



December, 2017

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Objectives, Methodology, and Profile of Participating Companies

Objectives



About this survey

The Direct Selling Association conducted this new study to provide member companies with actionable information to improve their future go-to market strategies and to benchmark their efforts against the overall industry and against leaders in the collaborative economy. This is the first of two waves of this study.

Objectives

The study examines:

- The evolving nature of the direct selling model
- KPIs such as independent representative and consumer acquisition and retention costs
- The party plan model in the age of social media
- The challenges and opportunities posed by technology, e-commerce, and the collaborative economy

Methodology

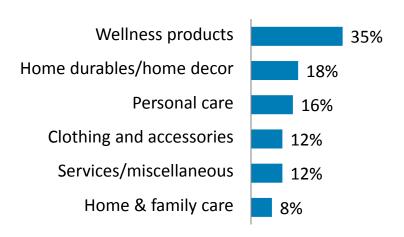


- The survey was conducted online from September 8 29, 2017.
- All DSA member and pending member companies were given the opportunity to participate.
- A total of 51 member companies completed the survey out of 184 companies that were invited to participate yielding a 28% response rate.
- Answering the questionnaire online averaged 25 minutes (median) in length.
- Note: Due to the wide range of sizes of DSA member companies and the sales strategies they employ, there are considerable variations in responses to questions.
- The 51 member companies that participated in the study are a good cross-section of DSA member companies, however, the data is representative only of these companies and cannot be generalized to the industry as a whole.

Profile of Participating Companies

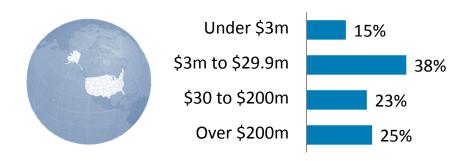


Company's Primary Product or Service Category

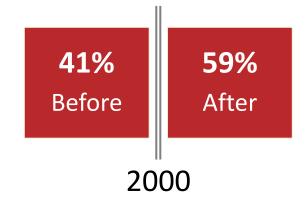


47% are Party Plan Companies

Company's Net Sales U.S.



Started Direct Selling...



Base: Total Respondents (N=51)

Q2. Does 10% or more of your annual net sales come from the party plan sales channel?

Q62. When was your company's first year of Direct Selling in the U.S.?

Q63. What is your company's primary product or service category?

Base: Total Answering (N=48)

Q1. What were your company's <u>net sales</u> of consumer products and services in the <u>United States</u> that were generated via direct selling for 2016?

Base: Total Answering (N=49)