

Direct Sales in the Age of Social Media: **The Good, the Bad and the Ugly** **Monday, February 10, 2020**

- Next TNL, February 11th at Mannatech Corp offices or www.allaboutmannatech.com, Presidentials Merri-jo Hillaker and Kevin Robbins are presenting.
- Ambrotose Life Family Special – 4 boxes for \$229. Savings of 35%
- New website to share: www.thetruthaboutmannatech.com
- 2020 Tax Class March 14th – Click here to register: <https://www.mannatrain.net/tax.html>
- Mannatech Weekly pay is starting March 1 but you can start registering February 16th
- Mannafest 2020 is coming, are you registered?!: <https://events.mannatech.com/event/north-america-mannafest/>
You don't want to miss the breakouts and trainings.

Article by Sandra Latham updated September 27, 2019

1. What is Direct Sales and Who is doing it?

- a. Direct sales is exactly that, direct sales person to person.
The FB friend who wants you to try some nutritional supplements.
- b. Almost 17 million involved...roughly 5.1% of the US population
So, if have 500 friends on FB roughly three dozen may like to sell you something
- c. Sales are on the rise (at least through 2018)
Wellness makes the biggest piece of the pie...almost 35.6% in 2018
- d. Approximately 75% are female and 85% are white
- e. Largest percentage in the South...37.4%
24.3 % in the West, 20.5% in the Midwest and just 17.4% in the Northeast
(2014 numbers)
- f. Biggest predictor of success? the ability to stay self-motivated.
This is why self-development is so critical!!
Solid work ethic is also critical...disciplined to stay the course.
"Nothing is going to happen without you making it happen."

2. Why direct sales?

- a. Low barriers for entry
But need to emphasize that it is a sales job...and an entrepreneurial one at that.
You need to generate own leads, run your own business, need decent accounting skills, understand things like mark ups, fixed and variable costs.
- b. Flexible schedules
Work when you want to. However, must have discipline.
But this qualifies stay at home moms, primary caregivers, retirees (who are getting killed today on Social Security payments alone),
- c. Work at your own pace. (61%) This presents yet another issue: time management can be many peoples' biggest struggle.
- d. Product adoration
The products attract many to direct sales. 64% said they were willing to get in to get the products at a discount.

e. Social Capital

For some it is community...having fun with a bunch of people you enjoy being around. New source of friends. "I love the sense of family with this business."
Giving women permission to feel beautiful...regain self-confidence.
Giving women opportunity to contribute to the finances of the family.
F, Career driven – 19% come in for this reason (29% motivated to continue)

3. What Kind of money are Direct Sellers Making?

- a. Half who responded to a 2014 study said less than \$2000 annually.
Almost 94% of all direct sellers work part-time
12% make more than \$25,000.
- b. "As long as people continue to seek more flexibility and work-life balance, direct selling will continue to be an attractive option."
- c. Most sellers interviewed spent anywhere to 5 hours to 25 per week...annual income of \$1200 to \$35,000.

4. Friendship versus Sales: finding a balance

- a. Direct sales is nothing new...Amway, Tupperware, Avon...these have been around for decades.
- b. Some attend parties for fun, social life. They tend to love virtual parties chat sessions, promotional contests, and product heavy status updates.
- c. "It is called network marketing because it's about leveraged social networks for gain. But with the way in which the internet has increased our ability to do that, many people are being approached more than before, so it simply could be their fatigue is higher than ever."
- d. Successful network marketers more often start building a professional network which can then sometimes segue into friendships. Those who purely tap into their social networks first may not get as much traction."
- e. Some companies are so heavy handed in their approach they tend to ruin it for others. Thus, critical to distinguish yourself.

5. Beyond Social Media: Overcoming the Direct Selling Stigma

- a. Aren't all of these companies pyramid schemes?
Lots of bad news coming out of the FTC and it is continuing. Legitimate DS companies pay their salespeople for retail sales. So, customers are a must!
- b. FTC has gone after a lot of companies.
- c. Skepticism over not selling on storefront.
This is truly not such an issue anymore with so many buying from Amazon. As a society we so want to buy based on recommendation and direct ship than go retailing at store fronts.
- d. Increased education on the products truly supports no need for just shipping. The education is imperative so effective ways to do that will WIN.
- e. Inferior products will not survive so the fact you have been around 25 years is an awesome part of the sales process.

6. Love it or Hate it, Direct Selling is Here to Stay.
 - a. Some say internet is a de-personalizer and others say the opposite. We always want to be enhancing the relationship. Business relationships “are give and take” and treating your network marketing business as a business need this as well.
 - b. Not everyone is pushy and inappropriate.
 - c. "The only thing I hate about direct selling is the hatred some have for it just because some companies have ruined it for everyone."

7. If someone is considering giving Direct Sales a shot?
 - a. Be sure to check out the company
 - b. Consider the viability of the product as well. How long out, and will people re-purchase on a regular basis?
 - c. Company must be a member of the DSA
 - d. Be able to introduce them to success stories at whatever level.
 - e. Be realistic (and legal today) about success stories.
Realistic...most just want to earn an extra \$300-1000 per month so no need to get into the exaggeration levels.

"But there's a reason there's only a few that do really well" he said. "It's not easy being your own boss!"