

## Key messages to be promoted from the Ipsos MORI socio-economic study

### Bullet points

Remark

The bullet points developed under each of the ten key messages may be adapted to fit the needs of the markets in which these messages will be used. The format may be changed into a more elaborated text and presentation if necessary.

**1. Gender**

***Women ... the power behind the growth of direct selling !***

The recent Ipsos MORI study on direct selling demonstrates that :

- 83 % of direct sellers are women.
- They are very satisfied with the earning opportunities direct selling offers them, as well as with the possibility to develop new professional skills.

**2. Salesforce age**

***Being older ...no barrier to success in direct selling !***

A recent Ipsos MORI study on direct selling shows that direct selling offers income opportunities to all age groups :

- 43 % of the salesforce is aged between 35 and 49; 20 % is aged over 50;
- The average age of direct sellers is markedly higher than in the overall European labour market.
- The flexibility offered by earning opportunities in direct selling is encouraging older people to get back into the productive labour market.

**3. Entrepreneurship, in particular women entrepreneurship**

***Entrepreneurship is alive in Europe....  
particularly amongst women direct sellers !***

- Whilst women currently account for only 30 % of entrepreneurs in Europe, and only 8,6 % of the self-employed, the Ipsos MORI survey on direct selling in Europe shows that 83 % of the direct sellers are women, a great majority of them being self-employed.

- Direct selling is making a strong contribution to the European Social & Employment policy in that respect.

#### **4. Flexibility**

*Flexibility and choice in the work place ....  
Direct selling certainly offers this*

- Direct selling offers a totally flexible business opportunity in terms of time, commitment and geographical location.
- It can be run from home and does not need special premises; it can be started from scratch and does not require big investment or professional selling skills.
- There are various reasons for becoming a direct seller and for some direct sellers there is more than one reason. 49 % of direct sellers were attracted to direct selling by earning opportunities and a personal liking and enthusiasm for the products they are selling.
- 26 % of them mention flexibility and the independence offered by direct selling, as well as the opportunity to build a business at their own pace and under no pressure.

#### **5. Earning opportunities & low risks - Satisfaction**

*Direct selling ..... a business opportunity for everyone*

- A recent Ipsos MORI survey shows that 80 % of the direct sellers are extremely satisfied with their direct selling activity.
- Direct selling offers equal business opportunities to everyone : men and women, couples, mothers, students, across all ages, level of experience and social groups.
- 18% of the direct sellers surveyed by Ipsos MORI have a higher education; 28% have a university degree; this sector of activity increasingly attracts diverse segments of a changing labour market.
- Starting a direct selling business requires only a modest investment. This makes direct selling very attracting to an increasing number of people in Europe.

**6. Income alternative – Direct selling helps at all time of life cycle**

*Direct selling .....offering earning opportunities at all time of life cycle*

- Direct selling provides opportunities at all time of a life cycle to develop a part-time income generating activity that could be turned out into a successful full time work,
- It offers new working opportunities as a replacement or an alternative to full time employment.
- 25% of direct sellers were unemployed prior to starting a direct selling activity;
- Direct selling companies provide continued training to their sales people who recognize the added value it gives them in developing their education and their skills, helping them to better manage their business.

**7. Independence – Less pressure on welfare state**

*Direct selling supports the entrepreneurial culture..... reducing pressure on the welfare state*

- Direct selling encourages individuals to become independent, to become entrepreneur and to be self-reliant.
- Continued industry growth with 83 % female participants and an industry satisfaction rate of 80% gives direct selling great optimism for the future and the creation of more independent entrepreneurs.

**8. Industry's contribution to economies**

*Direct selling : an industry that contributes to the European economies*

- A growing industry with more than 1000 companies in Europe that currently achieve sales turnover of 20 billion euros<sup>1</sup>.
- Many of these companies are SMEs who have a strong foothold in the area where they are located and contribute substantially to its economy by paying more than five billions of direct and indirect taxes.

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<sup>1</sup> Estimated 2006 figures for the whole sector in Europe – Federation of European Direct Selling Associations (FEDSA)

- Offering earning opportunities to more than nine million direct sellers.
- Employing more than 50,000 people in administration, production, marketing, logistics, development, etc.
- 78 % of their products are of European origin.

**9. Competitive channel of distribution for new and innovative products**

*Direct selling usefully completes other channels of distribution of global brands*

- Major industrial groups that have diversified their activities by either investing in direct selling companies or choosing direct selling as an alternative channel of distribution to market their products (L'Oréal, The Virgin Group, Unilever, Bertelsmann, Yves Rocher, etc)
- Direct selling provides a channel of distribution for companies with innovative or distinctive products not readily available in the stores or those who cannot afford to compete with the huge advertising and promotional costs associated with gaining space in traditional retail locations.
- It can help marketing products still having to build a brand name to find their way to consumers.

**10. Social cohesion**

*Direct selling contributes to greater social cohesion in urban and rural communities*

- The face-to-face nature of direct selling and the personal product recommendation is popular with direct sellers and consumers alike;
- Party selling is socially welcomed and accounts for 34% of direct sales; it is particularly developed in rural areas and local communities (39%) where it reinforces the strength of social network.
- In urban areas where 66% of the direct sales transactions occur, direct selling offers a flexible alternative to busy shopping centres and supermarkets.