

Monoline compensation plan

A single line plan with unlimited levels allows MLM companies to promote their business easily. The plan is easily digestible without any complexities. Everyone gets benefited from the efforts made by the downlines.

Monoline plan - An introduction!

Monoline compensation plan is a compensation plan having just a single line structure with unlimited levels. As there is only one line (mono) in the whole network, the plan is known as monoline plan.

The popularity of the plan and its simplicity makes companies choose a monoline as a compensation plan for their business.

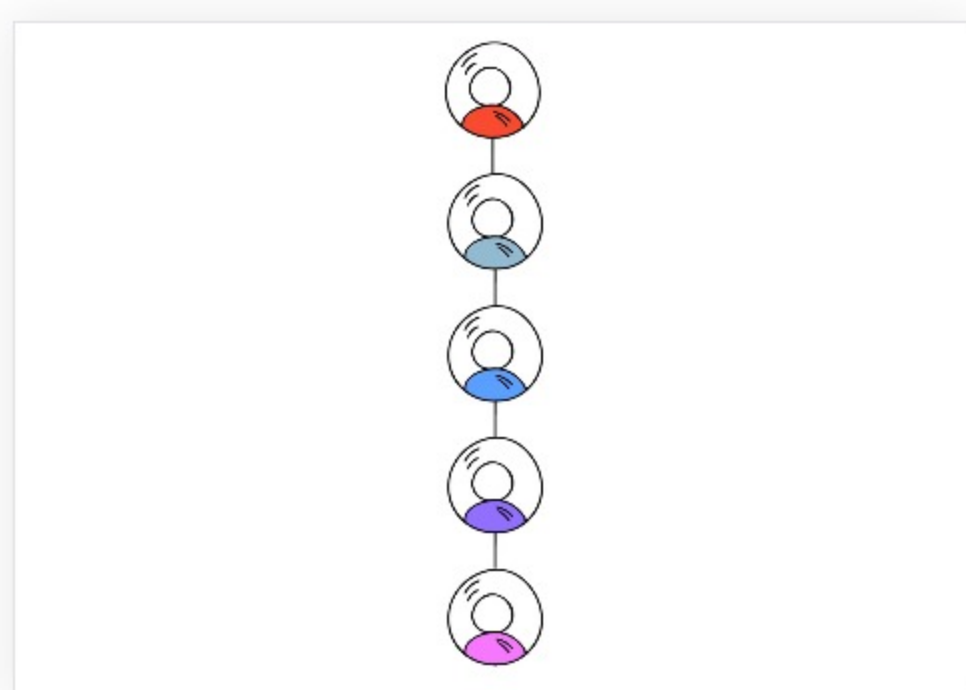
Monoline is one of the simplest plans and customers find it easy to understand. This brings in more connections hence known as a Fast or quick start compensation plan. It is also known with other names like *'linear plan,' 'single leg plan,'* etc.

The single-line structure looks promising but is it that difficult to manage the users? Yes, it is difficult to manage an unlimited member network even if it comes with a single or multi-branched tree structure. How can MLM companies then manage the single line network and the entire business?

A monoline MLM software with advanced features and functionalities will do it. Do you have any trouble to accept this fact? You'll see.

How does monoline plan work?

In usual compensation plans, there will be a fixed or unlimited width which is always more than one. However, there exists only a single width or downline branch (top to bottom) for the entire business network in a monoline plan.



(Monoline MLM plan)

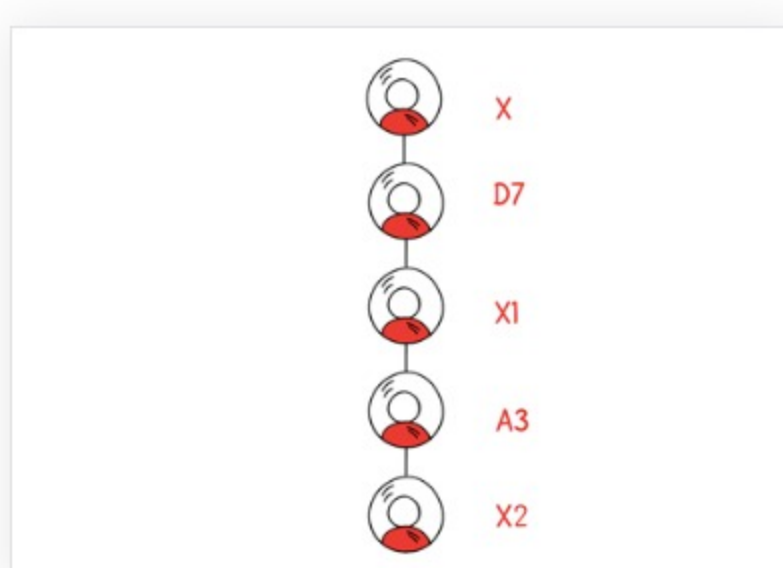
The genealogy tree view will look like the above throughout the plan. Now, let's get in-depth with the plan. The plan works based on a First Come First Serve or in simple words, based on the exact time of joining. The new members whoever refers are added into a queue system.

This queue consists of all the new members joined in the system on the basis of a timeframe. Later on, they are added on the same single line tree in the same order of the queue system.

Let's learn plan working with an example.

Distributor X joins a direct selling company and gets placed in the tree. On that day, 'X' managed to add two new members to the network and they are added up. The next day, he checks the tree and finds the new members are not added directly underneath the distributor 'X':

- ▶ Distributor X sponsored two new distributors - Distributor X1 and Distributor X2
- ▶ Distributor D7 and Distributor A3 are the downline members of Distributor D and A respectively



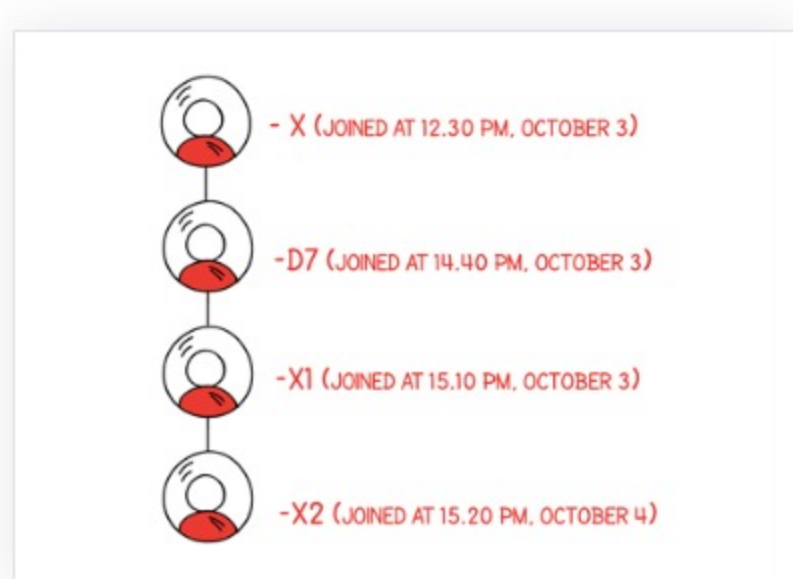
(Single line MLM plan)

Why are distributors X1 and X2 not placed directly underneath distributor X?

There are two reasons,

- ▶ The new members are placed in a queue based on the timeframe.
- ▶ The distributors are placed based on the available node no matter who sponsored who.

Certainly, from the above queue system, it is clear that the entire monoline tree works based on the timeframe, not based on who sponsored who.



(Monoline MLM plan working)

This process of adding new distributors is thus done using a queue system. In a normal monoline plan, there are no mandatory spaces to build. However, this can create dilution among distributors as there is one concern - Distributors will get a commission from frontlines efforts even if they are not active.

In order to overcome such a vital issue, direct selling companies implement certain criteria. Distributors must satisfy or meet these criteria to become eligible to receive compensation.

General criteria set by companies for compensation eligibility

As mentioned in the above section, MLM companies might add some criteria to meet compensation eligibility.

Refer a particular number of members or sales volume

One of the basic criteria preferred by companies, recruit a certain number of members or make a certain sales volume, or both. If a distributor achieves these criteria then they will get eligibility to receive commissions/bonuses.

This practice will make distributors active and contribute well. For example, an MLM company sets a criterion - add 4 new members and the distributor becomes eligible for receiving compensation.

However, what if this criterion is set at the beginning and not continued after the eligibility period?

Implement checkpoints

Implementing the checkpoints is not an alternative method but a method to follow after the eligibility period. Checkpoints are set on periodic intervals i.e. setting criteria during different stages to make sure the distributors are active and contribute throughout the time.

For example, the distributor needs to add 2 new members at first as a welcome checkpoint. Then say after reaching 50 members in the entire tree, the distributor has to add 6 members by his/her on effort.

Similarly, companies set different checkpoints throughout a distributor career program.

Re-entry

Another way to keep distributors active is by offering them an additional reward. Re-entry is a type of reward where the distributors get a new position on the monoline tree. If they manage to join a certain number of members or sales volume then they get a new re-entry position.

A monoline plan offers unlimited spillovers. When a member adds new members to the network, and if the immediate downline is already filled then, the new member is spilled to the next available position.

This is how the monoline compensation plan works!

Compensations in monoline plan

Compensations attract distributors and provide rewards for their effort. Let's see different compensation in the monoline plan.

Referral bonus:

Bonus received for adding new members to the tree.

Example: Distributor X adds two new members on the network. The new member bought a \$100 package and the company offers 10% as a referral bonus.

→ Distributor X receives \$20 (2*\$10) as sponsor bonus which is 10% of \$100.

Re-entry bonus:

Bonus received once a distributor meets certain criteria and gets a position back on the tree.

Example: If a distributor managed to add 10 members by his own effort then he gets a new position on the tree. He also got \$10 as a re-entry bonus once he got a re-entry position back in the tree.

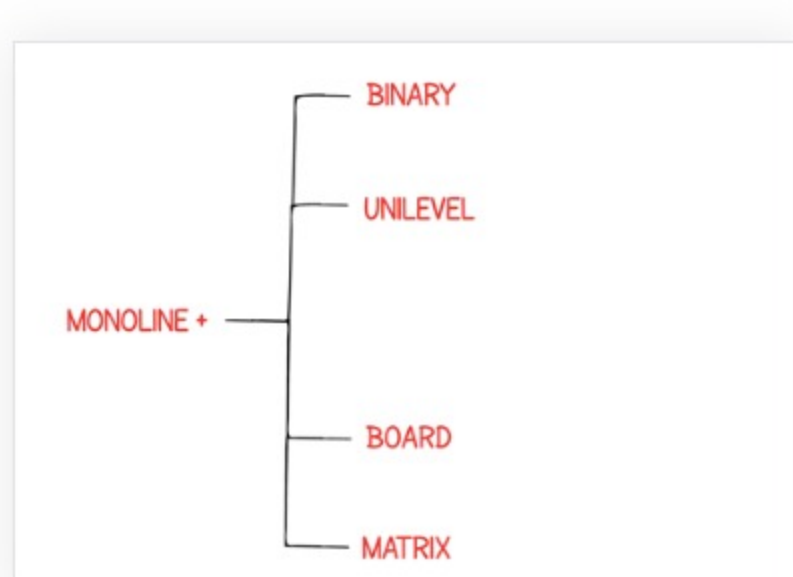
Advantages of using monoline MLM plan

Fast growth: Monoline promises quick growth as the effort from frontlines is beneficial for downlines too.

High compensations: The plan offers high compensations for the entire team or network.

Multiple positions: Members get additional positions on the tree upon meeting certain criteria.

Hybrid monoline plan



(Hybrid monoline plan)

A monoline plan can be merged with other compensation plans for better opportunities.