



2016

# COMPENSATION PLAN Explanation





# **Compensation Plan Improvement Goal**

**On Tiens third wave of development, Tiens has carried out a more scientific and humanized improvement on the Compensation Plan. Inherit From the its global resources advantage, the Company collected top ten largest and fastest development company's business plan from more than 100 countries. Therefore, conducted analysis, optimization and innovation, and formed a most competitive, most attractive, and most humanized Compensation plan. Not only it has forward-looking, but also has formed a 1000 horsepower engine. It enables the development of the business partner to achieve quicker spiral unlimited upgrade!**



# The Development History of Compensation Plan in Direct Selling Industry

- ◆ 20 years ago: Stair-step breakaway System; 10 years ago: Binary System; Now: Hybrid system, combine the advantages of all different types of systems.
- ◆ **Stair-step breakaway system**
  - **Advantage** : Stability;
  - **Disadvantages**: slow network development, more focus on the consumption, while less recruitment. High sales volume requirement, distributors accumulate large product stock, low attraction to new distributors, high defection rate.



# The Development History of Compensation Plan in Direct Selling Industry

## ◆ Binary system

- **Advantages:** fast, attractive to new distributors, companies quickly become big companies.
- **Disadvantages:** limitation of product variety, the price deviates from the product value, more focus on recruitment, less on product consumption. Bonus Cap on every node; Limited Bonus after hitting bonus cap; bonus decreases while sales increase after bonus capping; limited bonus when both legs are unbalanced. Have to invest more node to get more bonus; increase the pressure of investment due to high sales volume maintain requirement on every node. No loyalty on network; key member of the network easy to leave. Payout Rate not increase.



# The Development History of Compensation Plan in Direct Selling Industry

- ◆ **The Hybrid bonus system** combines the advantages of Stair-step breakaway system, Binary System, Matrix system: Fast, Stable and long lasting.

# Attractiveness of the System

- ◆ **1. Reasonable payout rate:** reasonable payout rate can make sure company sustain, safe and continue growing; Win-win Situation for The company, the team , and individual.
- ◆ **2. Bonus Payout fair to all rank of distributors:** The Bonus Payout rates for low, medium and high distributor rank are fair and attractive; Low threshold easy to join; entitle for Referral Bonus by recruiting one new member, bonus multi-leg pairing; fast network development; quick ranking promotion; high income; attractive to consumers; direct and indirect bonus; main network stability. Level awards plus dividend, sustainable ability, inheritance and sustainable development.
- ◆ **3. Fast Promotion. Distributor can promote to 8-star by sales accumulation, no downline requirement:** Every promoted Downline, will Benefit to all his uplines; Spiral upgrade; Enjoys the Honorary dividends; Perfect combination of 2 system create a Fast and stability Hybrid System. Weekly bonus payout, motivate network expansion.

# Attractiveness of the System

- ◆ **4. One person, with multiple account:** Master card with Supplemental cards system, three-point multi-benefit. Unique ID controlling system to avoid proxy multiplication.
- ◆ **5. Without precipitation:** Bonus Fully Payout, No precipitation , Transparent income, Everyone can become champion.
- ◆ **6. Introduction of Placement System:** By using placement system, achieve the sponsor and downlines mutual support; Sales repeatedly used; Mutual benefit for both the placement Sponsor and the placement downline.
- ◆ **7. Hybrid system :** Multiple Downline Legs can get development bonus; able to quickly generate bonus at the beginning; Easy to establish wide and deep distributor network. Variable product categories; increase the development of consumer market; promote “consume and get wealth” concept; share with others while building up your life time career.

# Advantages of the Eight Bonus Types

- ◆ **1. Direct Sponsoring Bonus:** Encourage sponsoring; Direct Benefit (can get bonus for one recommended member); your recommended member will always be your first generation regardless his/her position. Quick profit gain, and quick promotion for new members.
- ◆ **2. Development Bonus:** One time investment, multilateral counting; One side, one bonus; Multiple sides, multiple bonus; no sediment; maximum profit.
- ◆ **3. Coaching Bonus:** Bonus accumulation, higher coaching network' s sponsoring bonus, higher gain; More the card value, deeper the bonus level.

# Advantages of the Eight Bonus Types

- ◆ **4. Direct/ Indirect Bonus:** High profit, more work more gain, customer attraction, encourage retail. Thicker income for honorary ranks, stable consumption network, set up a huge business.
- ◆ **5. Leadership Bonus:** Pay out rate increased , deepen levels, still can get bonus when downline promoted to same or high ranking, secure, and thickening your benefit.
- ◆ **6. Excellence Bonus:** Getting bonus from multiple ranking category, depth allocation; Star golden lion can get bonus from star golden lion, director and honorary director; Director from director and honorary director; Honorary director from honorary director.
- ◆ **7. Honorary Bonus :** TNPV requirements reduced, low PPV, join from one country, global benefit, bonus stack up .
- ◆ **8. Special Award :** Gain bonus when Rank upgraded or Rank Active, more economical, set the pace, positive attraction.



**THANK YOU !**