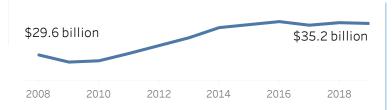


Direct Selling in the United States

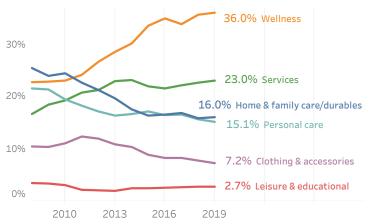
2019 Industry Overview

Direct selling in the United States represents \$35.2 billion in retail sales in 2019. DSA has refined data collection to better separate direct sellers from customers. This new research from DSA's Growth & Outlook Report shows there were 6.8 million direct sellers and 36.9 million customers during 2019. By dividing the \$35.2 billion in sales by the 6.8 million direct sellers, direct sellers averaged \$5,176 in retail sales per year.

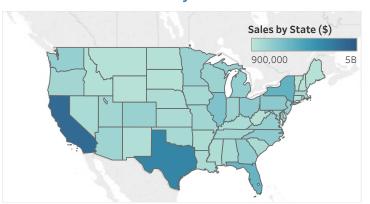




Sales by Product Category



Sales by State



Direct Sellers

6.8 million direct sellers build a business full time (30 or more hours/week) or part-time (fewer than 30 hours/week) and sell products/services to consumers and may sponsor people to join their team

Full-time Part-time

0.9 million

5.9 million

More than 36.9 Million Customers

(Excludes those who have not signed an agreement with a direct selling company)

Discount Buyers 9.6 million

Preferred Customers 27.3 million

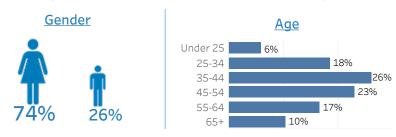
White/

Caucasian

83%

Demographic Breakdowns

(Demographics include both direct sellers and discount buyers)



Hispanic Ethnicity

Hispanic 20% Non-Hispanic 80%

Race

American
Indian/Alaska Asian Black/African American
Native

Black/African Pacific Other
Islander

1% 5% 8% 1% 2%

Source: DSA 2020 Growth & Outlook Report: U.S. Direct Selling in 2019; For further information visit www.dsa.org/benefits/research

Definitions

Direct selling: A business model that provides 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. Compensation is ultimately based on sales and may be earned based on personal sales and/or the sales of others in their sales team.

Direct sellers build a business full time (30 or more hours/week) or part-time (fewer than 30 hours/week) and sell products/services to consumers and may sponsor people to join their team. Discount buyers are eligible to purchase, sell, & sponsor, but are product lovers, only purchasing products/services they personally enjoy and use at a discount.

Preferred customers have signed a preferred customer agreement with a direct selling company where they may be eligible to pay wholesales prices for products/services. They are not eligible to sell

products/services to others, and they are not eligible to earn. **Note:** Figures above may not sum to 100% due to rounding