

Direct Sellers Survey 2018

October 2018

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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)

 8,200
Italy (IT)


 3,311
UK


 3,002
Germany (DE)

 1,847
Slovakia (SK)

 1,164
Czech Republic (CZ)

 935
Netherlands (NL)

 3,563
Poland (PL)

 3,146
France (FR)

 2,061
Spain (ES)

 1,742
Lithuania (LT)

 1,156
Sweden (SE)

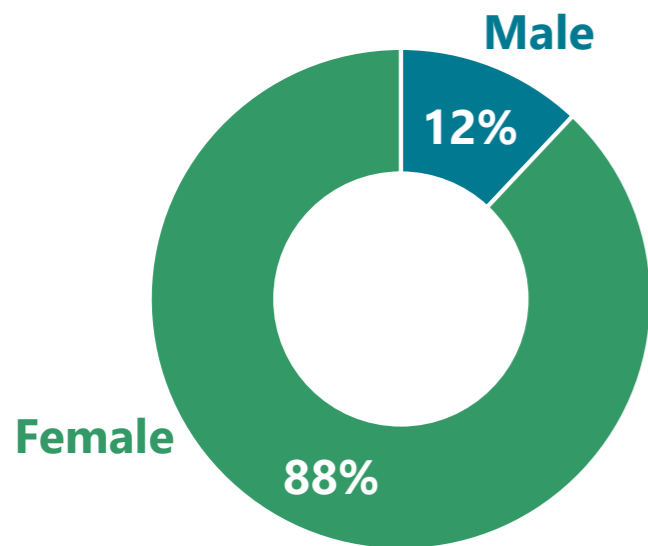
Who are Direct Sellers?



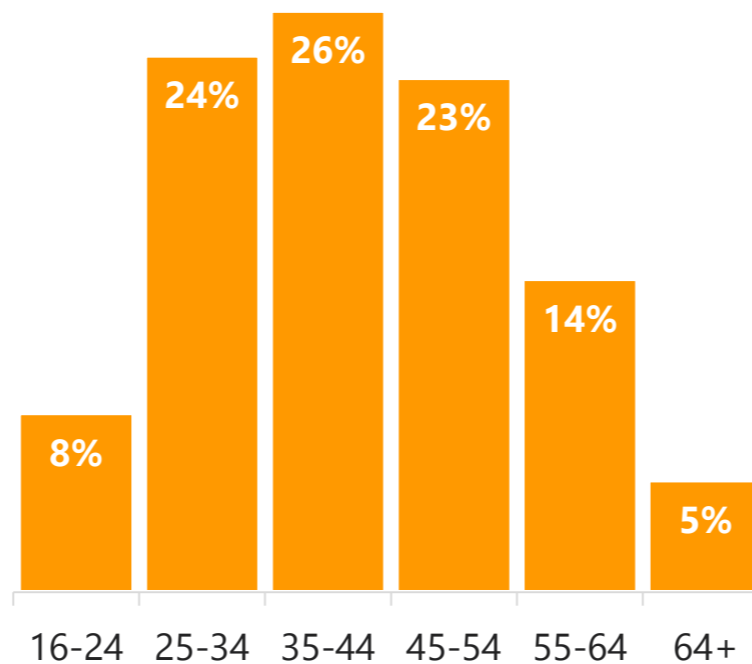
Gender, age and education of Direct Sellers

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

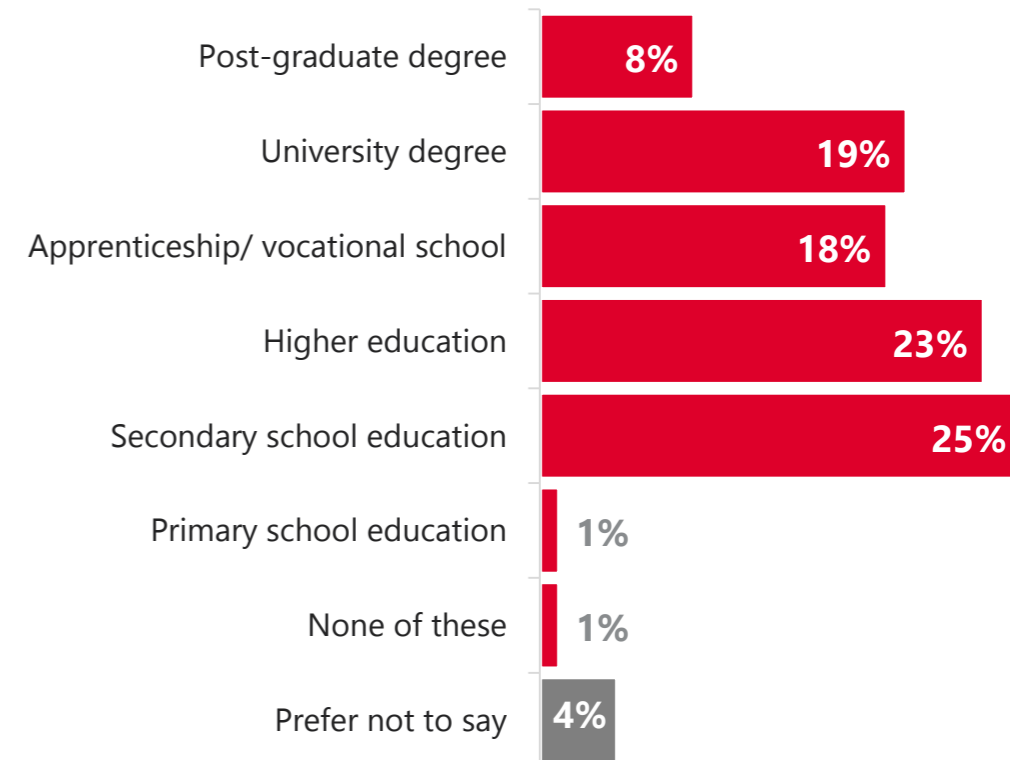


Age



Mean: 43 years old

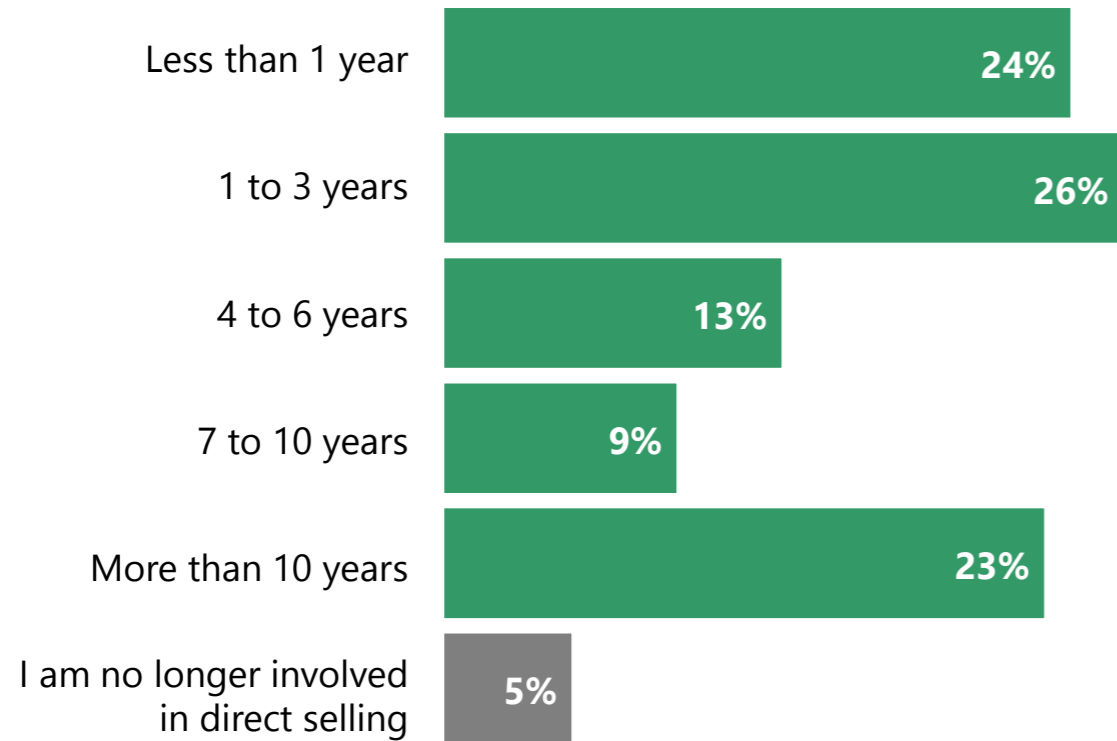
Education



Length of involvement in DS and current working status

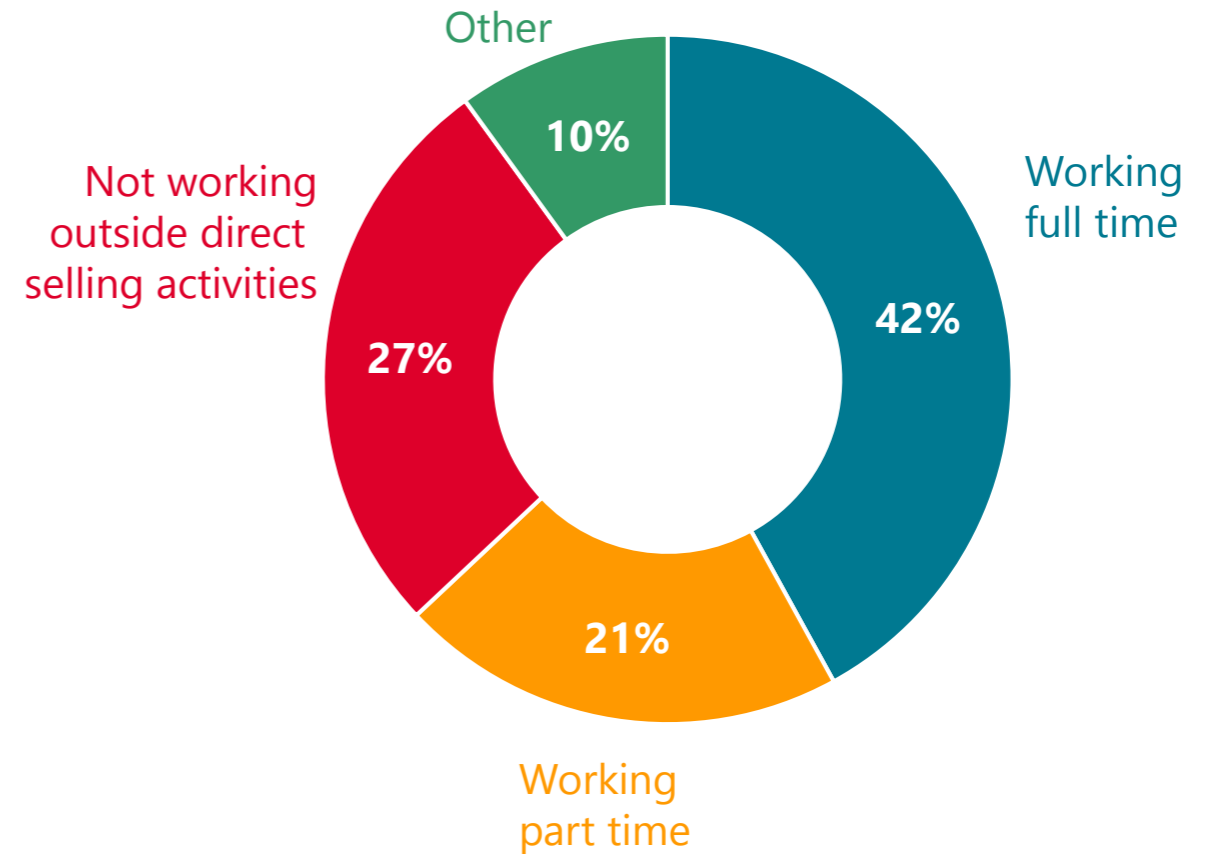
.....on average they have been direct selling for c. 6 years and most often combine it with full time work

Length of time involved in DS



Mean: 5.9 years

Main activity outside DS

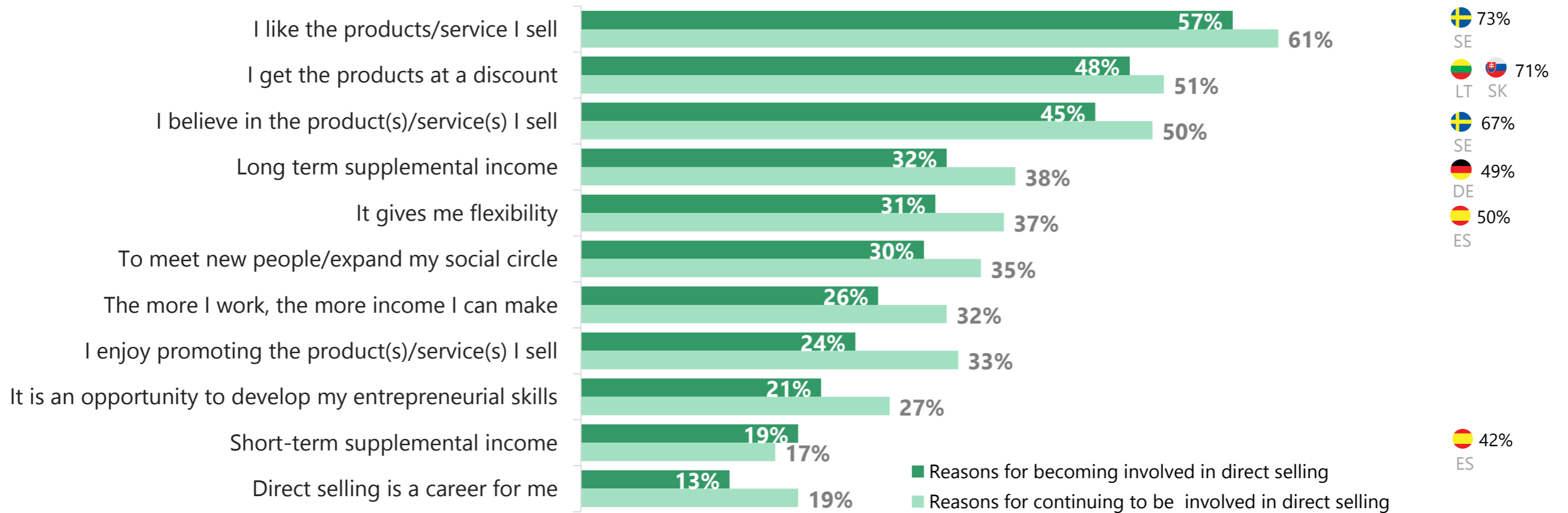


What motivates Direct Sellers?



Reasons for DS – past and present

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



Q5a Please indicate from the list below why you first became involved in direct selling (n= 28439); Q5b And using the same list, please indicate why you continue to be involved in direct selling (n=28439)



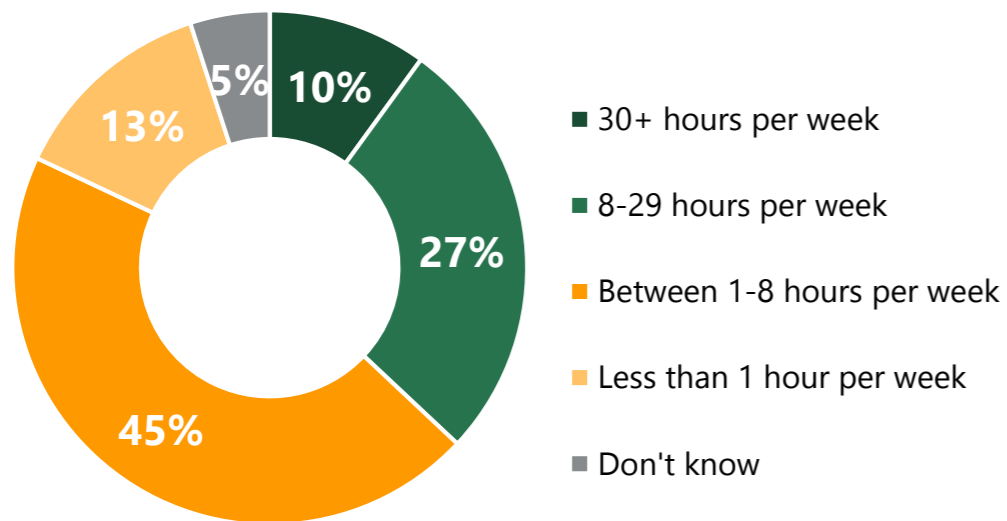
A day in the life of a Direct Seller



Time spent & methods used for existing and potential customers

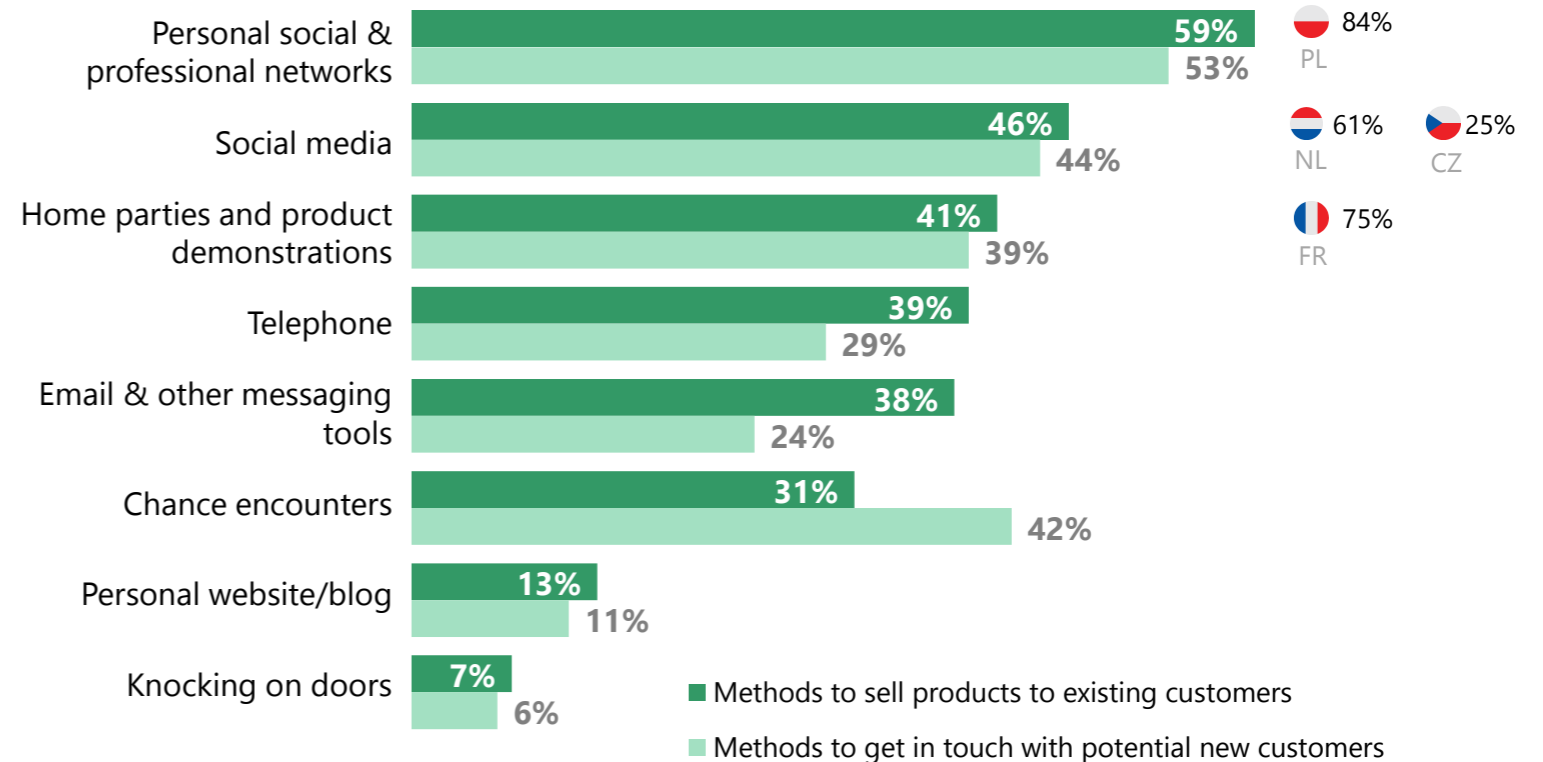
On average, direct sellers spend c. 12 hours a week on DS. F2F networking is the most popular but 'traditional' methods like this and home parties are being challenged by social media. Direct sellers are taking advantage of the range of channels now available to them

Time spent on DS



Mean: 11.6 hours per week

Main methods used – existing / new customers



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)

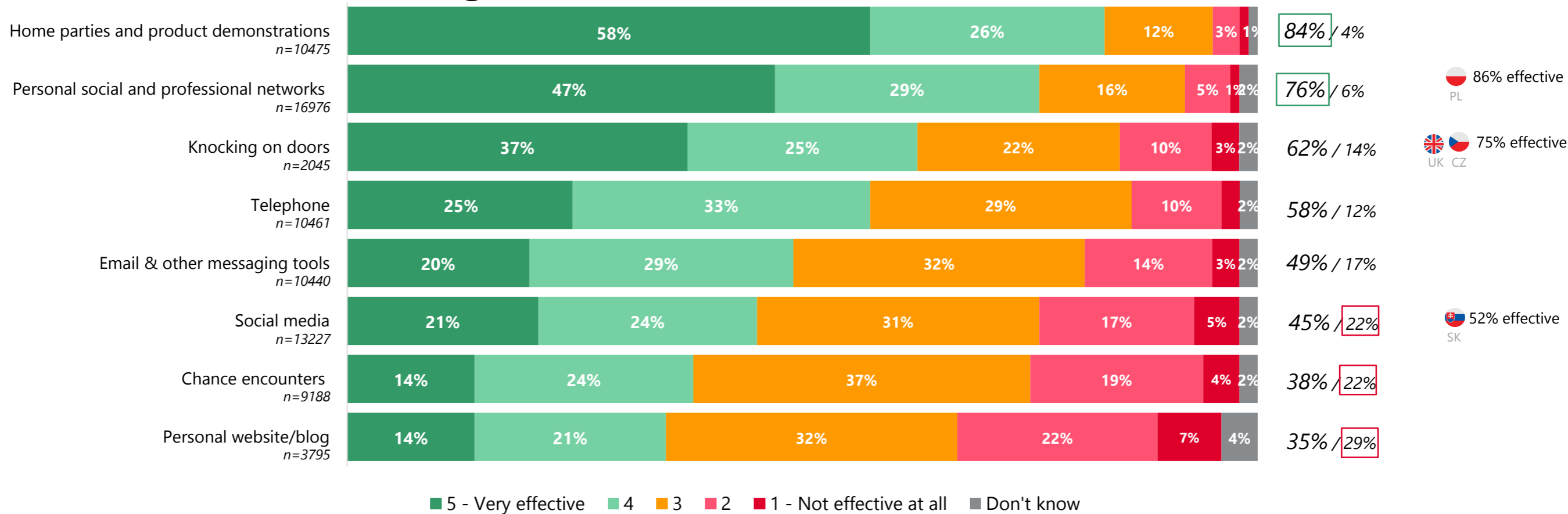


Effectiveness of different DS methods – existing customers

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

Existing Customers

Effective / Ineffective



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

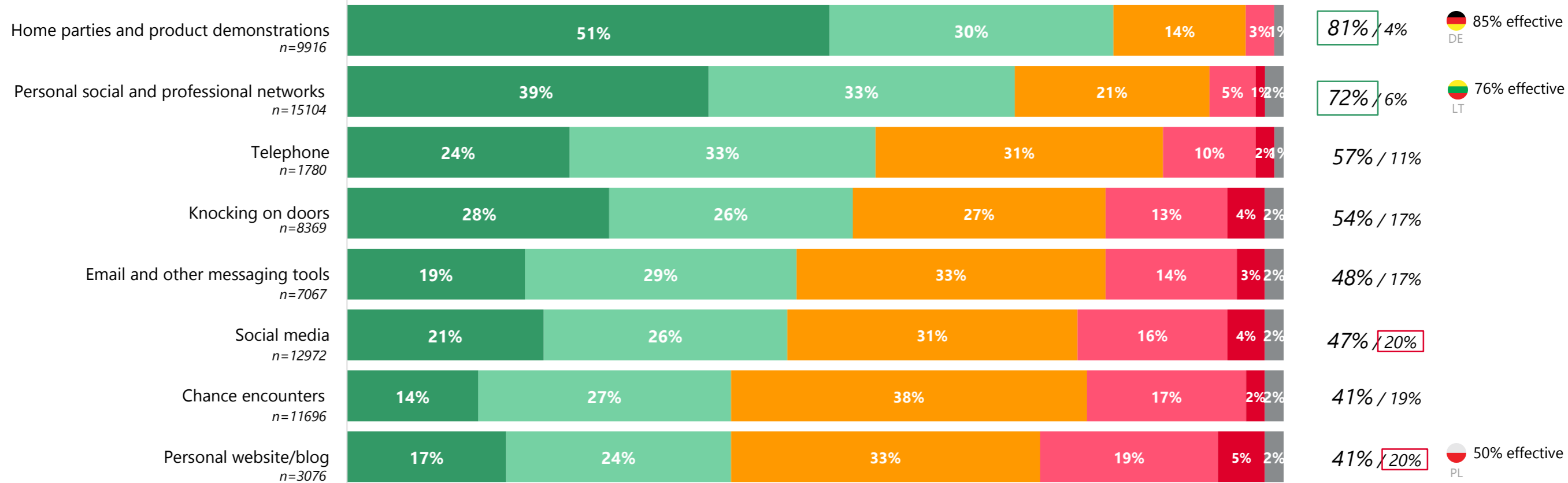


Effectiveness of different DS methods – new customers

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

Effective / Ineffective



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



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

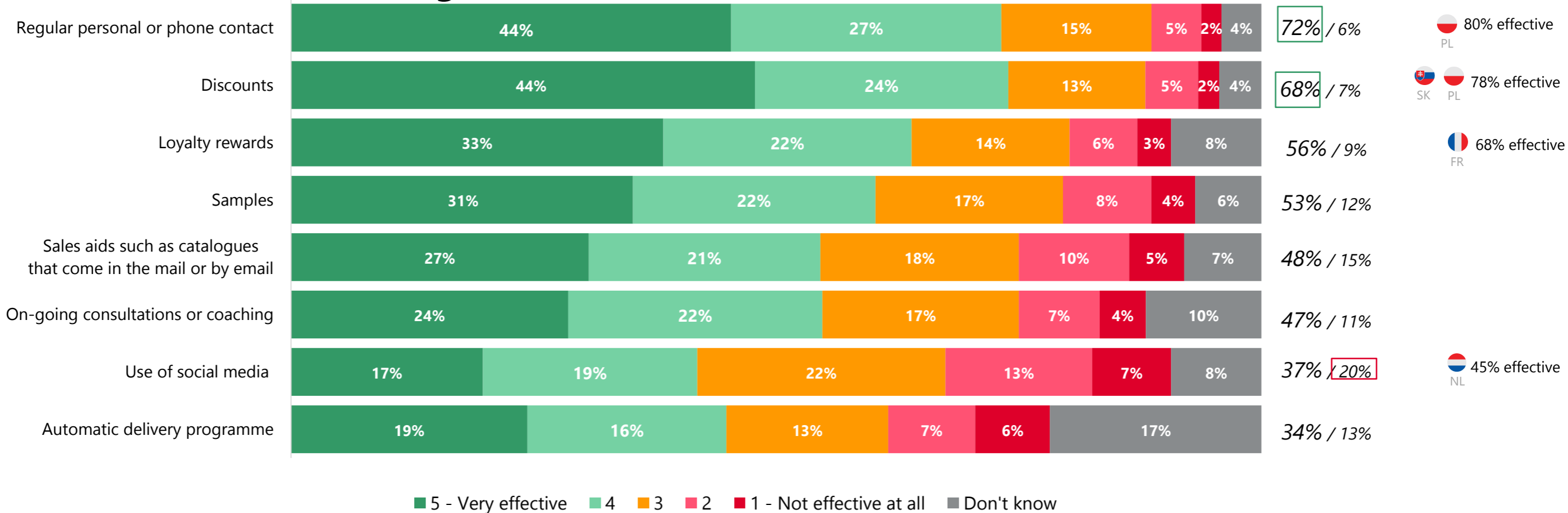


Using tools to retain existing customers

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

Retaining Customers

Effective / Ineffective

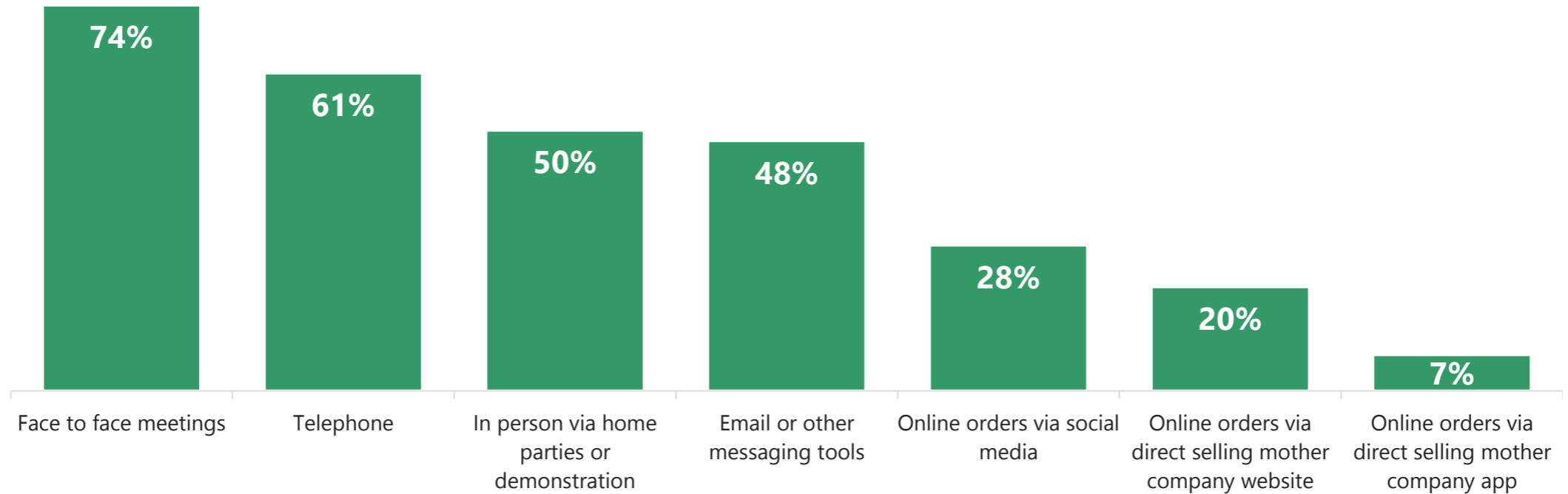



Q9 How effective are the following tools in helping you retain existing customers? (n=28439)




Top channels for customer orders

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



 = 89%
SK


 = 76%
CZ

 = 76%
FR

 = 67%
CZ

 = 41%
UK

 = 28%
NL

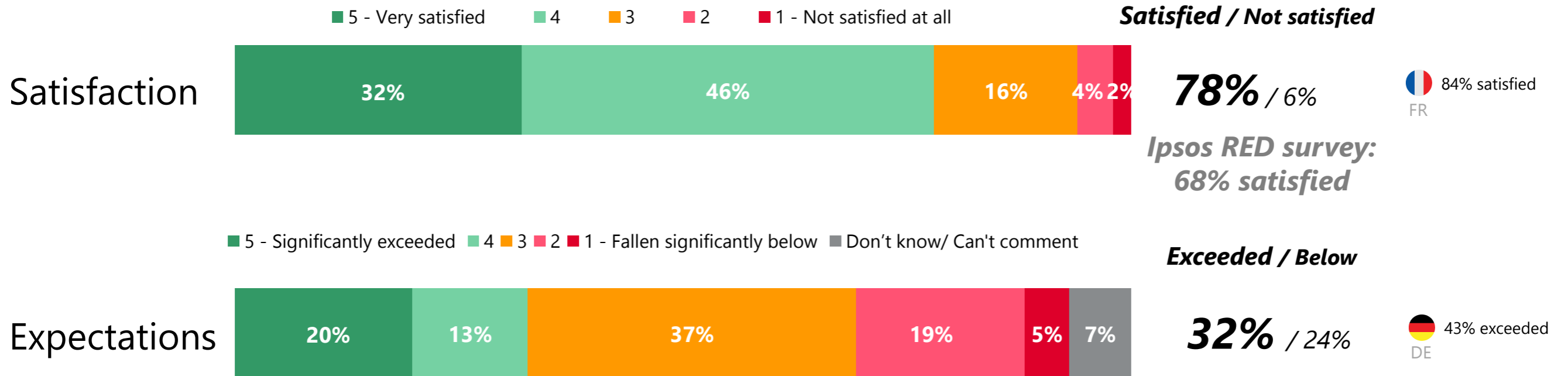
 = 84%
CZ

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

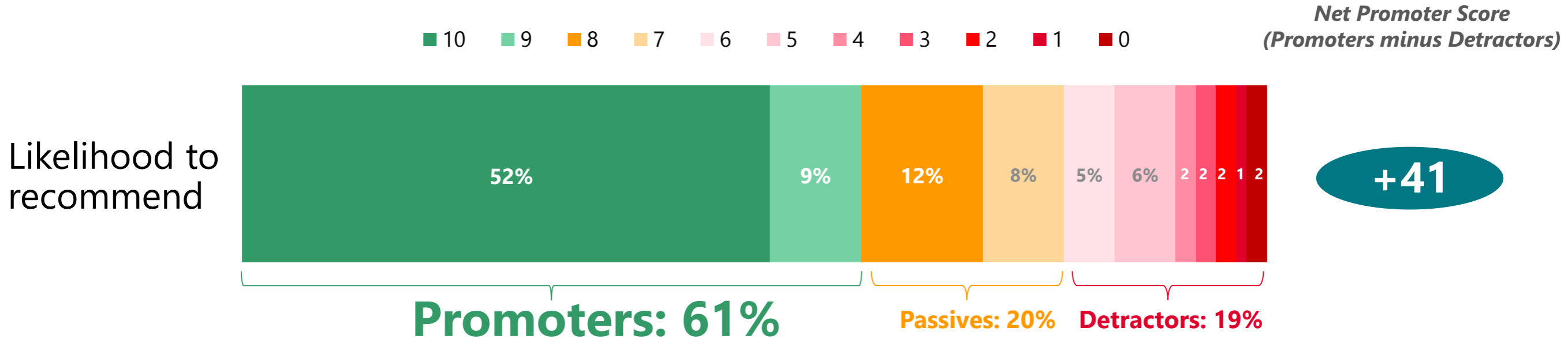


Q11/ How satisfied or dissatisfied are you with your overall experience of direct selling? (n=28439)
 Q12 Thinking about your expectations before you started direct selling, which statement best applies to you? (n=28439)



Likelihood to recommend Direct Selling company (NPS)

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)



NPS = +64
ES

NPS = +58
LT

NPS = +57
DE

NPS = +56
SE

NPS = +48
IT

NPS = +45
FR



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)

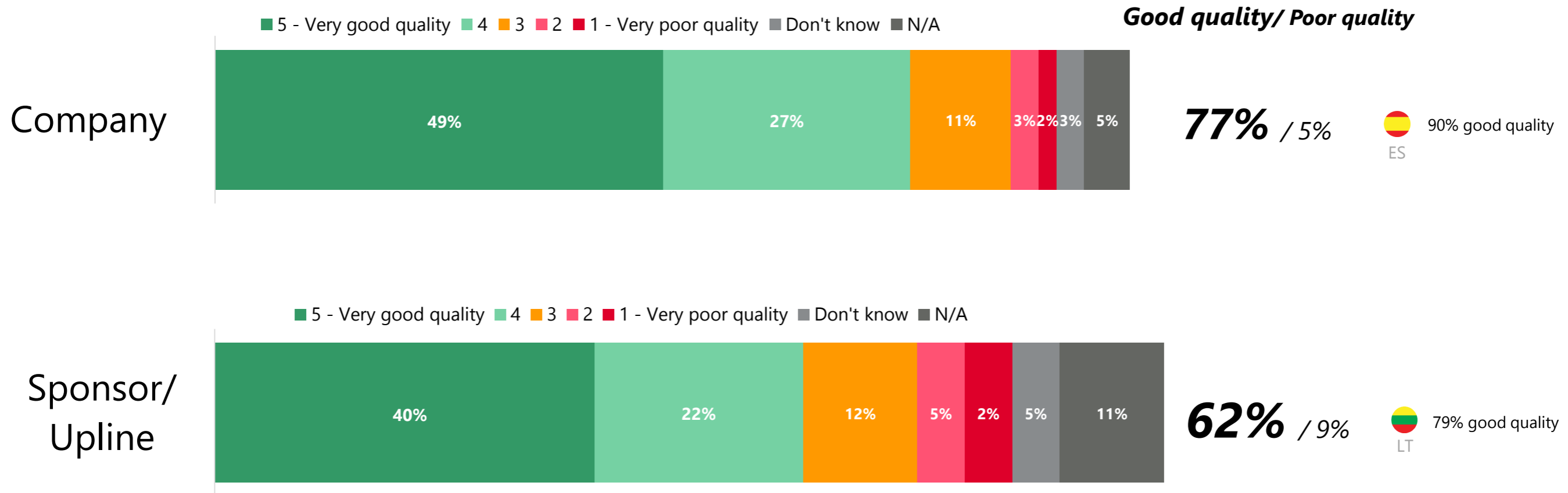


Do Direct Sellers feel supported?



Rating of company / sponsor on training & overall support

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



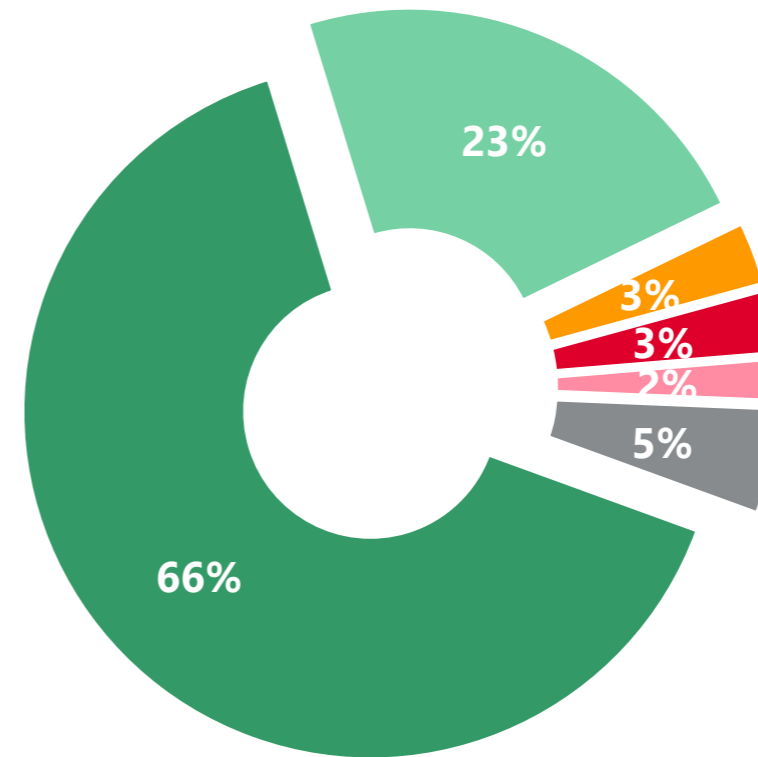
Q13 Please rate your company and sponsor / upline overall on the quality of the training and support they provide (n=28439)



Likelihood to continue with main DS company

Nine out of 10 direct sellers say they are likely to continue with their main company

90%
Likely to continue



■ Very likely ■ 4 ■ 3 ■ 2 ■ Very unlikely ■ Undecided/unsure

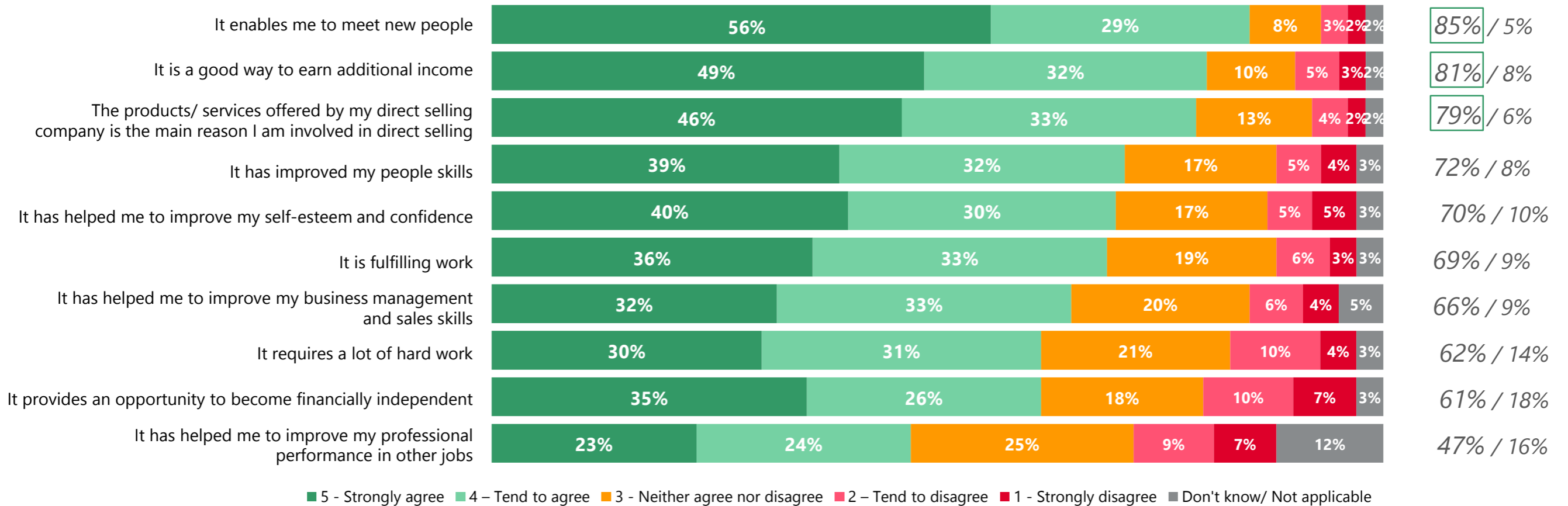
Perceptions and experiences of DS in detail



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

Agree / Disagree



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



DS in three words



DS in three words

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”



Q20 If you had to describe direct selling in just three words, what three words would you use? (n=XXX)



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?



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