

How to Avoid Getting Involved in an MLM Scam

Today, there is a lot of buzz about the opportunities for big money available to individuals willing to become involved with a multi level marketing business. The truth of the matter is that the opportunity to make money is definitely out there, and that because of this multi-level marketing business models are accepted and legal throughout Canada and the United States. Unfortunately, the appeal of MLM businesses means that they and the people who believe in them are ripe for the pickings when it comes to con artists who pretend to have legitimate MLM businesses. In this article, we will take a look at some ways that you can avoid getting caught in one of these scams.

First of all, know what an MLM business entails

On the surface, many people will think that MLM businesses are no different from pyramid or ponzi schemes, which are actually illegal. In fact MLM businesses are very different in structure, and if they do not follow a specific method of reimbursement for those involved in the business, then it is likely that the proposed MLM model is a scam.

The main difference between MLM and illegitimate businesses is that in MLM businesses, individuals are paid only on commission of the company's products or services. Now, this may be a part of the sales made by someone a MLM business owner recruited, but the owner does not get paid for recruitment alone. Pay through recruiting is a good sign of an MLM scam.

Another sign of an MLM scam is a requirement to purchase more of the product of the business than an individual is likely to sell. Again, these huge inventories are a good indication that the opportunity you are looking at is not legitimate.

In addition, it is entirely possible for individuals to engage in their own research when it comes to companies who state you can have success with their MLM model. A good place to start is with the Better Business Bureau. All legitimate MLM companies are registered with the BBB, and you can take a look at their records to see what complaints have been registered against them, if any. In addition, you can check out the company's reputation online through sites like mlmwatchdog.com, or do your own search on the company name at Google.

And of course, there are always the opinions of your friends and family. Before you sign up, present the business to those you trust to see if they think it sounds like a legitimate opportunity to make money. Remember, most MLM propositions are not scams, but it never hurts to be cautious!

About the Author

An important consideration when you want to [buy MLM leads](#) is the quality: from real time to older leads, surveyed or not, select the type that works for you.

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