



DIRECT SELLING ASSOCIATION

DIRECT SELLING FACT SHEET

Direct selling provides millions of Americans with the opportunity to supplement their income, balance work with family and purchase quality goods at a discount for their personal enjoyment.

Earlier this year, the Direct Selling Association (DSA) released the results of its annual Growth & Outlook (G&O) Survey, which is based on responses from 102 direct selling companies and other sources. The survey aims to capture the size and scope of the direct selling industry in the U.S. The results build on the 2014 National Salesforce Study, a study conducted every three to five years to assess the demographic profile of direct selling representatives and describes current attitudes and opinions of direct selling.

Findings from the G&O Survey and National Salesforce Study were further expanded upon in new research conducted by Bloomberg Government, which was underwritten by DSA. The survey which was based on responses from 864 independent contractors, was conducted to gain a better understanding of the ways Americans work independently. For purposes of the Bloomberg research, independent contractors are defined as direct sellers, contractors/freelancers or third-party placements as temporary workers or contractors. The key facts below are a snapshot of the most notable results from these studies.

Direct Selling's Continued Growth

- **More than 20 million people** were involved in direct selling in the U.S. in 2015, with estimated retail sales reaching **\$36.12 billion** – a 4.8% increase from 2014. This outpaced both the growth rate for traditional retail sales and the Gross Domestic Product in the U.S.
- **The direct sales channel continues to experience steady growth**, as more individuals generated more revenue in 2015 than any previous year.

Direct Selling Demographics

- Nationwide, **one in six U.S. households** are involved in direct selling.
- Nearly **seven in 10** independent contractors involved in direct selling are Millennials.
- **Direct selling has an outstanding involvement rate with women and minority groups.**
 - **More than 77%** of direct sellers in 2015 were women, a **3% increase** from 2014.
 - Nearly **20%** of Americans who become involved in direct selling are Latinos.

Empowerment of Direct Sellers

- Direct sellers have a higher percentage of annual incomes over \$50,000 (**58%**) compared to all Americans (**50%**).
- Direct sellers have a higher level of average education than the average American. **52%** of direct sellers are college graduates compared to 28% of all Americans, and **99%** of direct sellers have high school educations compared to 85% of all Americans.

Direct Sellers Motivations

- **Direct sellers define success differently and are motivated to stay in the direct selling industry for a variety of reasons.** Top motivations include:
 - Being able to **purchase products one likes at a discounted price (62%)**
 - Flexibility and **work-life balance (65%), networking aspects (52%) or recognition of accomplishments (23%); and/or**
 - Entrepreneurial opportunity, **including earning extra income (62%), income potential (59%), and the ability to drive their career (41%).**

Job Satisfaction of Independent Contractors

- Bloomberg found that independent contractors prioritize and value **being one's own boss, flexibility in schedule** and having a **better work-life balance**. Moreover, **over three-quarters (77%)** of them are highly satisfied with their work.