor in the next available slot, ensuring the matrix structure remains balanced and positions are filled in order. This auto-placement system helps maintain an organized network without requiring manual intervention.
- **Using a Holding Tank:** When a new recruit joins the Matrix MLM Plan, they can be placed in a holding tank temporarily before being assigned a position in the matrix. The sponsor can manually assign the recruit to the next available position in the matrix based on the current structure. This allows the sponsor to strategically place the recruit where they believe they will have the most impact. If the sponsor does not manually assign the position, the system will automatically place the recruit in the next available slot in the matrix, following the predefined structure (e.g., filling positions from left to right).

Referral Bonus / Sponsor Bonus

In a Matrix MLM plan, the Referral Bonus or Sponsor Bonus refers to the commission or bonus earned by a distributor when they personally sponsor (recruit) someone into the network. These bonuses are typically a one-time payout given to the sponsor for successfully enrolling a new member into the system.

How it Works

- When Alice recruits a new distributor, such as Bob, she earns a Referral Bonus for sponsoring him.
- The amount of the referral bonus may vary depending on the company's compensation structure, and it could be a fixed amount or a percentage of the recruit's initial purchase or enrollment fee.

Referral Bonus Amount

- The Referral Bonus is typically higher than the commission earned from lower levels, as it rewards the sponsor directly for acquiring a new distributor or customer.
- It may be a flat fee (e.g., \$50) or a percentage of the enrollment or first purchase amount (e.g., 10% of Bob's initial purchase).

Example

- Example 1: Alice recruits Bob into the Matrix MLM Plan, which operates on a 3x7 structure. Bob pays a \$100 enrollment fee. Alice might receive a Referral Bonus of \$20 (20% of Bob's fee) as a reward for bringing him into the system.
- Example 2: If Alice recruits Bob, who then buys a product worth \$500, Alice could earn a Sponsor Bonus of \$50 (10% of Bob's product purchase).

Purpose

- Referral Bonuses are intended to encourage distributors to actively recruit others into the MLM program and grow their network.
- These bonuses provide immediate financial rewards for successful recruiting, helping distributors earn upfront compensation for bringing in new recruits.

Level Commission

In the Matrix MLM Plan, Level Commission refers to the money a distributor earns from the sales made by the people in their downline, organized by levels. In a matrix structure, the network is organized with a fixed number of positions per level (e.g., 3×7 structure), and the commission is usually paid based on the performance and sales made by members within those levels

How it Works

- In the Matrix MLM Plan, a distributor earns a commission based on the positions filled within the matrix and the sales made by those in their downline.
- For example, if Alice recruits Bob (Level 1), she earns a commission from Bob's sales. If Bob recruits Gina (Level 2), Alice will earn a commission from Gina's sales, and so on for deeper levels, within the limitations of the matrix structure (such as 3×7).

Level Commission Amount

In the Matrix MLM Plan, commissions are earned based on the levels in the distributor's downline, which should be configured according to the matrix structure. This configuration determines how many levels deep a distributor can earn commissions from, and how the network grows within the matrix framework.

Example

- Level 1 (Direct recruits): Alice earns a commission (e.g., 10%) from sales made by her direct recruits (e.g., Bob, Charlie, and David).
- Level 2 (Recruits of direct recruits): Alice earns a smaller commission (e.g., 5%) from sales made by recruits of her direct recruits (e.g., Bob recruits Eve, Fay, and Gina).
- Level 3 (Recruits of Level 2): Alice earns an even smaller commission (e.g., 2%) from sales made by recruits of Level 2 (e.g., Eve recruits Kelly, Lucy, and Mark).

- Levels 4 to 7: As the network continues to grow, Alice earns a commission from each additional level, but the amount typically decreases as the levels go deeper (e.g., 1% or less from sales made by recruits in the deeper levels).

Purpose

- Incentivizing Network Growth: Level commissions incentivize distributors to not only recruit but also support and help their downline succeed. As a distributor's network grows, they can continue earning from multiple levels, fostering collaboration and teamwork within the matrix structure.
- Passive Income: Distributors earn a percentage from all the sales made by their downline, allowing them to benefit from the collective activity of their network. This creates an opportunity for distributors to generate passive income as their matrix fills and grows.

Level completion bonus

The Level Completion Bonus is a reward given to distributors when they successfully complete a certain level within their matrix structure by filling all the positions on that level. This bonus is typically awarded when a distributor has met the required criteria for a specific level, such as recruiting the necessary number of people to fill the positions. It incentivizes distributors to build and fill their levels quickly, promoting network growth and team building.

How it Works

- In the Matrix MLM Plan, each level has a set number of positions to be filled. For example, if Alice is on the first level and she recruits three people, she will have completed Level 1.
- Once a distributor fills all positions on a level (as per the matrix structure, e.g., 3 positions in Level 1), they are eligible for a Level Completion Bonus.
- The bonus is paid out when the distributor's recruits have successfully filled their positions on a given level. This motivates distributors to complete their levels and continue growing their downline.

Level Completion Bonus Amount

- Level 1: Alice may receive a Level Completion Bonus after she fills all three positions on Level 1 with her direct recruits (Bob, Charlie, and David).
- Level 2: When Bob fills all his positions (e.g., recruits Eve, Fay, and Gina), Alice may receive a bonus for the successful completion of Level 2 within her matrix.
- Level 3 and Beyond: As each level is completed, the Level Completion Bonus increases depending on the company's compensation plan. The bonus can vary by level, encouraging distributors to expand their network deeper into the matrix.

Example

- Level 1: Alice fills her first level with 3 recruits (Bob, Charlie, and David), earning a \$100 Level Completion Bonus.
- Level 2: Bob completes his first level by recruiting 3 new members (Eve, Fay, and Gina), and Alice receives a \$200 bonus for completing Level 2 in her matrix.
- Level 3: Once Level 3 is filled, Alice might earn a \$300 bonus, depending on the company's structure.

Purpose

- Encouraging Fast Network Growth: The Level Completion Bonus encourages distributors to actively recruit and help their downline succeed by filling positions quickly. This keeps the network expanding and ensures the matrix structure is growing efficiently.
- Motivating Team Effort: By rewarding distributors for completing levels, this bonus fosters teamwork, where everyone in the network works together to fill positions, ensuring the success of the entire matrix.
- Creating Milestones for Distributors: The bonus also serves as an achievement milestone for distributors, allowing them to track their progress as they complete each level in their matrix. It keeps them motivated to continue expanding their network.

Team Bonus

The Team Bonus in the Matrix MLM Plan is a reward system designed to incentivize distributors for the collective sales and recruitment efforts of their entire downline within the matrix structure. This bonus is based on the overall performance of the distributor's team across multiple levels, fostering teamwork and mutual success within the network.

How it Works

- In the Matrix MLM Plan, the Team Bonus is earned based on the sales volume generated by the distributor's entire team. The bonus is calculated from the total sales or recruitment activity across several levels in the matrix (for example, from Level 1 to Level 7).
- Distributors earn a percentage of the total sales volume from their team, which may span over multiple levels of the matrix.
- The bonus is distributed regularly, typically on a weekly, or monthly basis, depending on the company's compensation schedule.
- The Team Bonus encourages distributors to support and mentor their team members to help them achieve their goals, as the bonus is directly tied to the collective performance of the downline.

Team Bonus Amount

The Team Bonus is generally a fixed percentage of the total sales or revenue generated by the team during the payout period.

Example

- If Alice's team generates \$10,000 in sales during the month, and the Team Bonus is set at 5%, Alice would receive a Team Bonus of \$500 for that month.
- If Alice's team achieves \$15,000 in sales during the week, and the bonus percentage is 3%, Alice would earn \$450 as her Team Bonus for that week.

- The amount of the Team Bonus can vary depending on the company's compensation structure and the distributor's rank within the matrix, with higher ranks potentially earning a larger share of the team sales.

Purpose

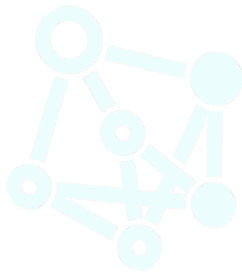
- Encouraging Teamwork and Collaboration: The Team Bonus motivates distributors to work together and help each other grow. By rewarding the distributor based on their team's performance, it encourages a sense of collaboration, mutual support, and shared success.
- Boosting Team Growth: This bonus structure incentivizes distributors to actively recruit and nurture their downline, ensuring the continued expansion of the network. As the team grows, the Team Bonus grows as well, creating a direct link between the distributor's success and the success of their team.
- Periodic Rewards for Ongoing Efforts: By distributing the bonus on a regular schedule (weekly, monthly, etc.), distributors are continuously motivated to maintain and increase their efforts. Regular payouts provide an ongoing incentive to keep the team engaged and performing well.

Methods to Prevent Overpayment

As explained above, matrix MLM plans have their own advantages. However, one drawback is that, once the team is built, even if the customer is inactive, there are still possibilities to earn. In a very deep tree structure, since the company must pay many users, there is a chance for overpayments. To prevent such overpayments, the following techniques are used in the binary system:

- Minimum Activity Requirement : Even when a team is built, a minimum self-purchase requirement can be set, meaning the distributor must make a minimum purchase to remain eligible to earn commissions. This ensures that the distributor remains active and maintains a certain level of activity within the system before they can receive earnings.

- Minimum Direct Referral Requirement :Due to the spillover effect, where the tree can extend automatically, setting a minimum number of direct referrals is necessary for a distributor to qualify for earning commissions. This ensures that distributors are actively building their own network and not solely relying on spillover from upline members.
- Minimum sale from each leg : To qualify for commissions, each leg should contribute at least a certain percentage (e.g., 30%) of the total sales, ensuring balanced growth across both legs.
- Qualification Criteria Based on Team Sales from Sponsor Tree:To qualify for commissions, a certain percentage of the total team sales should come from the sum of the purchases made by the members within your sponsor tree, not just your direct downline. This ensures that a significant portion of sales is generated from your broader network, encouraging the growth and activity of your entire team.



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