

## **Direct Selling:** An Accessible Path to Entrepreneurship

Direct selling is a business model that offers entrepreneurial opportunities to individuals as independent contractors to market and/or sell products and services, typically outside of a fixed retail establishment, through one-to-one selling, in-home product demonstrations or online.

More than six million entrepreneurs in the U.S. are selling products or services through the direct selling channel, providing a personalized buying experience for more than 36.6 million customers. That's because direct selling offers a low-risk way to participate in a fast-growing part of the economy.

Direct selling remains a relationship business. Some of those relationships still happen face-to-face; however, direct selling has changed along with the rest of the economy. Individuals are building relationships through social media, using e-commerce sites to complete transactions, and sometimes functioning as mobile "show rooms" for emerging product lines. The appeal of direct selling is often the ability to experience the product first hand and build a relationship with a sales person who uses the product themselves. Direct selling fills in an important gap in the emerging online economy.



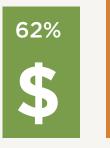
For most Americans involved in direct selling, the revenue they earn is not their primary income but the way to a family vacation, or presents for the holidays, or just a little extra spending money. In fact, most direct sellers only work part time in direct selling, and many have other jobs.

Direct sellers are your neighbors, your friends, and your family—and whether they work a few hours a week or full-time, they are American entrepreneurs in the truest sense of the word.

The information contained herein gives you a visual snapshot of direct selling in America. We hope you'll take a couple minutes to better understand what direct selling is all about.

## **Direct Sellers Value Opportunity**

Americans Turn to Direct Selling Because It Meets Their Needs



Long-term Supplemental Income



**Provides** Flexibility



**Products** at a Discount

Source: DSA 2014 National Salesforce Study

Direct Selling Is Popular by Any Measure

Met or exceeded expectations

82% Excellent/good

78% Would recommend

Source: DSA 2014 National Salesforce Study

## Direct Selling Is the Most Accessible Path to American Entrepreneurship

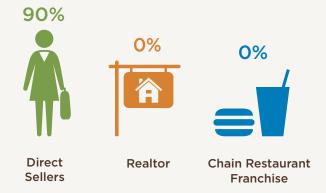
Direct Selling Is Accessible With a Low Cost-of-Entry



<sup>\*2013</sup> DSA Sales Strategy Survey

Direct Selling Is Low Risk

Refund Percentage If You Decide to Stop



Source: DSA Code of Ethics

## **Direct Sellers are Empowered**

Direct Sellers Are More Affluent Than the Average American

Percentage of Household Incomes Greater than \$50K

All Americans: 52%

Direct Sellers: 58%

Direct Sellers Are Better Educated Than the Average American

**Direct Sellers** 

U.S. Average



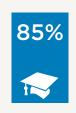
College Graduates



**High School** Graduates



College Graduates



**High School** Graduates

<sup>\*\*</sup>Source: Conservative estimate based on cost of courses needed to obtain real estate license, pay for initial materials, MLS system costs, REALTOR membership. Costs vary by state.

<sup>\*\*\*</sup>Conservative estimate. Many large chain restaurants have start up costs in excess of \$1 million-though some are less.