



Business Development Bonus - Frequently Asked Questions and Scenarios

Q. What is the new Bonus Programme called?

A. Business Development Bonus.

Q. What are the benefits of the Business Development Bonus?

A: Here are a few...

It is open to all Sales Leaders up to Executive Level - regardless of status or length of association giving a great opportunity to re-energise your Downline Sales Leaders!

It is an all cash bonus!

No time limits - You can go at your own pace or work through the levels faster to achieve more bonus. You are rewarded for building your business and moving through the levels of Sales Leadership.

Simple to understand and share with new Sales Leaders and potential Sales Leaders!

New enhanced rewards for achieving title and maintaining status.

Provides a motivational tool to encourage your non-qualifying Downline Sales Leaders to focus on achieving qualifying status.

Has a maximum bonus of just over £6000

Opportunity for you to be rewarded for mentoring your Downline Sales Leaders to achieve their bonuses

Q. When is the Business Development Bonus being introduced?

A. Business Development Bonus will take effect from Campaign 10 2010 (T/S C12 2010).

Q. What if I am currently on the Fast Start Bonus Programme?

A. You will continue to be on this programme until the end of Campaign 9 2010, and then Avon will automatically transfer you over to the Business Development Bonus Programme.

Q. How do I ensure that I benefit from all these changes and make sure that my Downline Sales Leaders and new Downline Sales Leaders benefit too?

A. To ensure you receive the full benefit of the new Commission Structure and Business Development Bonus Programme we encourage you to take the opportunity to ensure you fully understand the programme and you ensure your Downline Sales Leaders are trained accordingly.

Ensure that you, your Downline Sales Leaders and their Downline Sales Leaders are fully trained and understand the importance of these opportunities to build your business. When new Sales Leaders are developed it is essential that they are also fully trained on the Commission Structure and Business Development Bonus Programme to ensure that you and they do not miss an opportunity to maximise earnings.

Q. Why has the commission percentage been reduced on some of the levels?

A. By making the changes to the Commission Structure and the Business Development Bonus Avon are actively trying to redistribute how commission is paid through the different title levels. Although some commission percentage levels have been reduced others have been increased. The total of commission and bonus paid to Sales Leaders will increase proportionately as a result of these changes, with the largest increase being at Sales Leader level. The changes have been made only at the lowest level of commission payment in order to encourage support of Representatives to increase order values. The Business Development Bonus compliments the new Commission Structure and means that all Sales Leaders have the opportunity to grow their business and increase their earnings.

Q. What tools and information will I have to support me to understand, train and communicate?

A. We have designed...

A new What's In It For You Business Development Bonus Programme & Commission Structure flyer which:

- Pulls both the Business Development Bonus Programme and Commission Structure into one document.
- Breaks down the Bonus and Commission Structure into bite size, easy to understand steps.
- Sets out what is required to achieve the next level and what is on offer.
- Helps to link the Bonus and Commission Structure so you can see how the two compliment one another.

- It provides you with one handy document to sell the earnings opportunities!

Business Development Bonus online training materials available to all Sales Leaders.

Interactive survey - watch out for news regarding a Business Development Bonus Training Incentive

A Business Development Bonus e-Tool will be available on the website to quickly ascertain whether you are on your way to achieving a bonus! The e-Tool will answer simple yes/no questions to help you understand.

Q. What does Incremental mean?

A. Increase or growth.

Q. What is incremental SL growth?

A. This is when a Sales Leader develops their First Generation downline Sales Leader to achieve Sales Leader Paid Title (for the first time), whilst any current First Generation downline Sales Leader(s) are achieving their Paid Title. The total number of Sales Leaders achieving their Paid Title must have increased.

Q. What is incremental ASL growth?

A. This is when a Sales Leader develops their First Generation downline Sales Leader to achieve Advanced Sales Leader Paid Title (for the first time), whilst any current First Generation downline Advance Sales Leader(s) are achieving their Paid Title. The total number of Advance Sales Leaders achieving their Paid Title must have increased.

Q. Do I get £10 for each pair of LOA1 appointments or am I paid £5 for each one?

A. You are paid the incentive in multiples of £10. This is not split into £5 and is paid after each second LOA1 order is placed as example above.

Q. Is it based on commission level or status level to qualify?

A. The BDB is based on commission level only. For example paid title.

Q. When you say LOA1 orders, they have to be over MOV but do they have to be on time and in the campaign of appointment? Where does it state this?

A. This is stated in the glossary and the terms of conditions.

Q. What parts of the incentive can you only achieve once?

A. You can only achieve the Maintain Paid Title and Achievement Status once. If you do not achieve them first time then you can not drop down a level and try again. It is a one time cash incentive offer.

Q. What's in it for current Senior Executive Sales Leaders?

A. If you have already achieved the achievement and maintenance bonus, or were a Senior Executive Sales Leader prior to the BDB you can still benefit from this programme.

- The BDB encourages your Downlines to maintain their commission levels, move up to a higher commission level and recruit more Sales Leaders.
- This should make it easier for you to maintain SESL and increase your earning potential through more commission.

Q. How can I see the calculation breakdown on my statement?

A. We are currently amending the current version of the Sales Leader statement to include information regarding any Business Development Bonus that has been paid. This will take effect for C10 2010 statements so you can see what you have been paid.

Q. Where can I find the glossary and terms & conditions for this incentive?

A. Website article under News under launch and then there will be an e-page flyer under What's In It For You landing page as well as an opportunity to purchase a personalized What's In It For You Commission Structure and Business Development Bonus Programme flyer from pindar.com/avon

Q. Is there a SLLOA limit as with the previous bonus incentive?

A. No, not for all bonuses, this is one of the major changes to the new BDB. You can tailor your business to your own personal circumstances so whether you wish to set your self a target to received additional bonus within timescales for achieve and maintain or gradually develop your business you can still earn a bonus.

Q. The FSB used to have tours and business tools as incentives but BDB only appears to offer cash rewards. I prefer the FSB rewards to the BDB? Why did you change it as business tools helped me grow my business?

A. Following feedback from Sales Leaders, Area Sales Managers, and other Avon Markets the Sales Leader Commission Structure and Bonus Programme has been reviewed to support Avon's continued development of Sales Leadership within the UK.

The feedback received has been fully considered to ensure we are able to meet the requirements that will help all Sales Leaders build their business and move it on to achieve further success. We have taken account of what motivates Sales Leaders and how you would like to be rewarded for achieving particular targets and goals.

The overall feedback was that cash was a higher motivating factor than business tools. The new Bonus Programme can also be used as an effective tool for developing new Sales Leaders, as well as motivating existing Sales Leaders to achieve new levels of Sales Leadership.

Q. What if I used to be a higher status level prior to BDB and then re-achieve that level after Campaign 10 2010?

A. Avon will take the status level held at Campaign 9 2010 as a starting point to calculate where you fit into the BDB Programme. You will be able to achieve bonuses then based on your growth and development.

Q. What if I am already at a status level but not at the commission level when BDB goes live in C10. Am I entitled to the Maintain Paid Title for that status?

A. No.

Q. I am an existing Advanced Sales Leader, am I eligible for the LOA 1 bonuses from the Advanced Sales Leader 'bucket'.

A. Yes, an existing Sales Leader will be eligible for all bonuses from their status 'bucket'. However, they will not get the higher value bonus on the 'achieve' bonus if they are not within the SLLOA limit.

Q: Should LOA1 orders be placed in different campaigns?

A: Each pair of orders must be placed in the same campaign, above MOV and on-time to qualify for the £10 LOA bonus payment. They do not have to be consecutively appointed Representatives. Orders placed in separate campaigns will not quality for this payment. This information can be found in the BDB Terms and Conditions.

Q: If performance points are used to maintain status, am I still eligible for the maintain bonus?

A: Yes

Q. In order to achieve 'Develop 1 DL SL' bonus, does the Downliner have to achieve Sales Leader earnings or just achieve that status, i.e. return the Agreement?

A. This bonus will only be paid providing the Downliner has achieved the Sales Leader Paid Title, i.e. Commission Level 1.

Q. If a Trainee Sales Leader or Non-Qualifying Sales Leader has 2 team members who have placed orders above the Minimum Order Value, and into the same campaign, would they achieve the LOA 1 orders bonus if they haven't placed an order themselves?

A: No, both Trainee Sales Leaders and Non-Qualifying Sales Leaders are expected to meet the Personal Sales Qualifier (PSQ) to be eligible for this bonus.

Frequent Scenarios

- C9 Sales Leader Level - C10 achieves Advance Sales Leader Level but they have been Advanced Level last year some time, will they get the achieve Advanced Sales Leader bonus? Yes
- C9 TSL recruits 3 and gets £30 FSB and then in C10 recruits 2 more Representatives will she still get £10? Yes for the 2 recruits in C10.
- C9 Advanced Sales Leader - C10 Advanced Sales Leader but recruit 2 new people will they get £10? Yes for the 2 recruits in C10.
- C9 Advanced Sales Leader - C10 Advanced Sales Leader will they receive maintain bonus? No, but they can receive bonus for new recruits, growing and mentoring downline first generation Sales Leaders, achieving and maintaining the next level of Sales Leadership.
- C9 Inactive Sales Leader - C10 can she achieve bonuses if she regains Sales Leader Level? Yes she can achieve bonuses relating to the Sales Leader Level onwards.
- Non-qualifying Sales Leader – will they be eligible for LOA1 order bonus? Non-qualifying Sales Leaders have the same cash incentives as Trainee Sales Leaders so this is a great opportunity to get your business back on track.
- C9 Sales Leader currently on FSB – C10 would have achieved step 2 £50 payment of FSB. Will they still be entitled to this? No as they will transfer onto new BDB bonus programme from C10.
- Re-achieved previous status in C10 or later – will I be eligible for achieve/maintain bonuses for this status? Yes Avon will use the status level held in C9 2010 as a starting point to calculate where you fit into the BDB programme.

Q. Advanced Sales Leader with an existing downline Sales Leader within their First Generation who is not achieving their Paid Title in Campaign 10 and, in the same campaign, recruits a new First Generation downline Sales Leader who does achieve their Paid Title, will the Sales Leader receive the Incremental Sales Leader Growth Bonus?

A. No, the Sales Leader will not receive this bonus as their existing downline Sales Leader has not achieved their Paid Title. This means that they have not grown the total number of qualifying downline Sales Leaders within their team.