

Why direct selling
provides a source
of supplementary



Income & much more

The direct selling industry provides distributors with an opportunity to derive an additional or primary source of income. In this chapter I will identify and discuss several strong and compelling reasons why direct selling offers such wealth building opportunities as well as so much more.

Family and flexibility

Direct selling offers a lifestyle choice. A study commissioned by the Direct Selling Association of New Zealand (1999), entitled *The Hidden Industry*, found that 80 per cent of those surveyed felt their lifestyle had improved as a result of their involvement in the direct selling industry, and 83.5 per cent concluded they were more independent.

Many of the distributors noted, 'I wanted a career where I could be with the kids', with a number of parents pointing out that as their children grew, they found so did their involvement in extracurricular activities such as singing lessons and sports. These parents not only felt they needed an alternative source of income to fund these activities but they also acknowledged they required the flexibility to be able to support and attend such commitments.

Some of the more self-sacrificing women I spoke with even stated that they didn't want their partner to have to give up their career in order that they could have a career, whilst others acknowledged that they felt guilty staying at home and not contributing to family finances. For these women, the flexibility of the direct selling industry fulfilled their needs on all levels.

The direct selling industry works on the premise that you will be rewarded according to your efforts. Consequently, this industry offers the highest level of flexibility. If you decide to work less, you will be rewarded accordingly. Distributors, particularly mothers and those working full-time or part-time jobs, have the opportunity to adjust their input depending on their workloads. The industry also offers members the flexibility to vary what time of the day they work. Parents of small children can opt to work in the evenings or during the day, introducing their product whilst spending quality time with friends in parenting groups, clubs and at other social get-togethers. There are no set hours – unlike traditional employment, you don't have to turn up to work at 9 am and work a solid 8-hour day. In fact, some distributors acknowledged they were able to earn just the right level of extra cash to help make ends meet by working as little as 10 hours per week. The versatility of this industry means you have the chance to work as little or as much as you like depending on your reasons and goals for becoming a distributor.



Give It A Go!

Entrepreneurial aspirations

The direct selling industry is one of the few industries that can offer any individual, irrespective of their race, financial status, education level, sex, or religion, an affordable opportunity to start their own business. The costs to start your own business from scratch can be horrendous and for many, this alone is the reason that prohibits them from realising their own entrepreneurial goals. Some of those interviewed commented, that they had looked into the idea of joining a franchise however, as they pointed out, this option was still too expensive, highly controlled and very restrictive.

As a distributor of a DSO you are generally only responsible for such costs including:

- purchasing and maintaining your kit if you elected to work in party plan
- a monthly consignment of stock for personal use if you decided to enter network marketing
- catalogues for distribution if you joined a DSO that distributes through door-to-door sales.

Unlike even the smallest business owner, you do not have to worry about the marketing, inventory and or product quality. Being a distributor means you are free from these substantial costs and the cumbersome worries that can plague and stress many business owners.

The direct selling industry offers other benefits compared to owning and operating your own business. Many small business owners find owning their own business becomes more like a job, with the business relying solely on them.

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One of the appealing features of direct selling is the low-cost entry; the start-up cost is universally affordable. This is in complete contrast to the independent business opportunities like those offered in franchising, which normally require investments that are beyond the financial means of most of those wanting to run their own business and which generally demand a full-time commitment.

Why direct selling provides a source of supplementary income & much more.

Working in the direct selling industry, distributors have an opportunity to create a business they can leverage, which will operate without them being there all of the time and, more importantly, without the business being entirely dependent on them.

Some entrepreneurial mums and dads said they were creating a business they could pass on to their own children. I interviewed one mum from a lingerie company who was slowly passing her business on to her 21-year-old daughter.

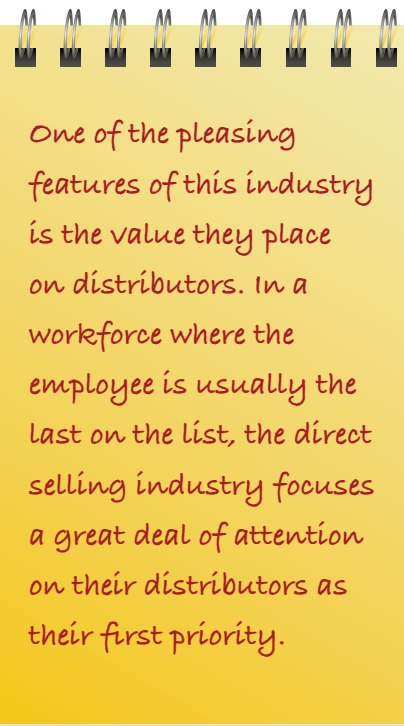
Longevity

The direct selling industry offers security and longevity in a world that has long seen the end of the 10 to 20 year working career with one employer. Success in this industry relies solely upon you. There are few encumbering obstacles between the realisation of your own success and security other than your own limiting attitude.

Personal development

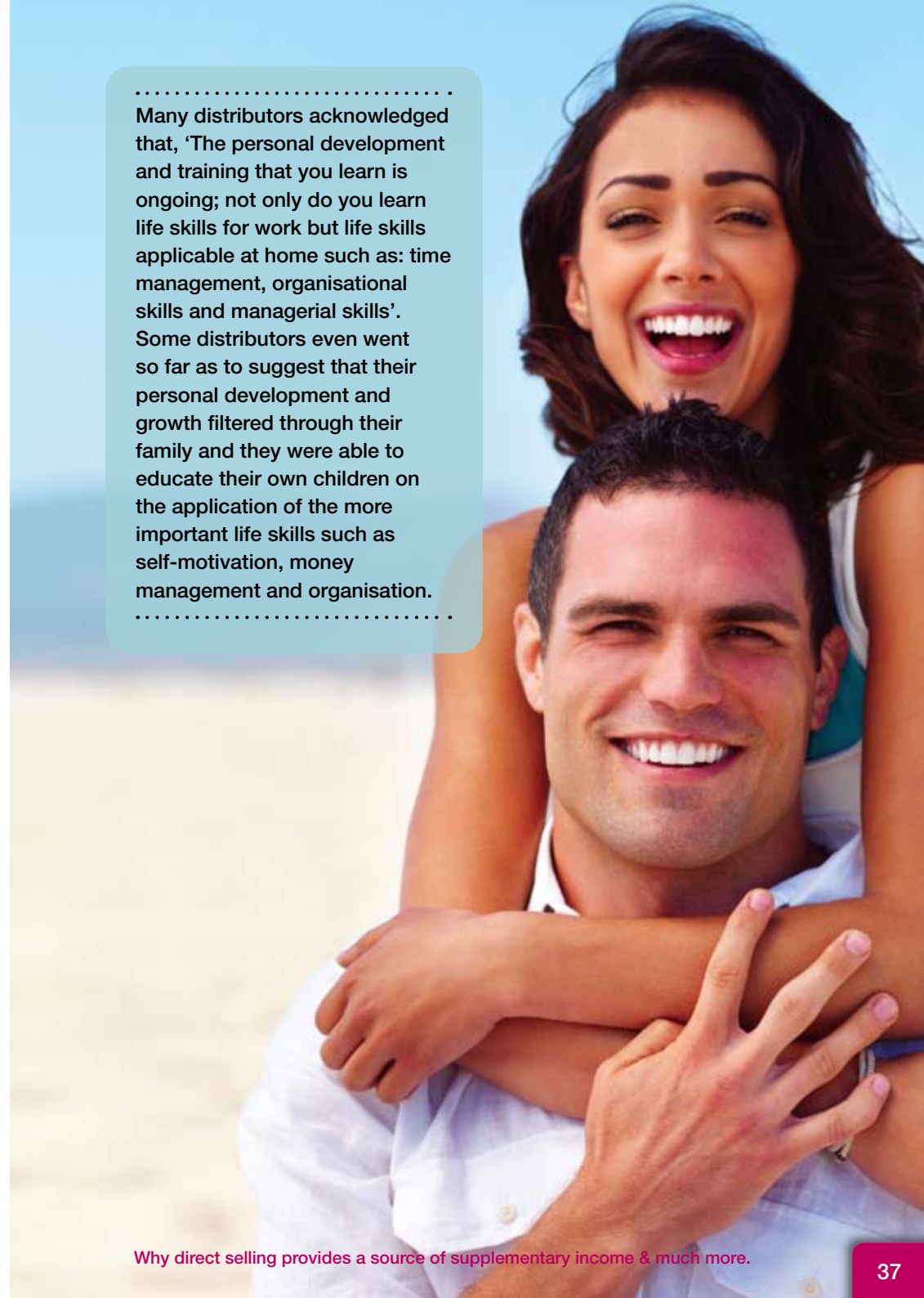
The study entitled *The Hidden Industry* found that of the 90,000 distributors and agents involved, 90 per cent felt they had learnt new skills or improved old ones as a result of being involved in direct selling. 93 per cent agreed that their communication skills had improved and 87.5 per cent felt they were more confident.

The personal development and training provided by many DSOs is second to none. Joining a DSO means you have an opportunity to develop yourself in many facets of both your personal and business life. DSOs provide the highest level of training and support to their distributors. In fact, many will happily admit they spend more money on training and supporting their distributors than they do on marketing their business and products.



One of the pleasing features of this industry is the value they place on distributors. In a workforce where the employee is usually the last on the list, the direct selling industry focuses a great deal of attention on their distributors as their first priority.

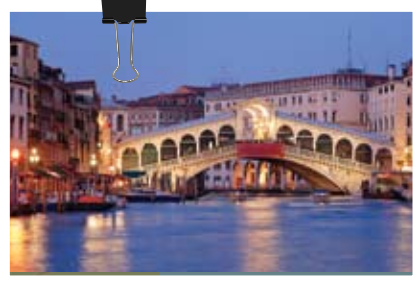
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Many distributors acknowledged that, 'The personal development and training that you learn is ongoing; not only do you learn life skills for work but life skills applicable at home such as: time management, organisational skills and managerial skills'. Some distributors even went so far as to suggest that their personal development and growth filtered through their family and they were able to educate their own children on the application of the more important life skills such as self-motivation, money management and organisation.
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Incentives and rewards

The incentives offered by the direct selling industry are extensive. The industry richly rewards its distributors in a number of ways including overseas trips, cars, even jewellery. Every DSO will have a compensation and reward plan. The rewards are powerful incentives to motivate distributors to achieve set targets. A number of distributors have told me that ordinarily they would never have had the chance to indulge in exotic overseas trips like walking the Great Wall of China or bathing in the tropics of Thailand if they had not joined the industry. If you are prepared to work hard and achieve set targets you will indeed be rewarded for your efforts. This is perhaps one of the more appealing characteristics of the industry. As many of you will know, traditional employers do not offer such indulgent overseas trips, let alone with hundreds of associates

with whom you have the opportunity to create close, life long relationships. In traditional employment, the best an employee can hope for is a decent pay rise, and that's still subject to tax. The rewards provided by the DSOs are a reflection of their commitment to their consultants. I interviewed a number of the owners and directors of a range of global DSOs. Their level of commitment and recognition of the importance their distributors played in the success of their business particularly struck me. Upon reflection of my own prior working career, the best I had received for my 10-hour days was a 2 per cent pay rise and a token 'thanks'.



Like to make some notes?

A large, vertical, lined notepad area with a red horizontal line at the top and blue horizontal lines below. It has a white background and a light blue border on the right side. There are several circular punch holes along the left edge.