

VivaMK

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VivaMK Network Marketing Plan March 2019

**Growth, Spirit & Partnership**



# Understanding the VivaMK Network Marketing Plan

The VivaMK sales plan is easy to understand and allows you to start earning immediately. Here are FOUR ways to make money.

- ▶ Retail Profit - The Difference between the catalogue / online selling price vs the 'wholesale' price from VivaMK
- ▶ Volume Profit - The volume of sales increases the percentage pay-out
- ▶ Royalty Bonus
- ▶ Incentive Bonus - Specific VivaMK incentives that pay rewards/cash.

# Retail Profit Explained:

- ▶ Retail Profit on all personal sales will be at 25%.
- ▶ Achieve personal sales of £500 and higher, in a single sales period, to increase your retail profit further.

Personal Sales (Retail Price)	Volume Profit (VP)
£500 +	3%
£1000 +	5%
£2000 +	7%
£4000 +	10%



- ▶ 'Retail is King', and this plan ensures you get maximum benefit from how much you personally sell.
- ▶ For Example: £100 (Catalogue Price) - £75 (Your Cost) = £25 Retail Profit (RP)



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## Network Marketing Plan Explained:

- ▶ The VivaMK NWM plan allows you to earn additional bonus as you grow your VivaMK team.
- ▶ Volume Profit - enhances your income as a commission payment and this will now include retail sales of your team members and be awarded on group volume.
- ▶ Royalty Bonus - which is earned from breaking new Premiers within your team. Paid out on up to 5 generations in depth.
- ▶ Incentive Bonus - Specific Incentives that pay cash/rewards.

# How are bonuses calculated?

- ▶ You have the potential to earn Network Marketing (NWM) commissions as a **percentage of Retail Sales** at each qualifying Distributor Status (DS), level.
- ▶ This commission is paid out to Distributors who have met the required criteria within a single sales period. Calculated every calendar month and paid approximately five-working days after the end of the month.
- ▶ All purchases of retail products will be used to calculate commissions.
- ▶ Products that are not included are business aids (for example catalogues), and other such items as identified by VivaMK.
- ▶ This table indicates volume profit percentage based on sales completed.

Group Volume (GV)	Percentage
£500	3%
£1000	5%
£2000	7%
£4000+	10%

- ▶ Group volume is made up of your personal sales and the sales of any team members in your group that have not broken away (i.e. qualifying at Premier and above)
- ▶  $\text{Volume Profit} = \text{Group Volume} - \text{Team Volume Profit}$

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# Adjustments & Calculations of Commission

From time to time we have products returned, naturally this will result in adjustments to sales values, in some cases they will be negative adjustments in the following month, depending on time taken to process the return. We will not make such adjustments on the last day of the month.

Commissions are only calculated on paid invoices.



# Glossary

- ▶ **Distributor:** An individual who is registered into the VivaMK business.
- ▶ **Commissions Qualified:** Having met all the requirements for your DS.
- ▶ **Group Volume:** means a Distributorship and its downline excluding from that downline any Distributorship that has achieved Premier Distributor status and above (any non-qualifying Premier Distributorship will roll back into group sales).
- ▶ **Commission Reversals:** When sales are reduced in a period due to the return of a product.
- ▶ **Sponsor:** The person who is directly above you.
- ▶ **Upline:** Your sponsor and every distributor above you.
- ▶ **Frontline:** Every distributor that is sponsored into Level 1 of your business.
- ▶ **Downline:** The distributors that are registered into your business, irrespective of what level they are.
- ▶ **Retail Profit:** Paid on personal sales at 25% of the catalogue price (RRP).
- ▶ **Volume Profit:** Paid as an additional retail bonus. Your bonus will be calculated using group sales minus team members volume profit on personal sales.
- ▶ **Royalty Bonus:** Earned from break away Premier downlines to a

depth of 5 GENERATIONS.

- ▶ **Generation:** A Generation is formed between Premier groups. Therefore a generation can consist of multiple levels until the next distributor downline breaks away at Premier and forms the Generation. Royalty Bonuses are paid to a maximum of FIVE GENERATIONS in depth.
- ▶ **Network Structure:** This is dictated by the number of Premiers broken out in width. The width of Premiers dictates the depth to which Generations are part of the Royalty Bonuses.
- ▶ **Compression of Sales:** If a Premier Distributor fails to achieve £4000 GV, their GV rolls up and is included in the next upline's GV. This process continues until the accumulated GV exceeds £4000 threshold. This now fixes every group in the line of sponsorship thus creating the Generations used in calculating RB. No more roll up of sales occurs once a £4000 GV has been created.



*This is the 2<sup>nd</sup> launch of the VivaMK Network Marketing Plan, therefore VivaMK will conduct a full review of the plan in June 2019 and reserves the right to make any necessary changes to secure the stability of the business, if required. Any financial ramifications will be detailed and communicated with the necessary notice to all VivaMK Distributors. A similar review will be conducted at the end of 2019 (or sooner if required), and subsequently annually after that. These periodical reviews will help us secure the business and position it for growth.*