

DIRECT SELLERS SURVEY 2023

EUROPEAN LEVEL REPORT

seldia

The European
Direct Selling Association

in collaboration with



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KEY FINDINGS

1

European direct sellers remain happy in their work.

In line with the 2018 results, over three-quarters of direct sellers (78%) say they are satisfied with their overall experience (with only 5% saying they are dissatisfied). Over two-thirds (72%) say that the experience of direct selling has met or exceeded their expectations.

2

For most direct sellers, liking the product is a prerequisite to getting (and staying) involved in direct selling. Other motivating factors tend to vary depending on the extent of their involvement in direct selling.

Respondents involved in direct selling for 8 hours a week or less, and those who report low annual income from the work, commonly mention getting the product at a discount and believing in the values/purpose of the brand as motivation. Direct sellers involved in direct selling more than 30 hours a week, or who gain a higher annual income from it, more commonly mention the flexibility and independence of the work as motivation.

3

Since the previous survey, there has been a shift towards an older age profile among direct sellers.

Three in five respondents are in the 45+ age category (18 percentage points more than in 2018). Correspondingly, the proportion of respondents aged below 35 has more than halved. About half (49%) of respondents have been engaged in DS for 7 years or more. Direct selling continues to be done mainly by women (85% of all European direct sellers) and alongside another job (by 68% of all European direct sellers)

4

Direct in-person contact between sellers and buyers is still at the heart of direct selling.

Face to face meetings and in person home parties/product demonstrations are still the top channels through which most orders are received. However, sellers under 45 are much more likely than their older peers to also use social media, and to evaluate it as an effective method for selling to both new and existing customers, and for retaining customers.

5

Three in four agree that they have gained more than just money through their direct selling activity.

Most confirm that direct selling has helped them to improve their interpersonal skills (77%), self esteem and confidence (74%), as well as business, management and sales skills (72%). Other commonly mentioned gains are the ability to work independently and to meet new people.

METHODOLOGY AND THE ACHIEVED SAMPLE

STUDY OVERVIEW



RESEARCH OBJECTIVES

- This independent market research study sought to investigate real-life experiences of being involved in direct selling (DS) across 12 European countries
- In the process it sought to update findings obtained in the last available study of this kind, published in 2018
- Key topic areas covered included:
 - direct sellers' socio-demographic profile
 - their income from direct selling
 - their experiences of, and satisfaction with, the work
 - the methods they use to sell and the perceived effectiveness of these
 - the type of support they receive from their company or sponsor
 - skills and other benefits they have gained from from DS

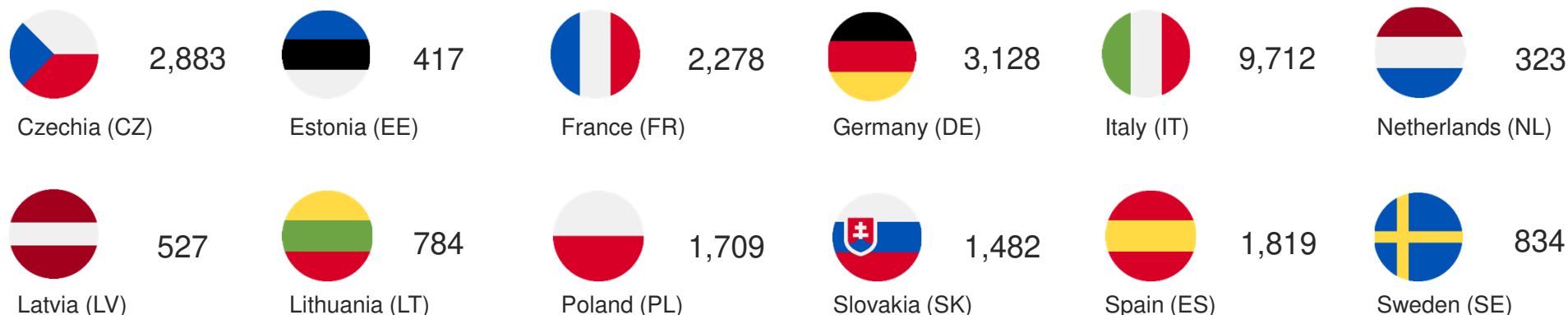


METHODOLOGY

- The survey was conducted online
- Respondents were invited to participate by DS companies or national DS associations affiliated with either Seldia or DSE.
- The 12 markets targeted in the survey were Czechia (CZ), Estonia (EE), France (FR), Germany (DE), Italy (IT), Netherlands (NL), Latvia (LV), Lithuania (LT), Poland (PL), Slovakia (SK), Spain (ES), Sweden (SE)
- Fieldwork was conducted between 27 March and 21 April 21, 2023

ACHIEVED SAMPLE PROFILE AND COMPARABILITY WITH THE 2018 DATA

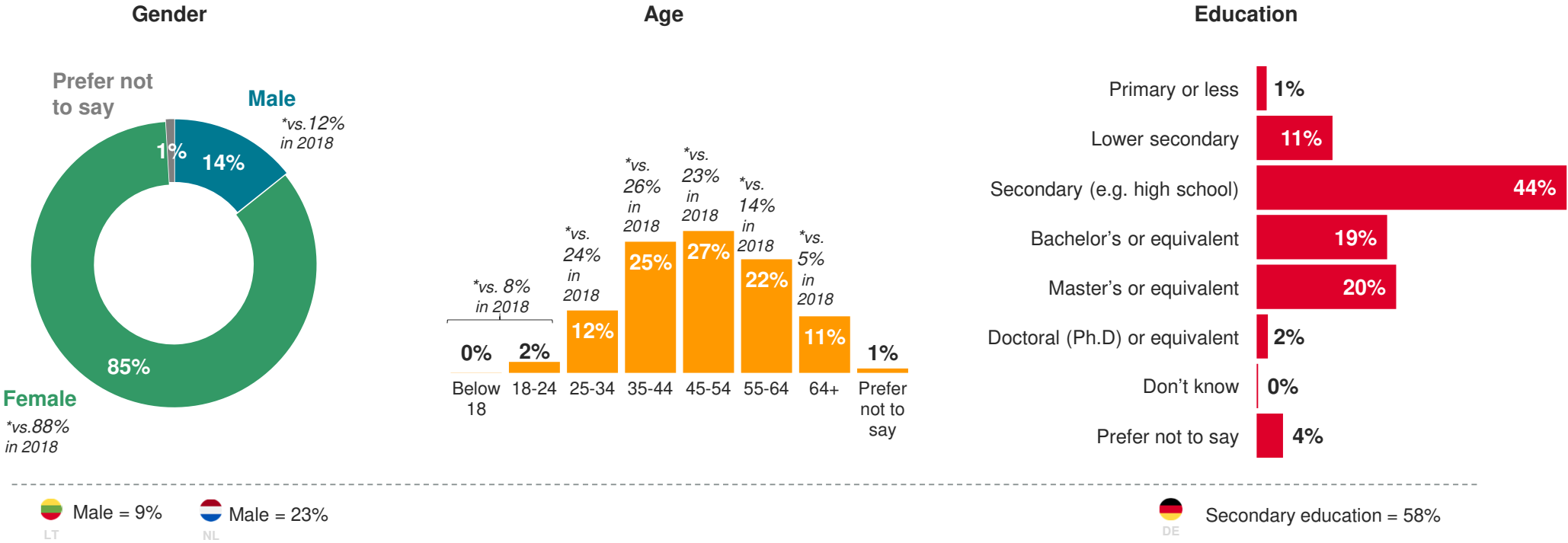
- A total of 25,896 survey completes were achieved across the 12 countries. The numbers of completes per country are set out below.
- As in 2018, European results have been weighed back to direct seller population data based on the 2021 WFDSA Global Statistics Database.
- In the report, notable country-specific differences (countries with highest and/or lowest values) are highlighted with the relevant country flag(s).
- Comparisons with findings from the 2018 results are included where feasible. It should be noted that comparability of the two sets of results may be impacted by:
 - the country mix: In 2023 the UK was removed from the survey, while Latvia and Estonia were added
 - the company mix: The 2023 survey included companies associated with Seldia and DSE, whereas the 2018 survey included companies associated with Seldia only).



WHO ARE DIRECT SELLERS?

GENDER, AGE AND EDUCATION OF EUROPEAN DIRECT SELLERS

On a European level DS continues to be mostly done by women (who represent 85% of the workforce). Three in five European sellers are now 45 years of age or older, which represents an increase of 18 percentage points since 2018. Correspondingly, the proportion of direct sellers who are under 35 years of age has more than halved, from 32% in 2018 to 14% in 2023. In terms of sellers' level of education, over half (56%) have achieved secondary education or less.



8 C3 Gender (n= 25896)
 C4 Please pick the age group you are in. (n=25896)
 C7 What is the highest level of education you have obtained? (n=25896)
 * "results are not strictly comparable due to "prefer not to answer" answer option being added in the 2023 survey."

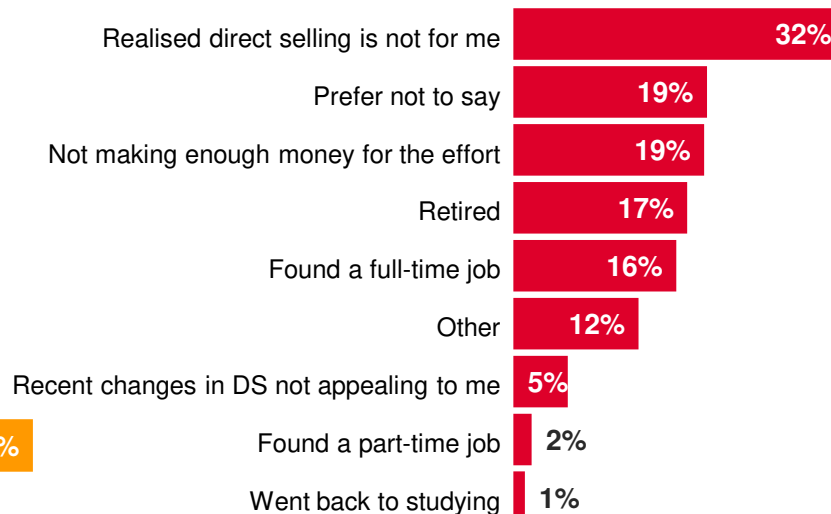
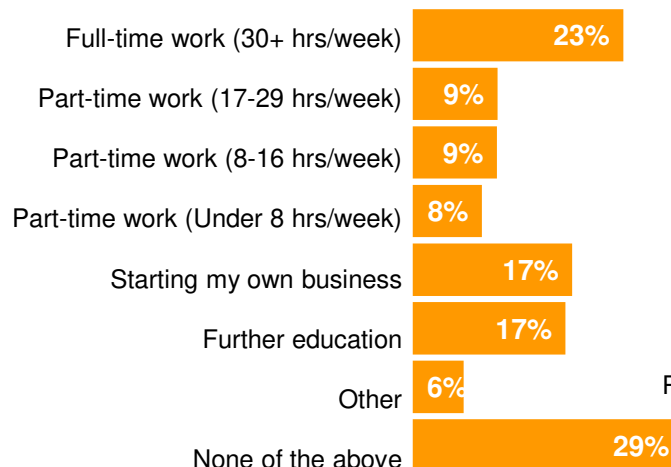
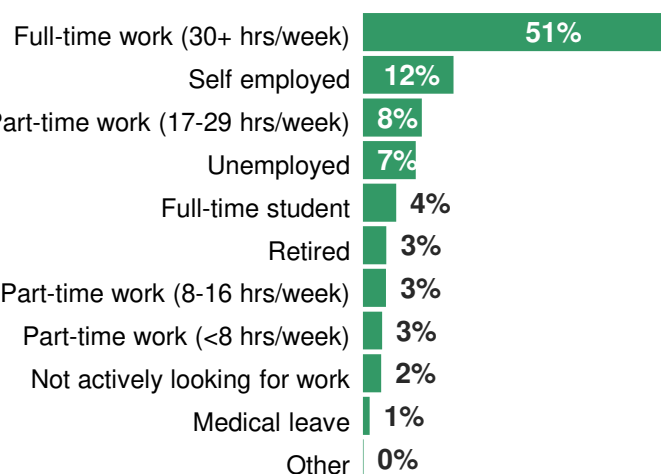
LIFE BEFORE AND AFTER DIRECT SELLING

Before getting involved in DS, over half (51%) of all direct sellers were already employed full-time. Another quarter (26%) were employed part-time or self-employed. Among those who were not employed at the moment of considering possible involvement in DS, nearly a third (29%) were not considering any alternative opportunities and 23% were considering full-time employment. Among those who left DS, the main reasons given are that they felt unsuited to the work (32%), or that the pay was not worth the effort (19%).


Occupation status before DS

Options considered before DS

Reasons for leaving DS



25-44 y.o.: Full-time work (30+ hours per week)=31%

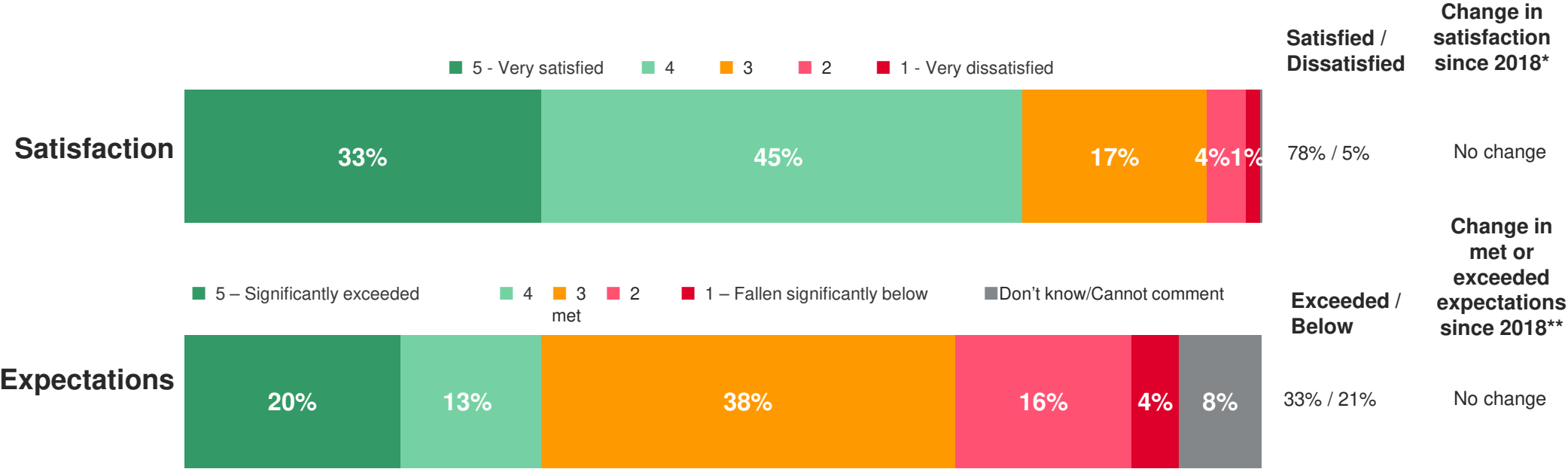
 DS is not for me = 64%


9 Q2 Please indicate which of the following applied to you before you started direct selling? (n=25,896)
 Q3 What other options, if any, did you consider before you decided to become involved in direct selling? You can choose all that apply. (n=6435)
 Q1A Could you please indicate why you are no longer involved in direct selling? You can choose all that apply. (n=1416)


HOW HAPPY ARE DIRECT SELLERS IN THEIR ROLES?

OVERALL JOB SATISFACTION, AND EXPERIENCE VS. EXPECTATIONS

In line with the 2018 results, direct sellers are predominately happy in the work they do. Over three-quarters (78%) say they are satisfied with their overall experience of DS, while just 5% say they are dissatisfied. Seventy-two percent in total say that that direct selling has met or exceeded their expectations, while 21% say it has fallen short of their expectations.



 86% satisfied with overall experience
NL

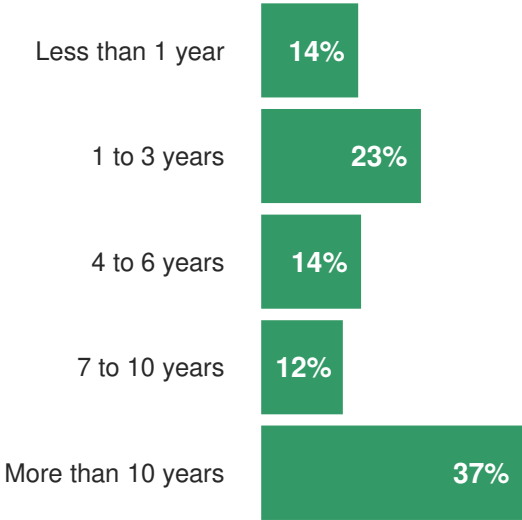
 43% DS exceeded expectations
ES

11 | Q11 How satisfied or dissatisfied are you with your overall experience of direct selling? (n=25896)
Q12 Now, please think about your expectations before you started direct selling. Please select the statement which best applies to you. (n=25896)
*Change in % of respondents reporting their satisfaction level as 4 or higher.
** Change in % of respondents reporting that their expectations have been exceeded (4 or higher).

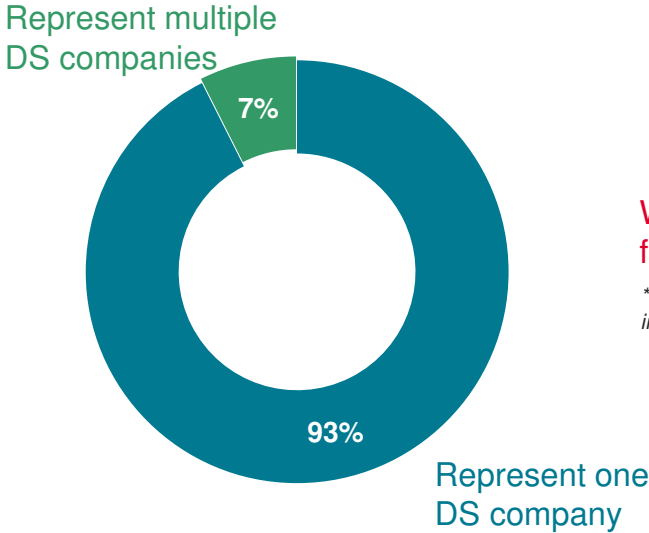
LENGTH OF INVOLVEMENT IN DS AND CURRENT WORKING STATUS

About half (49%) of all European direct sellers have engaged in DS for seven years or more. The vast majority of direct sellers (93%) work for only one DS company. Nearly seven out of ten (68%) combine DS with another activity.

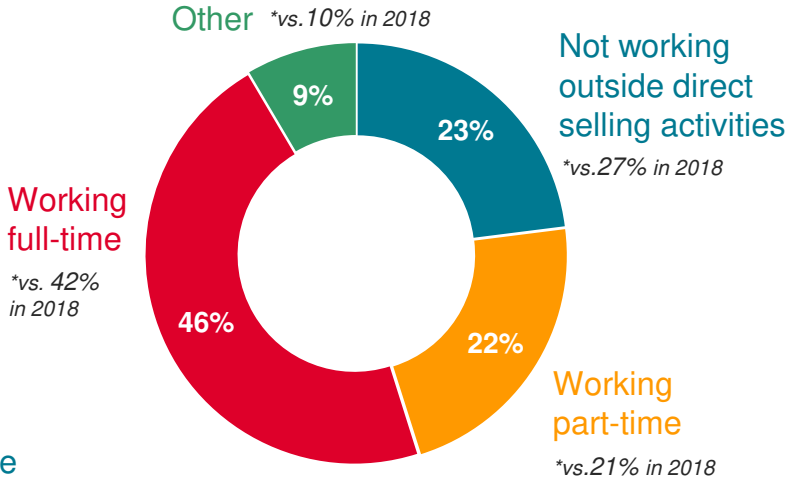
Length of time involved in DS



Number of DS companies represented



Main activity outside DS



13% work for more than one DS company
LV

Working full-time= 69%
LV

Not working outside DS = 34%
IT

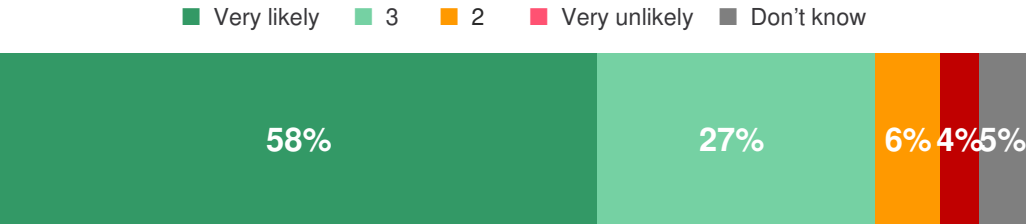
Q1 How long have you been involved in your direct selling activity? Please tick one option (n=25896)
 C2a Which direct selling company do you represent? (n=25896)
 Q4 Which one of the options below best describes your current activities outside direct selling? Outside direct selling activity, I am (n=19461)

*answer option order was changed in the 2023 questionnaire, making results not directly comparable

LIKELIHOOD OF RECOMMENDING DIRECT SELLING COMPANY

More than four in five direct sellers (85%) say that they are fairly or very likely to recommend their direct selling company to a friend or a colleague, with more than half saying they are very likely to do so. Meanwhile, 10% say they are unlikely to recommend their company. Those who spend 9-29 hours a week on their activities and those who obtain a medium or higher income from the work are even more likely to recommend their company to others (95%, 94% and 94% respectively).

Likelihood of recommending current company



Net promotor score
(Promoters minus Detractors*)

+79

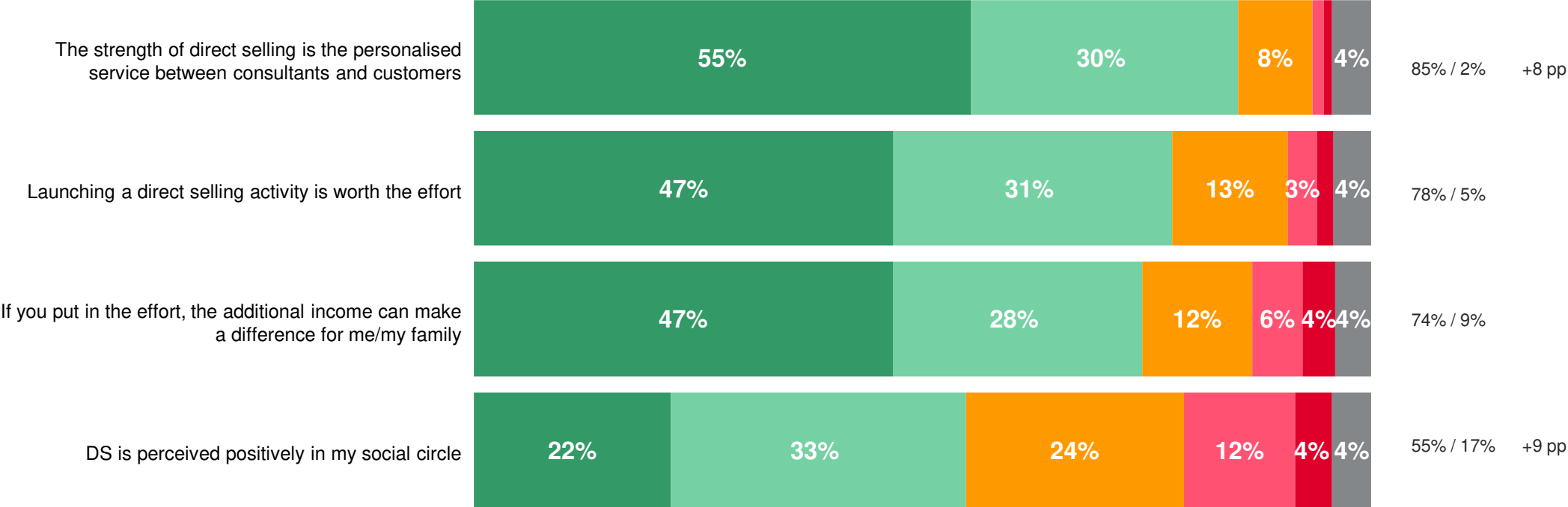


13 | Q15 How likely are you to recommend the company you are currently working for to a friend or colleague? (n=25896)
 *Promoters = % of total who are at fairly or very likely to recommend the company / total responses excluding "don't know" (n=24850)
 Detractors = % of total who are at fairly or very unlikely to recommend the company / total responses excluding "don't know" (n=24850)

BROADER STRENGTHS AND BENEFITS OF DIRECT SELLING

A large and increased majority of direct sellers – 85% - agree that the strength of the DS business is the personalised service between consultants and customers. More than three quarters agree that launching a DS activity is worth the effort (78%) and that the additional income can make a difference (74%). Over half (55%), also report that DS is an activity that is perceived positively in their social circle.

■ 5 - Strongly agree
 ■ 4
 ■ 3 - Neither agree nor disagree
 ■ 2
 ■ 1 - Strongly disagree
 ■ Don't know / Not applicable
 Agree / Disagree
 Change in "Agree" since 2018

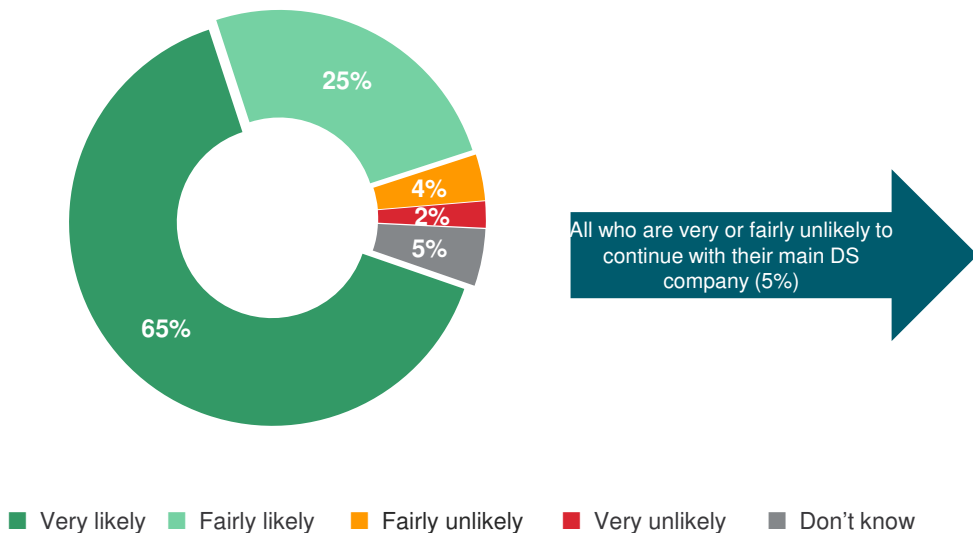


14 | Q20 To what extent do you agree or disagree with each of the following statements about direct selling? (n= 25896)
 Q18 To what extent do you agree or disagree with each of the following statements when thinking about your involvement in direct selling? (n= 25896)

WHAT MOTIVATES DIRECT SELLERS?

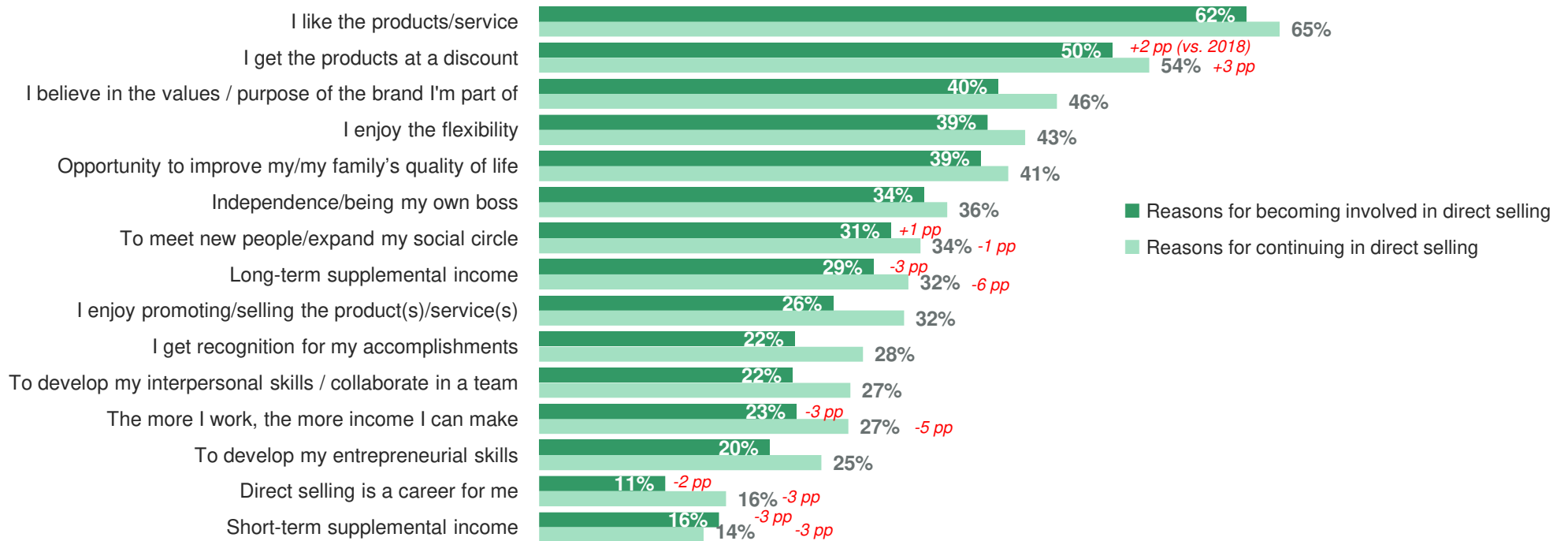
LIKELIHOOD OF CONTINUING WITH MAIN COMPANY

Nine out of 10 direct sellers say that they are likely to continue representing their main company over the next year, including 65% who say they are *very likely* to do so. Just 5% say they are unlikely to continue with their company. The main reasons they give for this are that the income is not worth the effort (mentioned by 38%), followed by not being able to meet the minimum performance requirements (23%), and having joined the company only for the products, not selling (21%).



REASONS FOR INVOLVEMENT IN DIRECT SELLING – PAST AND PRESENT

At the total European level, the top motivation for direct selling continues to be an affinity for the products or services sold, followed by the ability to get products at a discount and a belief in the values or purpose of the brand. Among those who are involved in DS for more than 30 hours a week or who gain a high annual income from it (16,000 EUR or above), the top three reasons are slightly different, comprising, respectively: “I like the products/service”, “I enjoy the flexibility” and “Independence/being my own boss.”

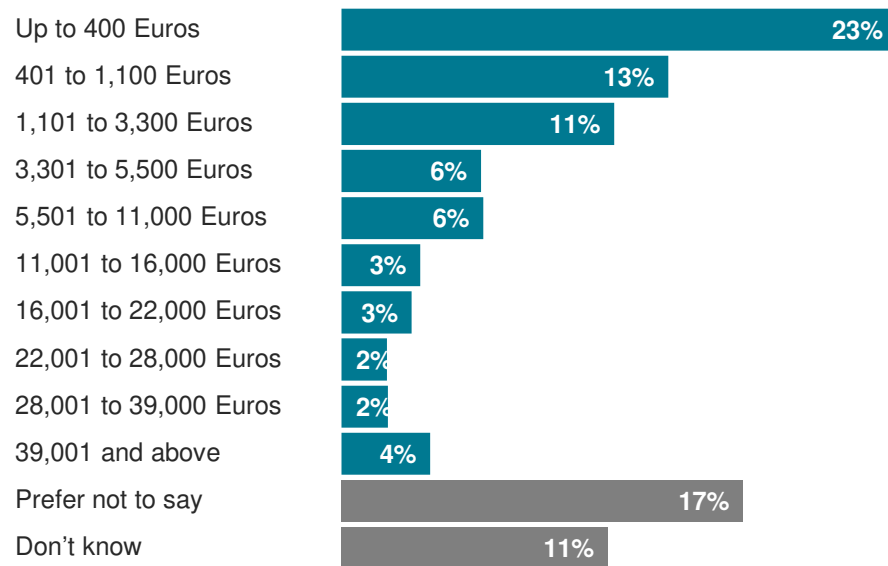


ANNUAL INCOME AND CHANGE OVER LAST YEAR

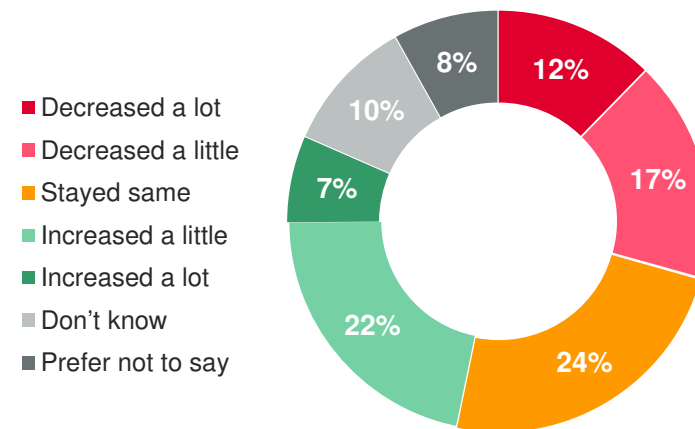
Nearly half (47%) of European direct sellers report an annual income of 3,300 EUR or less from their activity. Of this group, 83% spend 8 hours or less per week on DS activities and 73% have another job outside of DS.

Around three in ten direct sellers (29%) say their income has decreased compared with the previous year, while a similar proportion (28%) say it has increased. Twenty-four percent say their income has stayed the same, while 10% are unsure.

Annual income from DS



Change in income in last year

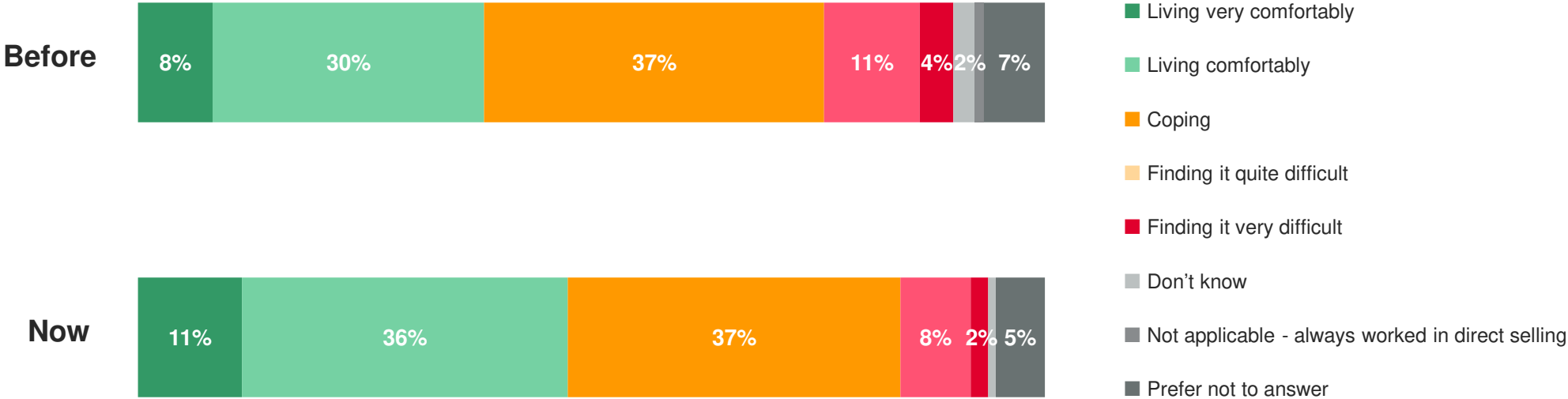


Increased = 37%
 Decreased = 37%

C8 Which of these ranges comes closest to the total annual income you have earned during 2022 FROM DIRECT SELLING, before anything is deducted for tax, national Insurance, pension schemes etc? If you represent more than one direct selling company, please report your total annual income across all of these companies. (n=25896)
 C9 How has your 2022 income from direct selling changed compared to 2021? Has it ... (n=22545)

EASE OF MANAGING FINANCIALLY - BEFORE DIRECT SELLING AND NOW

Reflecting on their household’s financial situation before their involvement in DS and now, European direct sellers tend to report a change for the better: 38% say they were living comfortably or very comfortably before being involved in DS, whereas almost half (47%) say they are doing so now.



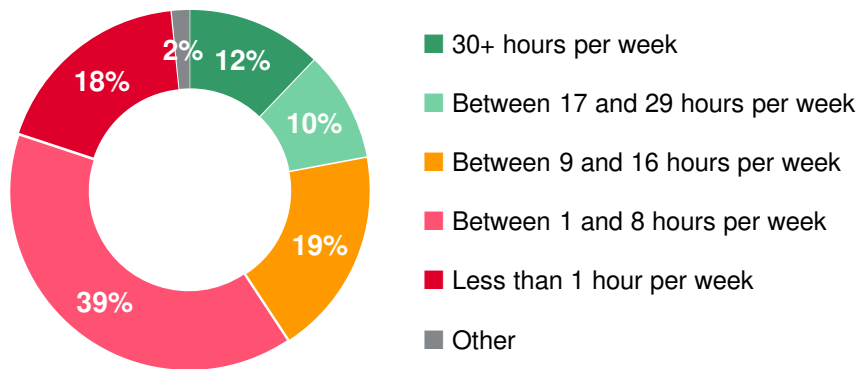
Q5A Before you got involved in direct selling, how well would you say your household was managing financially? (n=25896)
 Q5B And how well would you say your household is managing financially these days? (n=25896)

HOW DO DIRECT SELLERS CONDUCT THEIR BUSINESS?

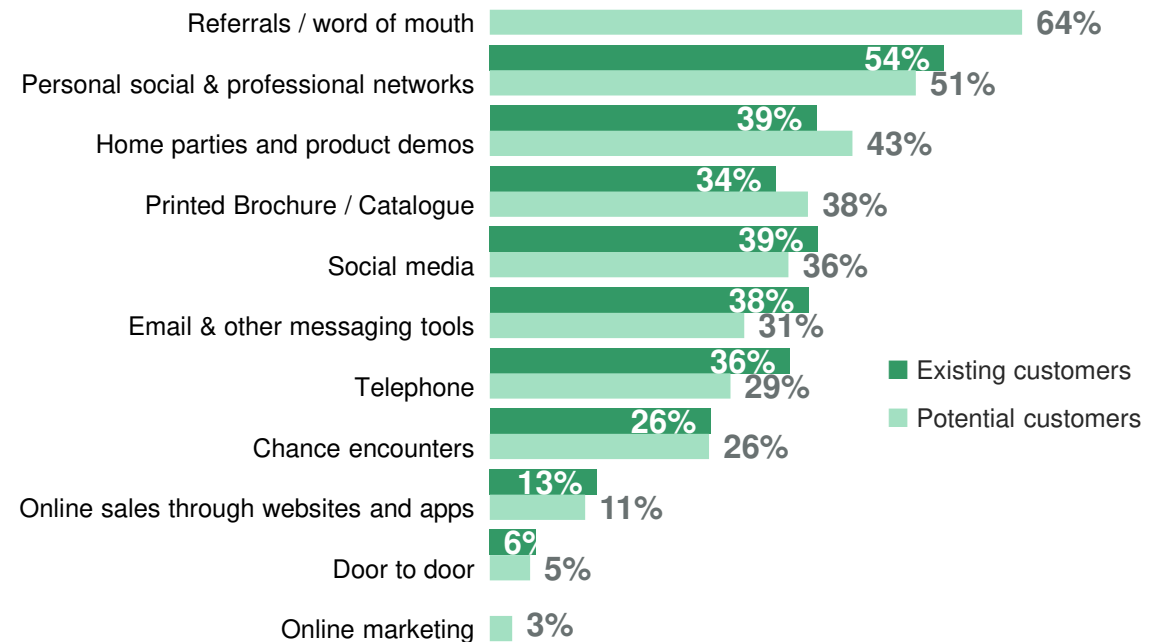
TIME SPENT & METHODS USED FOR EXISTING AND POTENTIAL CUSTOMERS

Over half (58%) of direct sellers spend no more than eight hours a week on their DS activities, while 19% spend between 9 and 16 hours, and 22% spend a minimum of 17 hours. The most commonly used methods for selling to *existing customers* are personal networks (54%), home parties/product demos and social media (39% each). The most commonly used methods for *new or potential customers* are, respectively, referrals/word of mouth (64%), personal networks (51%) and home parties/product demos (43%).

Time spent on DS



Main methods used for existing and potential customers

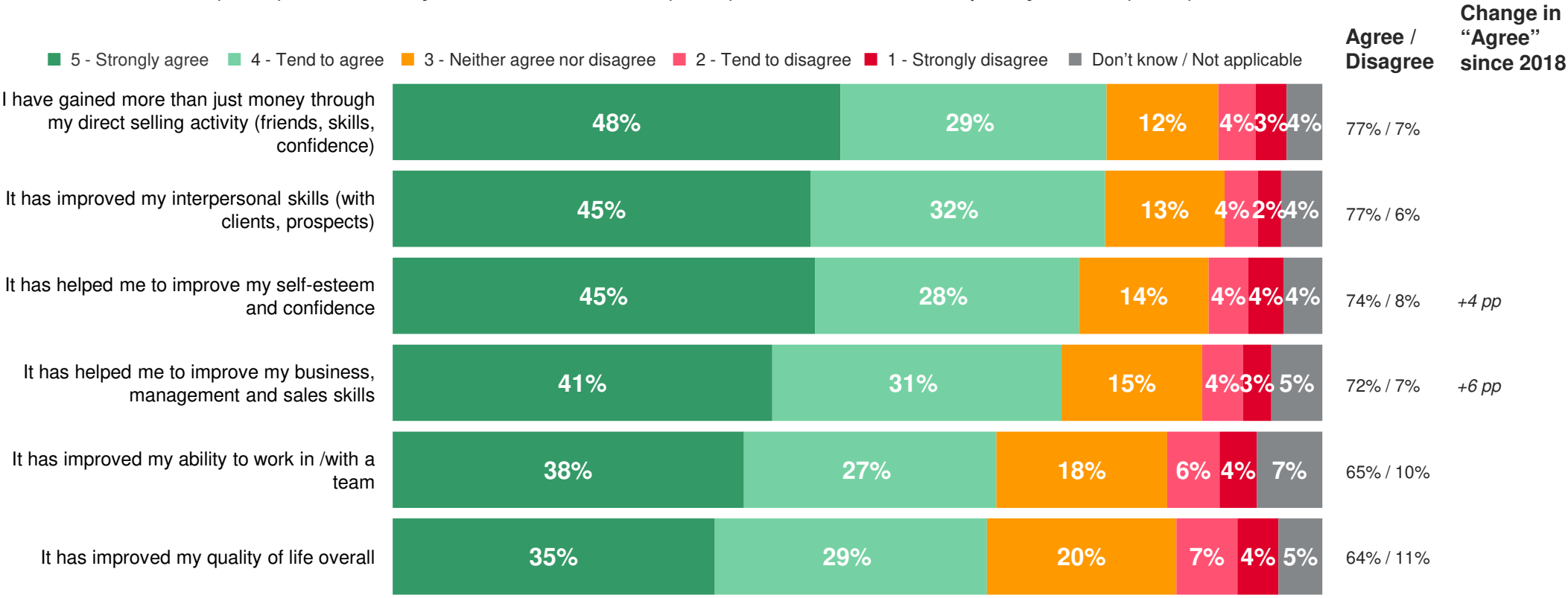


Q5 How much time do you typically devote to direct selling? Please tell us the average hours per week. When answering please consider the time spent in selling, preparation for parties/demonstration, social media presence, training, mentoring etc. (n=25896)
 Q7A What methods do you most commonly use to sell to your existing customers? (n=25896)
 Q8A What methods do you most commonly use to sell to your potential new customers?(n=25896)

SKILLS AND OTHER GAINS FROM DIRECT SELLING

SKILLS AND ABILITIES GAINED THROUGH DIRECT SELLING

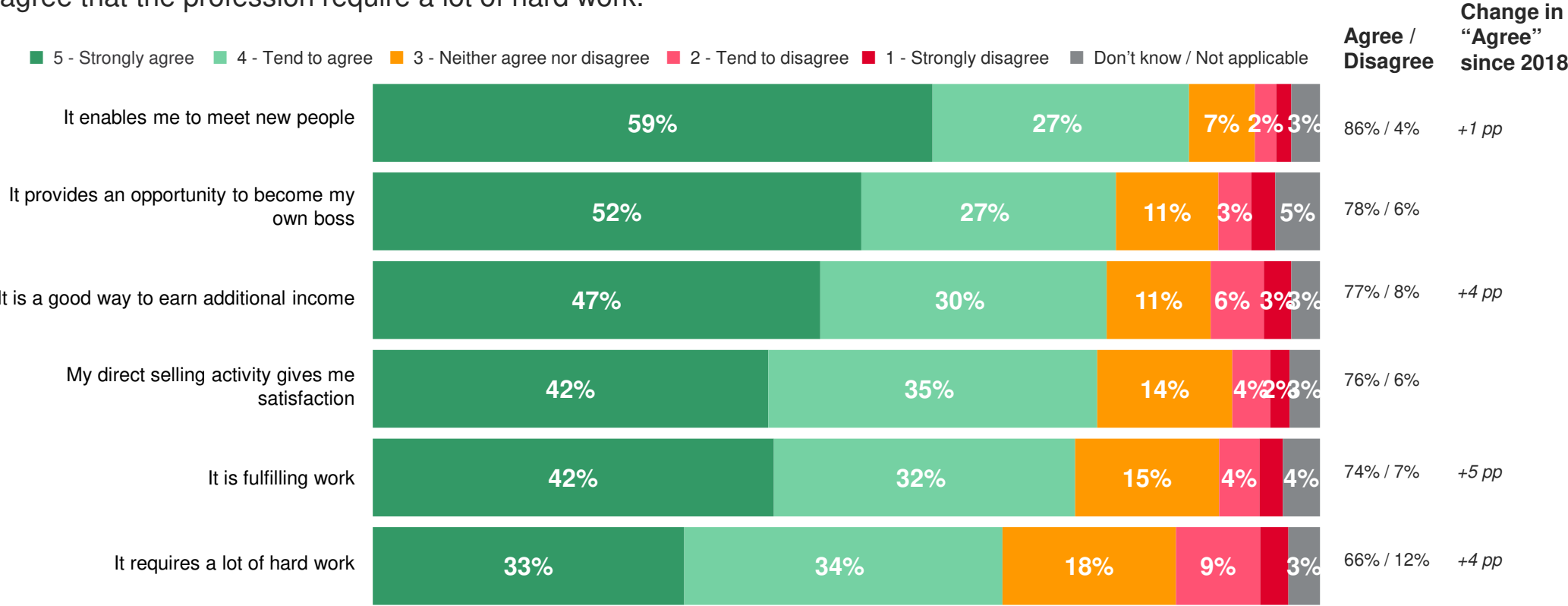
More than three-quarters of direct sellers (77%) say that the work has given them more than just money, and that it has improved their interpersonal skills. Most also say that DS has helped improve their self-esteem and confidence (74%) their business skills (72%), their ability to work in a team (65%), and their overall quality of life (64%).



23 | Q18 To what extent do you agree or disagree with each of the following statements when thinking about your involvement in direct selling? (n=25896)
 Q20 To what extent do you agree or disagree with each of the following statements about direct selling? (n=25896)

OTHER OPPORTUNITIES THAT COME WITH DIRECT SELLING

Most direct sellers are in agreement that the work provides a range of other opportunities too – in particular, opportunities to meet new people (86%), to be one’s own boss (78%) and to earn additional income (77%). At the same time, two-thirds (66%) agree that the profession require a lot of hard work.



24 | Q18 To what extent do you agree or disagree with each of the following statements when thinking about your involvement in direct selling? (n= 25896)
 Q20 To what extent do you agree or disagree with each of the following statements about direct selling? (n= 25896)

SUMMING UP DS – IN THREE WORDS

DIRECT SELLING IN THREE WORDS

Asked to describe direct selling in three words, respondents give almost exclusively positive responses. The words most commonly mentioned generally reflect perceived strengths and benefits of direct selling highlighted elsewhere in this report, including: freedom, profit/income, quality, independence, satisfaction/gratification, as well as contact/connection and personal or customised service. While these findings are similar to those recorded in 2018, new words emerged in 2023 such as “development/evolution” and “trust/confidence”. There is also an increased emphasis on income and profit, perhaps reflecting the challenging economic climate of recent years.

2023



2018

