Sampling

DS Survey

- Robust samples achieved across all 11 markets, with interview totals outlined below
- This report includes a selection of mainly country-specific differences, with these results shown on the right or bottom of each chart
- Global data have been weighted back to direct seller population data (taken from 2016 Seldia statistics)

<table>
<thead>
<tr>
<th>Country</th>
<th>Samples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy (IT)</td>
<td>8,200</td>
</tr>
<tr>
<td>UK</td>
<td>3,311</td>
</tr>
<tr>
<td>Germany (DE)</td>
<td>3,002</td>
</tr>
<tr>
<td>Slovakia (SK)</td>
<td>1,847</td>
</tr>
<tr>
<td>Czech Republic (CZ)</td>
<td>1,164</td>
</tr>
<tr>
<td>Netherlands (NL)</td>
<td>935</td>
</tr>
<tr>
<td>Poland (PL)</td>
<td>3,563</td>
</tr>
<tr>
<td>France (FR)</td>
<td>3,146</td>
</tr>
<tr>
<td>Spain (ES)</td>
<td>2,061</td>
</tr>
<tr>
<td>Lithuania (LT)</td>
<td>1,742</td>
</tr>
<tr>
<td>Sweden (SE)</td>
<td>1,156</td>
</tr>
</tbody>
</table>
Who are Direct Sellers?
Gender, age and education of Direct Sellers

DS is mostly done by women, but is undertaken by all age ranges and all levels of education (over two-thirds have completed higher education or above).....

Gender

- Male: 12%
- Female: 88%

Age

- 16-24: 8%
- 25-34: 24%
- 35-44: 26%
- 45-54: 23%
- 55-64: 14%
- 64+: 5%

Mean: 43 years old

Education

- Post-graduate degree: 8%
- University degree: 19%
- Apprenticeship/vocational school: 18%
- Higher education: 23%
- Secondary school education: 25%
- Primary school education: 1%
- None of these: 1%
- Prefer not to say: 4%

C1/ Gender (n=28439); C2 Age group (n=28439); C6 Highest level of education attained (n=28439)
Length of involvement in DS and current working status

...on average they have been direct selling for c. 6 years and most often combine it with full time work

Length of time involved in DS

Main activity outside DS

Q1 How long have you been involved in your direct selling activity? (n=29828); Q4 Which one of the options below best describes your activities outside direct selling? (n=28439)

Mean: 5.9 years

Less than 1 year: 24%
1 to 3 years: 26%
4 to 6 years: 13%
7 to 10 years: 9%
More than 10 years: 23%
I am no longer involved in direct selling: 5%

Not working outside direct selling activities:
- Working full time: 42%
- Working part time: 27%
- Other: 10%

Not working outside direct selling activities:
- Working full time: 42%
- Working part time: 27%
- Other: 10%
What motivates Direct Sellers?
Above all, a real affinity and love of their products is what motivates direct sellers, closely followed by the pragmatic financial benefits that DS can offer. This is as true now as it was when they first started.

### Reasons for DS – past and present

#### Q5a Please indicate from the list below why you first became involved in direct selling (n=28439)

- I like the products/service I sell: 57%
- I get the products at a discount: 48%
- I believe in the product(s)/service(s) I sell: 45%
- Long term supplemental income: 32%
- It gives me flexibility: 31%
- To meet new people/expand my social circle: 30%
- The more I work, the more income I can make: 26%
- I enjoy promoting the product(s)/service(s) I sell: 24%
- It is an opportunity to develop my entrepreneurial skills: 21%
- Short-term supplemental income: 19%
- Direct selling is a career for me: 17%

#### Q5b And using the same list, please indicate why you continue to be involved in direct selling (n=28439)

- I like the products/service I sell: 61%
- I get the products at a discount: 51%
- I believe in the product(s)/service(s) I sell: 50%
- Long term supplemental income: 38%
- It gives me flexibility: 37%
- To meet new people/expand my social circle: 35%
- The more I work, the more income I can make: 32%
- I enjoy promoting the product(s)/service(s) I sell: 33%
- It is an opportunity to develop my entrepreneurial skills: 27%
- Direct selling is a career for me: 19%
A day in the life of a Direct Seller
Time spent & methods used for existing and potential customers

On average, direct sellers spend c. 12 hours a week on DS. F2F networking is the most popular but ‘traditional’ methods like this and home parties are being challenged by social media. Direct sellers are taking advantage of the range of channels now available to them.

Mean: 11.6 hours per week

- 30+ hours per week
- 8-29 hours per week
- Between 1-8 hours per week
- Less than 1 hour per week
- Don’t know

Q6 How much time do you typically devote to direct selling? Please tell us the average hours per week…please consider the time spent in selling, preparation for parties/demonstrations, social media presence, training, mentoring, etc (n=28439); Q7a What are the main methods you use when trying to sell products to your existing customers? (n=28439); Q8a What are the main methods you use for getting in touch with potential new customers? (n=28439)
Home parties/demonstrations and personal networking (F2F) continue to be used as they are still more effective than other channels. Electronic channels like social media are viewed positively on balance, but more mixed.

Q7b How effective are these methods that you use when selling to your existing customers?

<table>
<thead>
<tr>
<th>Method</th>
<th>5 - Very effective</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1 - Not effective at all</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing Customers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home parties and product demos</td>
<td>58%</td>
<td>26%</td>
<td>12%</td>
<td>3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal social and professional networks</td>
<td>47%</td>
<td>29%</td>
<td>16%</td>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knocking on doors</td>
<td>37%</td>
<td>25%</td>
<td>22%</td>
<td>10%</td>
<td></td>
<td>3%</td>
</tr>
<tr>
<td>Telephone</td>
<td>25%</td>
<td>33%</td>
<td>29%</td>
<td>10%</td>
<td></td>
<td>2%</td>
</tr>
<tr>
<td>Email &amp; other messaging tools</td>
<td>20%</td>
<td>29%</td>
<td>32%</td>
<td>14%</td>
<td></td>
<td>3%</td>
</tr>
<tr>
<td>Social media</td>
<td>21%</td>
<td>24%</td>
<td>31%</td>
<td>17%</td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>Chance encounters</td>
<td>14%</td>
<td>24%</td>
<td>37%</td>
<td>19%</td>
<td></td>
<td>4%</td>
</tr>
<tr>
<td>Personal website/blog</td>
<td>14%</td>
<td>21%</td>
<td>32%</td>
<td>22%</td>
<td></td>
<td>7%</td>
</tr>
</tbody>
</table>
### Effectiveness of different DS methods – new customers

As with existing customers, home parties/demonstrations and personal networking (F2F) seen as most effective channels for new customers. Personal website/blog and social media again receive more mixed feedback.

#### New Customers

<table>
<thead>
<tr>
<th>Method</th>
<th>Effective</th>
<th>Ineffective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home parties and product demos</td>
<td>51%</td>
<td>30%</td>
</tr>
<tr>
<td>Personal social and networks</td>
<td>39%</td>
<td>33%</td>
</tr>
<tr>
<td>Telephone</td>
<td>24%</td>
<td>33%</td>
</tr>
<tr>
<td>Knocking on doors</td>
<td>28%</td>
<td>26%</td>
</tr>
<tr>
<td>Email and other messaging tools</td>
<td>19%</td>
<td>29%</td>
</tr>
<tr>
<td>Social media</td>
<td>21%</td>
<td>26%</td>
</tr>
<tr>
<td>Chance encounters</td>
<td>14%</td>
<td>27%</td>
</tr>
<tr>
<td>Personal website/blog</td>
<td>17%</td>
<td>24%</td>
</tr>
</tbody>
</table>

Q8b How effective are these methods that you use when reaching out to potential new customers

- **5 - Very effective**
- **4**
- **3**
- **2**
- **1 - Not effective at all**
- **Don’t know**

**Effective / Ineffective**

- DE: 81% effective / 4% ineffective
- LT: 72% effective / 6% ineffective
- PL: 47% effective / 20% ineffective
Using tools to retain existing customers

Despite the allure of financial incentives such as ‘discounts’ and ‘loyalty rewards’, the ‘personal touch’ of regular personal or phone contact is seen as the most effective tool in keeping existing customers.

Q9 How effective are the following tools in helping you retain existing customers? (n=28439)

<table>
<thead>
<tr>
<th>Tool</th>
<th>5 - Very effective</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1 - Not effective at all</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular personal or phone contact</td>
<td>44%</td>
<td>27%</td>
<td>15%</td>
<td>5%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Discounts</td>
<td>44%</td>
<td>24%</td>
<td>13%</td>
<td>5%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Loyalty rewards</td>
<td>33%</td>
<td>22%</td>
<td>14%</td>
<td>6%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Samples</td>
<td>31%</td>
<td>22%</td>
<td>17%</td>
<td>8%</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Sales aids such as catalogues that come in the mail or by email</td>
<td>27%</td>
<td>21%</td>
<td>18%</td>
<td>10%</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>On-going consultations or coaching</td>
<td>24%</td>
<td>22%</td>
<td>17%</td>
<td>7%</td>
<td>4%</td>
<td>10%</td>
</tr>
<tr>
<td>Use of social media</td>
<td>17%</td>
<td>19%</td>
<td>22%</td>
<td>13%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>Automatic delivery programme</td>
<td>19%</td>
<td>16%</td>
<td>13%</td>
<td>7%</td>
<td>6%</td>
<td>17%</td>
</tr>
</tbody>
</table>

*Effective / Ineffective*:
- Regular personal or phone contact: 72% effective / 6% ineffective
- Discounts: 68% effective / 7% ineffective
- Loyalty rewards: 56% effective / 9% ineffective
- Samples: 53% effective / 12% ineffective
- Sales aids such as catalogues that come in the mail or by email: 48% effective / 15% ineffective
- On-going consultations or coaching: 47% effective / 11% ineffective
- Use of social media: 37% effective / 20% ineffective
- Automatic delivery programme: 34% effective / 13% ineffective

Q9 How effective are the following tools in helping you retain existing customers? (n=28439)
The bottom line is that face-to-face meetings are, by some margin, the number one source of revenue, followed by telephone and home parties. Email is close behind, but social media is (not yet) a major direct source of revenue.

Q10 Top 4 channels for orders: Please choose the top 4 channels for customer orders, based on how often you receive those orders. (n= 28439)
How happy are they to be Direct Sellers?
Satisfaction with overall experience and expectation vs. experience

Direct sellers are predominately happy in the work they do. Over three-quarters (78%) are ‘satisfied’ with their overall experience of DS, versus fewer than 1 in 15 (6%) ‘dissatisfied’. Views about whether DS has met their expectations are a little more mixed, but over two-thirds (69%) still say it has ‘met’ or ‘exceeded’ what they expected.

**Satisfaction**
- 32% Very satisfied
- 46% Satisfied
- 16% Not satisfied at all

**Expectations**
- 20% Significantly exceeded
- 13% Exceeded
- 37% Met
- 19% Below
- 5% Below
- 7% Don’t know/Can’t comment

**Ipsos RED survey:**
- 68% satisfied

**FR** 84% satisfied
**DE** 43% exceeded

Q11/ How satisfied or dissatisfied are you with your overall experience of direct selling? (n=28439)
Q12 Considering your expectations before you started direct selling, which statement best applies to you? (n=28439)
When asked about how likely they are to recommend their current DS company on a 0-10 scale, there are three times as many Promoters (9-10 scores for likelihood to recommend) as Detractors (0-6 scores).

**Likelihood to recommend Direct Selling company (NPS)**

Promoters: 61%
Passives: 20%
Detractors: 19%

Net Promoter Score (Promoters minus Detractors)

ES NPS = +64
LT NPS = +58
DE NPS = +57
SE NPS = +56
IT NPS = +48
FR NPS = +45

Q14 How likely are you to recommend the company you are currently working for to a friend or colleague? (n=27666, excludes Don’t Know)
Do Direct Sellers feel supported?
Direct sellers are generally very happy with the quality of training and support they receive from their company. Satisfaction with their sponsor/upline in this regard is slightly lower, but still positive.

**Q13 Please rate your company and sponsor/upline overall on the quality of the training and support they provide (n=28439)**

**Company**
- 5 - Very good quality: 49%
- 4
- 3
- 2
- 1 - Very poor quality
- Don't know
- N/A

**Sponsor/Upline**
- 5 - Very good quality: 40%
- 4
- 3
- 2
- 1 - Very poor quality
- Don't know
- N/A

**Good quality/ Poor quality**
- **Company**: 77% / 5%
- **Sponsor/Upline**: 62% / 9%

**ES**: 90% good quality
**LT**: 79% good quality
Nine out of 10 direct sellers say they are likely to continue with their main company.

90% Likely to continue

Q15 How likely are you to continue representing the main company you are working for in the next year? (n=28439)
Perceptions and experiences of DS in detail
Feedback on specific personal aspects of DS

The personal benefit of meeting new people via DS is strongly attested to by most direct sellers. That ‘personal development’ aspect is also reflected in the majority who appreciate how DS improves their people skills and boosts their self esteem. The practical rewards of earning extra money and the affinity they have with their products/services are also cited.

Q17 How much do you agree or disagree with each of the following statements when thinking about your involvement in direct selling? (n=28439)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree (%)</th>
<th>Tend to agree (%)</th>
<th>Neither agree nor disagree (%)</th>
<th>Tend to disagree (%)</th>
<th>Strongly disagree (%)</th>
<th>Don’t know/Not applicable (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>It enables me to meet new people</td>
<td>56</td>
<td>29</td>
<td>8</td>
<td>3%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>It is a good way to earn additional income</td>
<td>49</td>
<td>32</td>
<td>10</td>
<td>5%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>The products/services offered by my direct selling company is the main reason I am involved in direct selling</td>
<td>46</td>
<td>33</td>
<td>13</td>
<td>4%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>It has improved my people skills</td>
<td>39</td>
<td>32</td>
<td>17</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>It has helped me to improve my self-esteem and confidence</td>
<td>40</td>
<td>30</td>
<td>17</td>
<td>5%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>It is fulfilling work</td>
<td>36</td>
<td>33</td>
<td>19</td>
<td>6%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>It has helped me to improve my business management and sales skills</td>
<td>32</td>
<td>33</td>
<td>20</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>It requires a lot of hard work</td>
<td>30</td>
<td>31</td>
<td>21</td>
<td>10%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>It provides an opportunity to become financially independent</td>
<td>35</td>
<td>26</td>
<td>18</td>
<td>10%</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>It has helped me to improve my professional performance in other jobs</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>9%</td>
<td>7%</td>
<td>12%</td>
</tr>
</tbody>
</table>

5 - Strongly agree  4 – Tend to agree  3 - Neither agree nor disagree  2 – Tend to disagree  1 - Strongly disagree  Don’t know/Not applicable
DS in three words
Q20 If you had to describe direct selling in just three words, what words would you use? (n=XXX)

When asked to describe DS in three words, those which spring to mind most often are “freedom”, “independence” and “flexibility”. Although it may be “rewarding” and can be “fun”, those considering it should recognise it can also be “challenging” and even “difficult”.

DS in three words

In summary
Some headline ‘take outs’ and a positive story

78% satisfied with overall experience of DS

69% say DS met or exceeded their expectations

+42 NPS (likelihood to recommend)

Social media is an important part of direct sellers’ toolkit, but mixed views on effectiveness

Home parties/demonstrations and networking are widely used and seen as most effective channels. This personal contact is also a key motivation for sellers

Clear majority are happy with the training & support from company and sponsor/upline
Thank you. Any questions?

This work was carried out in accordance with the requirements of the international quality standard for market research, ISO 20252 and with the Ipsos MORI Terms and Conditions.