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### Self-employment dynamics of the independent contractor in the direct selling industry

#### **Andrew Stewart Brodie**

Westminster Business School

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# Self-Employment Dynamics of the Independent Contractor in the Direct Selling Industry

## **Andrew Stewart Brodie**

A thesis submitted in partial fulfilment of the requirements of the University of Westminster for the degree of Doctor of Philosophy

May 1999

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#### **Abstract**

In this study, a clearly defined, economically active group of around 500,000, independent, self-employed, direct sellers have been, for the first time, the subject of major academic research in the UK. The initial sample included 4,050 direct sellers from 22 different direct selling companies.

A four-element typology of direct sellers, linking their gender and the organisational format of the company with which they are associated, has been created and presented, and models for each of the types have been proposed. Within the study of many key variables, detailed consideration has been given to the circumstances and motivations of those entering and exiting a direct selling activity. It was noted that certain types of direct sellers gave dramatically different responses to questions on 'motivation' when answering a self-administered questionnaire compared with their answers during an in-depth interview. This observation could influence methodology considerations for future research. A series of hypotheses, initially generated at the commencement of the research and then continually developed during the research, regarding circumstances and motivations for entering, continuing and exiting a direct selling activity have been supported by an analysis of the data obtained from a longitudinal series of in-depth interviews. Reflecting other research being carried out by the Future of Work Research Group at the University of Westminster, a relationship has been proposed between direct selling and conventional franchising.

This research has introduced the academic world to direct selling in the UK and it is noted that direct selling companies and direct sellers feel comfortable with the concept of academic research and their participation in it.

## **Glossary of Acronyms**

DSA	Direct Selling Association (United Kingdom)	
FEDSA	Federation of European Direct Selling Associations	
WFDSA	World Federation of Direct Selling Associations	
DSO	direct selling organisation, that is, a company	
	operating a direct selling business	
MLM	multi-level marketing, sometimes called network	
	marketing or relationship marketing	
SL	single-level marketing	
High-Ticket	where the retail price of the single item product	
	being sold by the direct seller is over £75	
Sponsor/Recruit to introduce another direct seller into a direct		
	selling organisation	

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# **Chapter 1:**

## Introduction

#### 1.01- Background to the Research

#### The 'Direct Selling' Format

Direct selling has been defined by the World Federation of Direct Selling Associations (1997) as:

'... the sale of a consumer product or service in a face-to-face manner, away from a fixed retail outlet.'

Thus, the direct sale will typically be made in the home, or at the potential customer's place of work. Direct selling is characterised by the initiation of contact, demonstration and consummation of the sale by the direct salesperson. It could be argued that direct selling is one of the oldest distribution systems in the world, for it was farmers and craftsmen travelling around villages and towns offering and selling their products at customers' homes that prefaced the whole retail industry.

Today, direct sales are conducted by self-employed, independent contractors, typically female and typically part-time, usually trading under the 'banner', or logo, of a larger enterprise, and, in that, it is suggested, not unrelated to the concept of a 'franchise'. On a world-wide basis, it is estimated that some 30 million individuals are now involved in direct selling, producing around \$90 billion annual sales revenues (World Federation of Direct Selling Associations (WFDSA), 1998). Many of the well-known direct selling organisations, such as Avon Cosmetics, Amway, Mary Kay Cosmetics and Tupperware, are major, multi-national corporations with annual sales revenues measured in billions of dollars. Within the UK, it is estimated that there are approaching 500,000 of these direct sellers, producing just over £1.0 billion annual sales turnover (Direct Selling Association (DSA), 1997).

As Biggart (1989) points out, direct selling organisations have achieved this financial status through:

"... an unusual combination of organizational practices and management strategies."

Considering the time and money that corporations spend attempting to recruit and select the best workers for a given position, it might be expected that, for their sales forces, direct selling organisations would be looking for extrovert, self-motivated and experienced personnel, who would be comfortable with presenting the products and services and asking for the order. However, most direct selling organisations operate virtually no recruiting criteria at all. Many who join have no prior selling experience and anyone willing to undertake direct selling is welcome. The approach is almost to 'give everyone a chance to fail'. Additionally, direct selling organisations have, over recent years, benefited from downsizing, both of position and also of income associated with continuing positions, as well as the status erosion of certain professional groups, particularly in professions where there is a predominance of women, by recruiting these people into an additional, albeit often part-time, earnings opportunity.

#### 1.02 - Objectives of the Current Research

Attrition of direct salespeople is a major problem within direct selling organisations. Effectively, turnover runs at over 100% per annum in the United Kingdom and involves about 500,000 people leaving their direct selling activity each year. This labour turnover rate of direct sellers is calculated for the industry by the Direct Selling Association (1998) as the number of recruits, that is, income opportunities taken up, divided by the average number of direct sellers in the industry between 1<sup>st</sup> January and 31<sup>st</sup> December in any calendar year. However, it should be noted that some of those who exit the activity may re-join at a later stage, with either the same or a different company.

However, the reasons behind this high turnover rate are not clear. In order to understand the reasons for this observation and broader issues of the role of the independent contractor, it is argued that there is a need for original research. From the research, it will be possible to study what circumstances resulted in an independent contractor joining a direct selling activity in a self-employed status and what changes in circumstances and/or changes in aspects of the activity could lead to an increased intention, or actually a decision, to quit. By considering the relationships among variables, such as, gender, age, prior career histories and choice, it may be possible to create a model of movements of independent contractors in and out of direct selling organisations.

Thus, the aim of this research is to examine the self-employment dynamics of the independent contractor in the direct selling industry using, primarily, a qualitative study resulting in a phenomenological description of patterns. The self-employed dynamics were defined in terms of movements into, and out of direct selling, caused by differing motivations and possible changes in circumstances. Additional objectives will include consideration of the importance of direct selling in the labour market, the motivations for entering and reasons for leaving a direct selling activity, possible reasons for the high labour turnover, possible moderating effects of gender and to examine possible links between direct selling and conventional franchising.

#### 1.03 - Justification for the Research

In Europe, the direct-selling industry, in addition to employing about 30,000 people in research, production, accounting, administration and marketing, offers an almost unlimited number of full-time, part-time and spare-time working and income opportunities to independent contractors. Thus, it can be argued, this study has relevance in the current debates on self-employment.

Additionally, it can be argued that, since 90% of all direct selling, independent contractors are female, this study has relevance in current gender and sex discrimination debates. Although much has been written in the last 15 years about the causes and effects of employee turnover, literature searches indicate that there has only been one major academic study of independent contractors in the direct-selling industry (Wotruba et al. (1990-93)). However, that quantitative study was limited to certain, specific variables and referred exclusively to the United States and it is argued that contrasting cultural, economic, legal and political systems, and specific societal structures, may make those results inappropriate for the United Kingdom. Although much comment is made within the direct selling industry about the activities of independent contractors, there has been an absence of research work carried out on this subject within the United Kingdom, or continental Europe.

This was an opportunity to make an original contribution to knowledge of the independent contractor and the reasons for independent contractor turnover within the direct selling industry. More widely, it informs current debates on self-employment in the United Kingdom, with particular regard to gender considerations.

#### 1.04 - Organisational Format

A direct selling company may be organised in different ways, which basically reflect the remuneration plan for the self-employed independent contractors who make up the sales forces of these companies. A company operating a **single-level** format (SL) offers the new direct seller the sole opportunity of making a retail profit by selling products on a 'person-to-person' basis, or through a 'party plan' system. Here, the recruiting and training of new participants is undertaken by managers appointed by the company, and who may or may not be themselves self-employed and who may or may not be involved in making personal sales.

In a company using a **multi-level** format (MLM), by way of contrast, the new participants are immediately offered the opportunity of benefiting not only from their own personal sales but also from the sales of others they may recruit, directly and indirectly, into the business. Here, they will be paid over-ride commissions and bonuses based on the acceptance of their ongoing responsibility to train and motivate these recruits. Multi-level format, also known as **network marketing**, companies are required to comply with Part XI of the Fair Trading Act 1973, as amended by the Trading Schemes Act 1996.

#### 1.05 - Operational Format

Whether using a single or multi-level format, direct selling companies normally operate on one of two principal sales methods, namely, 'person-to-person', or 'party-plan'. 'Person-to-person' occurs where the product is demonstrated and explained in private homes, or places of work, on an individual basis. It also includes the distribution of a catalogue, or brochure, to a potential customer, thus providing the customer with the opportunity to study the product range, before placing an order with the direct seller at a later call. 'Person-to-person' methods are used by about 84% of direct selling companies in the UK (DSA, 1998). Alternatively, 'party plan' formats involve the direct seller demonstrating to a group of people, usually in the home of a customer who acts as, and is rewarded by, the direct seller for being the host(ess).

#### 1.06 - Typology of Direct Sellers

Acknowledging that the unit of analysis is the individual direct seller, a four-cell matrix, linking gender and format of the direct selling organisation with which the direct seller was involved, was created (Figure 1), which allowed all four types, or classes, of participants to be studied.

Figure 1 - Typology Matrix of Direct Sellers

	Male (M)	Female (F)
Multi-Level (MLM)	MLM/M	MLM/F
Single-Level (SL)	SL/M	SL/F

As may be seen, these types included Multi-Level/Male, Multi-Level/Female, Single-Level/Male and Single-Level/Female.

#### 1.07 - Brief History of Direct Selling

Direct selling, in the form of the supply of goods from a manufacturer directly to the user of those goods, is a traditional form of enterprise and, over the last 600 years, has arguably played an important part in the development of retailing.

In the United Kingdom, from the Middles Ages onwards, as many small communities developed into towns, street markets developed quite naturally into retailing from fixed locations, or shops, whereas, on continental Europe, even more sophisticated retailing had developed much earlier. Berry (1997) gives two examples of this development. Firstly, the Thibauds, in the French province of Champagne, who, as early as the thirteenth century, at specific times and places throughout the year, organised fairs where a extensive range of consumer goods was sold. Secondly, in The Hague, in Holland, where, by the sixteenth century, certain streets were already designated for the retailing of specific products and retailers competed vigorously with each other. This type of sophistication was not to arrive in the UK until later. Initially, UK retailers were in competition with the itinerant peddlers, effectively the first 'direct sellers'.

Many of these 'chapmen', as they were called, travelled from Scotland to the North of England with a wide range of household products and this was much resented by the indigenous, growing, retail community.

Most of the goods currently available in today's superstores were, by the mid-nineteenth century, supplied by local craftsmen and manufacturers, who dealt directly with their customers; and by the end of the nineteenth century, virtually every town was self-sufficient in the supply of household products. However, as manufacturing methods improved and as the road and train transport networks extended, specialist manufacturers also developed and they required retail stores to sell their products. Demand for their products was often stimulated by national advertising. This situation led to an increasing number of small retail outlets, with whom the manufacturers found it costly and difficult to deal. The solution to this challenge was the concept of specialised wholesalers who, on behalf of the manufacturer, dealt with the small retailers. This basic distribution system remained constant into the 1960s.

The next major development in retailing was the creation of retail chains and then the supermarkets. These constituted outlets whose turnover was sufficient to allow them to deal directly with the manufacturer rather than through a wholesaler. Berry (1997) exemplifies this retailing revolution by looking at the hardware industry, defined as dealing with goods made of the baser metals and including locks, hinges, nails, screws, knives and tools. He cites that in 1970 there were over 100 hardware wholesalers who accounted for 70% of the sector, but that, by 1995, the number of wholesalers had dropped to 30 and their share of the £6.0 billion turnover had fallen to about 13%. At the same time, the number of manufacturers had halved and the number of product lines on sale to the public was only a third of what it had been twenty-five years earlier. The effect of this is that any small manufacturer, or supplier, with an alternative brand, or even a new product, has a great challenge to bring it to the market place.

Major retailers constantly strive to increase the number of times they turn over their stock within a given time period, and equally strive to reduce the total number of items they carry in their inventory. One result of this is a dominance of multiple retail stores with very restrictive limits on the number of suppliers with whom they are prepared to do business. However, this trend may have given, indirectly, new stimulus to direct selling for another effect of this development is that it is more difficult for the retail industry to maintain close contact with their customers and, perhaps more importantly, to react quickly to any changes in demand. Effectively, many manufacturers are trading off the benefits of logistical and account management against the challenges of being, as Berry says:

# '... insulated from the consumer by a powerful and independent distribution network.'

By way of contrast, direct selling organisations know, almost immediately, the full details of the product mix and the volume being sold. This is because a direct selling organisation receives orders from their sales force for products which, typically, have already been sold to the ultimate consumer, rather than receiving orders based on expectations of future sales.

It should be noted that direct selling is only one of several available channels of distribution where the manufacturer, or supplier, deals directly with the consumer. Mail order catalogues, direct response, mail shots and certain advertisements achieve similar results using media, rather than the direct seller, at the initiation of the transaction. Additionally, TV home shopping and the use of the Internet are becoming important direct channels of distribution. Biggart (1988) reminds us that the peddlers who toted their wares 'on their backs and in their carts for sale to consumers' for thousands of years were typically male, itinerant and totally independent of each other. It is argued that direct selling has changed, in that now the direct seller is typically female, works within her own community and the industry is highly organised.

#### 1.08 - Scope of Direct Selling

Most background information regarding direct selling in the UK originates from the Direct Selling Association (DSA), the trade association for the industry who are very specific as to what should be included and excluded in their data. Their data (DSA, 1997), **include** (1) person to person direct sales in private homes resulting from (a) 'cold' sales calls, (b) appointments made either by telephone, or in response to a lead generated by an advertisement, or a leaflet drop, (c) the collection of orders following the prior distribution of catalogues, and (d) the offer of ongoing credit arrangements, or the collection of regular pre-payments; (2) sales to groups of customers at sales 'parties' held in private homes and at other social events; and (3) sales made to individuals, or to groups of individuals, at their place of work.

Equally, DSA data **exclude** (1) the sale and delivery of non-frozen food, milk and grocery items supplied by regular roundsmen; (2) direct sales of financial services, as regulated by the Personal Investment Authority; (3) sales of double glazing and other home improvements involving on-site labour costs; (4) all other categories of direct marketing, for example, mail order catalogues, mail shots, off-the-page and direct response mail order, TV home shopping and Internet; and (5) matrix based multi-level marketing (MLM) schemes offering participants, in return for regular subscriptions, discounts on goods and services, in addition to rewards for recruitment, since such schemes have become illegal under the Trading Schemes Act 1996.

The range and value of UK Direct Selling relating to consumer goods (DSA, 1998) are shown in Figure 2.

Figure 2 - Range and Value of UK Direct Selling

Personal - cosmetics, fragrances, skincare, jewellery, ladies' and children's clothing and other personal items	35%	
<u>Household</u> - security, water treatment, energy saving, electrical, home decorative, furnishings, cookware, tableware, kitchenware, housewares, home and car cleaning and other household products	23%	
Family - books, toys, games, audio, video, financial, other household products and business aids	19%	
Services - telecommunications and utilities	13%	
Wellness - nutritional supplements, diet plans and other products		
Food - frozen and other foods	4%	

It can be argued that direct selling is in a strongly competitive market place, since all these products ranges are not unique to direct selling and are aggressively marketed in competitive retail outlets.

Member companies of the Direct Selling Association (DSA) are required to comply strictly with a Code of Practice and a Code of Business Conduct.

The Code of Practice, drawn up in consultation with the Office of Fair Trading, ensures that anyone buying from an independent direct seller of a member company is given a high level of consumer protection, both in the way products are sold and through the complaints procedure required under the Code. The Code of Business Conduct, supported by the Department of Trade and Industry, was adopted in 1991 to enable direct selling of consumer goods in the UK to expand in an orderly manner by monitoring the dealings of a member company with its self-employed direct sellers, and also with other member companies.

#### 1.09 - Other Direct Channels of Distribution

Focusing on home shopping channels in the UK, it is reported (UK DSA and Verdict Home Shopping, 1996) that the 1995 market of £ 7.3 billion was divided among four main channels with direct selling being the second largest behind the outright leader of mail order catalogues, but being well ahead of the others in percentage growth over the previous five years:

Channel	Sales revenue (£ 'millions)	5-year growth (1991-95) (%)	Home shopping market share (%)
All mail order catalogues	5,298	24.7	72.5
Direct response, mail shots and 'ads'	950	13.2	13.1
TV and electronic	42	-	0.6
Direct Selling	967	54.1	13.3

#### 1.10 - Image and Perceptions of Direct Selling

A recent study of public perceptions of direct selling as a channel of distribution in the UK (Stanworth et al., 1998) showed that, although there was a very high recognition (92%) of direct selling companies by all respondents, the actual percentage of respondents who had purchased from a direct selling company within the prior twelve months was only 21%. There was a strong variation in perceptions between those who had purchased from direct selling companies and those who had not. Some 56% of non-customers would still not consider buying from a direct selling company in the future, whereas, 93% of customers would make a 'repeat' direct selling purchase. This can also be related to the fact that direct selling organisations typically tend not to advertise their brand The argument is that the direct seller, as the key part of their names. activity, will give a 'live' advertisement for the company's products.

However, this also means that many direct selling companies are known only to those who have been participants, as direct sellers, and their regular customers. This has the effect that the image of direct selling is strongly influenced by the image created by the individual direct seller. Among non-customers, in general, there was a negative image of direct selling and direct sellers. It is suggested that this negative image is strongly influenced by stereotypes in the popular media, such as TV and movies, as well as in traditional jokes. In general, the image of selling and salespeople is rather negative and that carries over to direct sellers in the minds of people who have not had a personal experience with direct seller and direct selling.

With regard to direct-selling customers, the three main reasons for making a purchase were 'product need and appeal', 'value for money' and Overall, the perception ratings were very positive with the 'convenience'. highest rating going to 'courtesy and friendliness', however, as with noncustomers, there was a slight negative perception of 'pressure to buy' in the direct selling environment. The attitude of customers was particularly positive with 88% indicating that they would recommend buying from a direct selling company to their family and friends. From all the observations, 52% had either bought at some time in the past, or would consider buying in the future, from a direct seller. Thus, it could be argued, a slight majority of people have a positive perception of direct This is reinforced by the 93% of previous customers who would use this channel of distribution again.

#### 1.11 - Relationship of Direct Selling with Franchising

Franchising has been defined by Curran and Stanworth (1983) as:

'A business form essentially consisting of an organisation (the franchisor) with a market-tested business package centred on a product or service, entering into a continuing contractual relationship with franchisees, typically self-financed and independently owner-managed small firms, operating under the franchisor's trade name to produce and/or market goods and services according to a format specified by the franchisor.'

As this research progressed, the balance of the pure 'direct selling' aspect of the study tended to shift to a more detailed perspective of 'self-employment' and 'gender' considerations of atypical work, with particular reference to direct sellers. Thus, within the overall gambit of this study and considering both the Curran and Stanworth definition of 'franchising' and the earlier description of the format of direct selling, it was observed that there appeared to be certain links and similarities between direct sellers and conventional franchisees which had not been considered before and would be interesting and worthwhile to consider. These similarities involve such key variables as motivations for self-employment and single gender predominance. Based on these considerations, it may be argued that direct selling can be located within a franchise typology and this will be discussed in detail in Chapter 6.

#### 1.12 - Outline of Thesis

As discussed in the summary below, Chapter 1 lays the foundations for this research. Chapter 2 of the thesis identifies the theoretical framework of the study and considers available academic literature with regard to theory and analysis of self-employment and labour turnover, with particular reference to possible relationships with such variables as gender, age, education, income levels, prior work experience, related benefits, job characteristics, met expectations, job satisfaction, job image and organisational commitment. Whereas the whole retail industry is discussed, specific material relating to the direct selling sector is considered, leading to the identification of several research questions.

Chapter 3 describes the methodology used to provide data to investigate the research questions. Within a framework consisting of the study area, the sampling procedures, nominal group technique procedures and data processing, initial 'working' hypotheses are proposed based on an entity relationship model of the 'life' of a direct seller. Various research design methods are considered, with particular reference to questionnaires and interviews. The challenges of sampling for this type of study are considered and, as part of that discussion, a basic typology of direct sellers is created. Comment and discussion is presented on the limitations of this type of study and also on the management of all the data obtained, both quantitative and qualitative, using computer software programmes.

Chapter 4 includes the presentation and analysis of the **qualitative** data obtained during the series of longitudinal, in-depth interviews, allowing comparisons to be made with the **quantitative** data, obtained from the questionnaires, presented later in Chapter 5. Particular attention is paid to the data obtained regarding the circumstances and motivation of the direct seller to enter a self-employed status. Data is presented with regard to the feeling of the direct seller to expectations, image and the product range with which they are involved.

Lastly, based on an analysis of the in-depth interviews, a classification of direct sellers, based on their work basis, is presented which, it is argued, reflects current industry opinion in the US.

The basic results from the quantitative data gained from the responses to the questionnaires, including summary statistics, are presented in Chapter 5, both in tabulation and explanatory form. The results are analysed and discussed, based on the typology created in Chapter 3. Additionally, the data are presented, compared and discussed using other sub-sample groupings for the respondents, including 'Stayers' v. 'Leavers' and 'Push' v. 'Pull', terms which are defined in the chapter.

Based on the data presented in Chapter 4 and Chapter 5, Chapter 6 discusses the findings from the research and makes conclusions with regard to the hypotheses suggested in Chapter 3. Further analysis of the circumstances and motivations at the time of entry into direct selling is offered, again using the basic typology from Chapter 3. Additionally, supporting other work being undertaken within the Future of Work Research Group at the University of Westminster, an argument is put forward coupling direct selling with franchising. By the creation of a franchise typology linking 'work base' and 'product type', it is further argued that direct selling has a location within that typology as a 'minifranchise'.

Conclusions from the research are presented in Chapter 7. Firstly, based on the data obtained, models of the basic typology are suggested. Secondly, again using the data from both the quantitative and qualitative elements of the research, it is argued that the hypotheses suggested in Chapter 3 are supported. Chapter 7 concludes with consideration of the methodological observation noted in Chapter 6 and possible future research in direct selling, with particular reference to the considerations of self-employment and gender.

#### 1.13 - Summary

This first chapter has laid the foundations for the study. It has introduced the concept of direct selling, the research problem, the research issues and basic hypotheses. The research was then justified and the methodology briefly described. A condensed history of direct selling was given. The scope of direct selling was described with reference to other direct channels of distribution. The chapter continued by considering current perceptions of direct selling in the United Kingdom and its possible relationship with franchising. The chapter closed with an outline of this thesis. On these foundations, the thesis now proceeds with a detailed description of the research.

# **Chapter 2:**

## **Literature Review**

#### 2.01 - Introduction

In this chapter, the theoretical framework of the study is developed. This involves an examination of academic literature with regard to relevant theory and analysis of self-employment and the dynamics of the labour market, with particular reference to part-time work and gender. As observed in Chapter 1, independent contractor turnover is particularly high in the direct selling industry and so comments are made about the functional and dysfunctional effects of attrition. Consideration is given to the earlier work of Herzberg (1959) with regard to 'motivational' and 'hygenic' factors and their relationship to job satisfaction and job dissatisfaction, and its more recent validation by Phillipchuk and Whittaker (1996). With reference to the seminal work of Mobley *et al.* (1979), and other researchers, key variables for this study are identified and discussed, with particular reference to the work of Wotruba *et al.* (1990-93) in the direct selling industry.

#### 2.02 - General Review

Attrition of self-employed, independent, direct salespeople is a major problem within direct selling organisations. Effectively, turnover runs at over 100% per annum in the United Kingdom and involves about 500,000 leaving their direct selling activity each year. Conventional wisdom in the direct selling industry suggests that one possible explanation for this high turnover may be that people do not earn sufficient income. This begs two questions, 'What is 'sufficient'?' (where 'sufficient' for one person is probably 'not sufficient' for another) and 'What is it they are earning?'. It can be argued that the person joining a Direct Selling Organisation (DSO) had a preconceived idea of 'sufficient' and that that preconception must have been satisfied, otherwise they would not have joined.

If, having quit, not earning sufficient income really means that their expectations were not met completely, then it must be questioned if the expectations were realistic in the first place, or was the opportunity oversold, or exaggerated, to encourage them into the business.

In considering the perspective of the functional, or dysfunctional, effect of labour turnover on an enterprise, it could be argued that in functional turnover under-performing people leave, thereby strengthening the organisation, and conversely, that in dysfunctional turnover aboveaverage workers leave, thus rendering the enterprise weaker. This is supported by Park, Ofori-Dankwa and Bishop (1994), who determined that functional turnover was positively linked to individual incentive programmes but negatively linked to income levels, whereas dysfunctional turnover is positively linked to group incentive programmes. This suggests that one way to enhance functional turnover and reduce dysfunctional turnover would be to make individual incentives available. It is argued that this is exactly what direct selling organisations do in their The direct selling industry marketing and promotional programmes. response to this 'functional turnover' argument would be that, since there is typically no directly related payroll expense involved with a sales force made up of self-employed independent contractors, they can accept the presence and participation of 'below-average' salespeople. shown in the industry figures in Chapter 1, the success of direct selling, in general, is made up of many people, each doing a little. This analysis is supported by confidential, activity distribution figures, prepared by the direct selling organisations and made available for this study.

In 'The Motivation to Work', Herzberg (1959), proposed that satisfaction and dissatisfaction with one's job arose from differing factors and were not simply opposing reactions to the same factors. In his two-factor theory of motivation, Herzberg found that the factors leading to satisfaction tended to be 'motivational' ones, such as achievement, recognition, satisfaction in the nature of the job, responsibility, progress and personal growth.

He proposed that the last three, all of which tend to be intangible, were the most important. Dissatisfaction, he suggested, came from 'hygienic' factors, such as company policy, working conditions, income, status and His solution to dissatisfaction was to create 'job enrichment' iob security. programmes, which, in addition to giving the worker more accountability and responsibility, have now developed into such concepts as 'flexitime' and the 'cafeteria' system of choice within a company's benefits system. Herzberg's original study can be related to the work of Travers and Tuck (1990) with regard to creating effective worker retention strategies. They argued that development policies are critical and should include a learning culture, focusing on job performance and the enhancement of career opportunities and promotion. They proposed that this may be achieved by greater emphasis on company sponsored education and on-the-job Phillipchuk and Whittaker (1996) investigated whether or not Herzberg's theory was still relevant in the 1990s, since the original work was done at a time of industrial expansion and high employment. Their study was contextualised against a background of downsizing, restructuring and re-engineering. Their results showed a decrease in recognition, advancement responsibility satisfiers and and the disappearance of income and working conditions as motivators, or Although using a smaller sample, the results provided demotivators. enough data to validate Herzberg's theory in the 1990s.

It is reported (Dany and Torchy, 1994) that, because of dramatic unemployment problems throughout the major markets in Europe, there has been a decrease in labour turnover. D'Iribarne (1989) and Dany (1991) have argued that the increasing complexity of job skills has tended to increase the length of learning periods required. Thus, organisations will tend to recruit personnel on a long-term basis. Whereas it could be argued that the concept of the 'life-time job' is virtually disappearing, organisations will still try and limit the 'short stay' personnel. One main reason for this is the cost of recruiting and training any new people.

For example, Sager (1990) estimated that the cost of replacing one industrial salesperson was more than \$100,000 when lost sales, training and recruiting costs were taken into consideration. However, this reduction in turnover has not been experienced in direct selling, as may be confirmed by an analysis of the data from the last ten years' editions of the annual survey on the Direct Selling of Consumer Goods in the UK (DSA, 1988 to 1998). The data, supplied by both Direct Selling Association member companies and non-member companies, show that, within the UK, the direct selling industry has had to maintain a recruiting level of at least 100% per annum of the current sales force to hold the same numerical level.

It could be argued that the work by Mobley *et al.* (1979) has effectively shaped the basis of much research on labour turnover during the past twenty years, with their studies developing the basic concept that lack of job satisfaction aroused thoughts of quitting. Additionally, from this literature review it is observed that the causes and effects of labour turnover have been the subjects of much research. It has been argued (Hackman and Oldham, 1976; Steers, 1977 and Tyagi, 1982) that turnover, as well as work attitudes such as job satisfaction and organisational commitment, are the results of work-related variables, such as task, characteristics, working conditions and organisational climate (Bluedorn, 1982).

There has been considerable research to comprehend attrition and turnover in salesforces (Fern, Avila and Greal, 1989; Futrell and Parasuraman, 1984; Johnston *et al.*, 1987; Parasuraman and Futrell, 1983; Porter and Steers, 1973; and Sager, Varadarajan and Futrell, 1988) and much of this work has been built on the more general studies of turnover in other occupations, which have been condensed into summaries and models (Bluedorn, 1982; Cotton and Tuttle, 1986; Mobley *et al.*, 1979; Muschinsky and Morrow, 1980; Price, 1977 and Steers and Mowday, 1981).

From a study of the literature, certain elements, namely, characteristics'. 'met expectations', image', 'job 'iob satisfaction', 'organisational commitment' and 'intention to quit', emerge as key variables for this part of the study and these will be considered separately Questions on each of these variables were included in the in more detail. However, before that, it is appropriate to questionnaire (Appendix A). consider the major areas of self-employment, part-time work and gender, in general.

#### 2.03 - Some Considerations regarding Self-Employment

Felstead and Leighton (1992) open the Introduction to their book with three quotations:

'Policy makers, conscious of the importance of SMEs (small and medium-sized enterprises to the economic and social welfare of the (European) Community, have been seriously hampered by a shortage of Information. (This) has been particularly acute for very small firms.'

(European Commission, 1990: 1.3)

'There is a great deal of evidence to show that the jobs and products of tomorrow are highly likely to come from the activities of the small business sector..... in our judgement the future belongs to them.'

(John Major, then Chief Secretary to the Treasury, May, 1989, as reported by the Economic Progress Report, October 1987)

'Very often self-employment can be a brutal and unhappy experience. It can often lead to an unhappy home life, insecurity, low pay and other uncertainties. The cost in human terms might be great. Someone may lose a job and then invest savings and lose them as well, in a vain and ill-advised attempt to embark on self-employment.'

(Barry Sheerman, MP, Hansard, 15 February, 1988)

It is argued that these comments are appropriate in considering the position of independent contractors in the direct-selling industry.

Firstly, there is a paucity of information about independent contractors and their activities. Secondly, they are almost the ultimate in 'very small firms' being 'individuals' in business for themselves, but not, as directselling organisations will tell them, **by** themselves. Thirdly, whereas, they could be considered as mini-franchisees for the companies with which they operate, there is a difference in scale, in that to obtain the right to become 'an authorised XYZ distributor' may not cost anything, or at the most, under current UK Trading Schemes Act 1996, a maximum of £200 within the first seven days, and, therefore, no major, financial liability should be incurred, whereas a conventional franchise could cost thousands of pounds. However, some inexperienced direct sellers may feel, or may be led to believe by those introducing them into the company, that it is appropriate to invest larger sums of money, measured in thousands of pounds, to buy additional stock. The Direct Selling Association recommends that their member companies allow new direct sellers to invest only as much as is required to start their activity and not as much as they can afford.

It could be argued further that, whereas the independent contractor in the direct-selling industry should ideally have an entrepreneurial profile, as described by Stanworth *et al.* (1989), it is not so essential as it is in a classic franchise opportunity, since in direct selling there is not necessarily such a great commitment of time, effort, risk-taking and talent.

From the proposed research, and as stated in the 'Objectives' in Chapter 1, the circumstances which resulted in an independent contractor joining a direct selling activity in a self-employed status and the aspects of that activity which caused changes in, for example, their met expectations, job image, job satisfaction, organisational commitment and, almost inevitably, their intention to quit, may be studied.

From the results it may be possible to indicate if there are actions which could be taken to increase the longevity and reduce attrition of the independent contractors. However, it should be noted that there will always be some element of labour turnover, in that direct salespeople appear to become 'tired' of a product range, or company, and simply leave for no other discernible reason. Additionally, this does not preclude some people already having a 'predisposition to quit' when they start their direct selling activity.

An example of this may be the case of someone who becomes unemployed and starts in direct selling as a continuing, albeit temporary, income source while they seek new employment. This can be related to the study by Granger, Stanworth and Stanworth (1995) where they discuss the concepts of 'entrepreneurial pull' and 'unemployment push' into self-employment status. In simple terms, are people joining because of the desire to be independent, the ability to choose freely their work time schedules and the rewards of a, potentially unlimited, pro rata income, based on the effort they make, rather than a fixed wage? Or, are they joining because of unemployment, or the threat of it, and the lack of other employment opportunities? Since over 90% of the independent contractors in the direct-selling industry are actually part-time, or sparetime (DSA,1998), and may already have other sources of income, it suggests that the 'pull' is more relevant to this industry. Granger et al. also noted that there may be evidence to suggest that some people, 'pushed' into self-employment by unemployment and initially against the concept, can become 'converted' and enjoy the experience.

However, it is also possible that times are changing. Whereas, when the direct selling industry started its major growth in the UK in the 1960s, it built its success on housewives working part- and spare-time, in the 1990s, there are fewer housewives at home to enter these activities.

In fact, it could be argued that there may be fewer people who want to earn some extra money for a particular purpose by performing what is, essentially, a peripheral activity. Today, the single-parent or single-individual household seeks full-time employment providing a steady, dependable income. Even the second income wage earner may have opportunities for steady, albeit low paid, full-time employment, so fewer are possibly interested in a direct selling activity as traditionally conceived. They seek careers, or even aspire to entrepreneurship.

Within the UK, there is a growing segment of low income households (Social Trends, 1998). While many of these are single-parent, or one-individual, households, a larger number are former blue and white collar workers no longer able to command middle-class incomes. These people want to work and enjoy steady, reliable income potential - a career, not a peripheral activity - they want a business opportunity. Direct selling organisations need to react to this situation and create the environment where they consider the independent contractors as business partners, rather than as individuals seeking a bit of extra money. The emphasis should perhaps now be on helping these people to operate their own businesses which, as has been argued, are effectively 'mini-franchises', in that the independent contractors are trading, to a certain extent, under the name and 'banner' of a larger operation.

In literature regarding self-employment, for example, Curran (1990), Meager (1991) and Granger, Stanworth and Stanworth (1995), there is a tendency to refer to those self-employed who work 'on behalf of a company' and appear to be in a passive role, in that their work patterns are almost established for them. By way of contrast, the independent contractor in the direct-selling industry may consider their position more of a 'working for myself' concept, in which they have to adopt a more self-motivated, pro-active role to achieve any reward, or income.

Additionally, it is argued by Meager (1992), that much recent research which consider the relationship between unemployment rates and self-employment, and whether self-employment fluctuates pro-, or counter-cyclically, may be inappropriate. It is suggested that this is particularly so with regard to the direct-selling industry. Industry comment is that increases, or decreases, in the number of people joining, or leaving, direct-selling organisations appears to be, overall, independent of economic changes. Meager calls for a new approach, based on an analysis of inflows to, and outflows from, self-employment. This proposed research would undertake that concept, with regard to a definable, social group, that is, independent contractors in the direct-selling industry.

# 2.04 - The Self-Employed Without Employees

Considerable hopes have long been vested by politicians, from many countries, in the potential of the small business enterprise to produce jobs and wealth. For much of the 1980s and 1990s, the smaller business was singled out as the principal ideological standard bearer of the Thatcherite crusade to construct an enterprise culture in the United Kingdom. Curran (1997), in a paper on small firms, cited Rainnie in illustration of this point:

'Small businesses are the very embodiment of a free society the mechanism by which the individual can turn his (sic) leadership and talents to the benefit of both himself and the nation. The freer the society, the more small businesses there will be. And the more small businesses there are, the freer and more enterprising the society is bound to be.' (Margaret Thatcher quoted in Rainnie, 1989:19)

The terms 'small business' and 'self-employed' have often been regarded as interchangeable. However, the tendency to conflate two kinds of economic entity - those with and those without employees - can be misleading.

A study of recent editions of the Labour Force Survey showed that from the 1980s to around the 1990s there was a material growth in the selfemployed element of the UK labour force.



Figure 3 - Population Trend of UK Self-Employed with/without Employees - 1984-97

However, the Government statistics (Figure 3) also showed that, whereas the number of self-employed with employees in the UK actually fell from over 1.0 million in 1985 to around 850,000 in 1997, the population of the self-employed without employees grew from 1.7 million to 2.5 million. Relating to these figures, the Department of Trade and Industry (1996) has said:

'The growth in the total number of businesses is largely the result of the increasing number of micro businesses. This is illustrated by the rapid increase in self-employment, particularly amongst those without employees.'

Further, Negroponte (1995) predicted that, by the year 2020, the predominant grouping of workers in advanced Western economies will be the self-employed without employees.

# As Stanworth (1997) pointed out:

"... a future comprising of atomised individuals each bearing the risk of generating sufficient income flow and operating in a global labour market is therefore predicted for the majority of the workforce."

Whereas, this does contrast with the current UK national statistics which show that the self-employed make up only 13% of the total workforce, numbering just over three million, of whom, around two million are self-employed without employees (Labour Force Survey, 1997), this form of employment, with a slight dip in the early 1990s, has expanded in the UK over the past 15 years. As far as the UK is concerned, there was some evidence that the growth of self-employed without employees is associated with a decline in employment opportunities in mainstream labour markets, larger numbers of women coming into the labour market and, to a lesser extent, some tax advantages, both real and perceived, of self-employment (Rubery, 1989).

Stanworth and Stanworth (1995) pointed out, agreeing with Curran and Reid (1992), that this group is still a relatively under-researched one within the small and medium enterprise (SME) field. They argued that, whereas, much research has been undertaken on small firm formation, growth and development (Stanworth and Gray, 1991), the reasons, by way of circumstances and motivations, for people to be in that class of self-employment was a neglected area of research. These self-employment situations were, typically, regarded (Scase and Goffee, 1982) as microsmall businesses passing through early stages of business growth.

Scase and Goffee further recognised a progressive typology of four classes of self-employed, including (i) the self-employed who work for themselves and formally employ no labour, (ii) small employers who work alongside the workers they employ and manage their business, (iii) owner-controllers who do not work alongside their employees but are solely and singularly responsible for the administration and management of their business, and (iv) owner-directors who control their business with formal managerial hierarchies.

Furthermore, Bögenhold and Staber (1991) effectively argued the need to sub-divide the first group, thus differentiating between persons, such as self-employed farmers, craftspersons and independent professionals who own their means of production and control their labour process, but whose incomes and life chances are largely determined by anonymous market forces and other kinds of freelancers and homeworkers, who have no autonomy in the labour process and may not even own their means of production. Bögenhold and Staber argued that they 'are 'independent' only in a formal and statistical sense and experience many of the disadvantages of wage-employment, without enjoying the rights typically associated with wage-employment.' It is further argued that these two sub-classes represent the largest group of self-employed persons.

In Britain, it has been suggested by surveys (Hakim, 1988a) that at least two-thirds of the self-employed have no employees and that even the minority who do employ others, employ only a few. This does not, of course, exclude the possibility of self-employed workers using the services of other self-employed workers as independent contractors. Equally, it does not exclude the help of unpaid family members, or friends.

However, further consideration of the Government statistics (Figure 3) indicated that growth, in a job creation sense, and perhaps contrary to the higher hopes of Curran and Burrows (1988), may be an atypical process and that the situation of a good proportion of the self-employed without employees is best regarded as a hybrid situation located mid-way between employment and self-employment.

This reflected the comment by Hakim (1988b) that:

"... it cannot be assumed that the selfemployed are invariably entrepreneurs who are building businesses that will eventually employ more people than themselves..."

and related closely to her concept of self-employment (Hakim, 1985) as a spectrum of positions ranging from the totally independent small business through to other forms which are virtually indistinguishable from 'classical' employment.

Typically, the model for self-employment, where there is ownership of the means of production and a high degree of self-direction and autonomy in the work process, has proposed a male, small business owner employing either no one (Wright, 1978), or one or two others (Bolton, 1971), or just using unpaid family labour. There was a substantial growth in the selfemployment component of the national labour force during the 1980s, running as high as 52% (Cambell and Daly, 1992). Of these, some 66% were one person businesses. However, among the female selfemployed, the proportion without employees was even higher at 72% (Department of Employment, 1992). These data suggest that the 'typical' model above may not be accurate and that there are large numbers in this category who may lack ownership of the full means of production and may also enjoy differing types of autonomy and independence, hence the development in this study.

The Labour Force Survey (1997) indicated that of a total of 3.3 million self-employed, 73% are male and that this percentage is reducing. However, it is mainly in the part-time sector that females are gaining and they now account for some 67% of the part-time self-employed. The steady growth of female self-employment over the past 10 years has been explained by Meager (1991) and others by the 'glass ceiling effect', whereby women perceived barriers to their promotion in corporate enterprises.

These women have moved into self-employment as a career-enhancing Additionally, because of the increase in divorce rates, and therefore the need for women to establish an independent income, there has been a move to return into the labour market after child-rearing. could be argued with Dale (1986), and as cited by Stanworth and Stanworth (1995), that many of these people, who claim they are joining the ranks of the self-employed, are just moving into a more casualised form of employment. Hakim (1987) stated that casualisation involved a movement in the direction of insecure, short-term and irregular work, generally associated with the flexible, peripheral, non-standard or 'atypical' This covered a number of groups, including part-time, workforce. temporary, short-term contract and self-employed workers and, as Atkinson and Meager (1986) pointed out, the terms upon which these workers sell their labour will differ, to a greater or lesser extent, from the traditional typical, full-time, employed workforce. However, in general, it can be agreed with Brewster et al. (1987), in citing Hakim, that the 'atypical' workforce has, in the United Kingdom and in the rest of Europe, grown substantially since the early 1980s. In this case, by definition, 'atypical' would suggest 'self-employed' and working from home in contrast with a 'typical' worker who would be 'employed' and working at their employer's premises.

In seeking reasons for this growth, one simple explanation is the contracting-out of services previously undertaken by employees, but may also reflect employees being substituted by, or even becoming, the self-employed without employees. The arguments for this action involve the concepts of the matching of manning levels of specialist skills to peaks in demand, as well as a reduction of related employee payroll expenses.

McGregor and Sproull (1991), studying employers' use of the selfemployed without employees, also conjectured that:

'It is likely that the advantages of this status are becoming more widely appreciated and some workers are 'voluntarily' opting for self-employment, as distinct from being propelled into it due to redundancy and the difficulty of achieving alternative employment.'

#### 2.05 - The 'Push'/'Pull' Debate

This brings to the fore the crux of the 'push'/'pull' debate (Granger, Stanworth and Stanworth, 1995). Simply, are the motivations for taking a self-employment position predominantly 'push', that is led by the logic of 'economic necessity', possibly caused by a breakdown of the primary labour market, or 'pull', that is led by the logic of 'self-determination', and the attractions of autonomy, self-direction and freedom from external supervision, which a self-employment status is perceived to offer (Bögenhold and Staber, 1991)?

In defining the 'push' logic further, Bögenhold and Staber described persons who, prior to self-employment had only limited chances to succeed as wage-employees, often because of unemployment or redundancy. Their motivations to become self-employed, possibly their only chance to participate in the economy, were related to 'economic necessity'.

They tended to have limited education and skills and, thus, were more likely to fill poorly-paid, unskilled jobs with little job security and opportunity for advancement. One alternative to this scenario was for them to allow themselves to be 'pushed' into self-employed status. Thus, as Stanworth and Curran (1973) pointed out social and economic marginality may be strong motivating forces for self-employment. Such opportunities will obviously be more available in sectors with low barriers to entry, both educationally and financially, and where profit opportunities may be somewhat limited and failure rates will tend to be high.

Bögenhold and Staber, in defining the 'pull' logic, described persons who, prior to self-employment, occupied positions offering good earnings, job security and opportunities for advancement. Their motivation to become 'their own boss' is mainly a desire for self-direction in the labour process. They tended to have a high degree of 'cultural capital' (Smith, 1967), obtained through longer education and socialisation, and exhibited greater social skills and the ability to consider 'longer term' implications.

It should, however, be recognised that the concepts of 'push'/'pull' and the two 'logics' simply identify the two opposite ends of a spectrum, between which exist many combinations of circumstances and motivations to adopt a self-employed status and activity. It was this argument that led to the design and development of the specialised Likert type 'Push'/'Pull' scale, described in Chapter 3. As will be seen in the current study, and to quote Bögenhold and Staber (1991):

'... individual motives are diverse and influenced by particular constellations of social ideals, income preference, formal qualifications and economic opportunities and restraints'.

This included, as did the current research, people with high 'social origin and material circumstances', as well as those who function 'at the fringes of the economy and who are among the most vulnerable economic participants'.

It should be noted that in current US literature, Kirchhoff (1996) contended that the self-employed are primarily small business owners and, as such, are not under-employed but are vital members of the economy who supply goods and services and contribute to economic growth.

This view of the self-employed is not universally accepted because many economists and policy makers continue to believe that large corporations dominate economic growth and development. Compared with the UK position, the personal choice of individuals to become self-employed, followed by their choice to grow their business into a larger business, is a major force for wealth creation and distribution in the US. Kirchhoff proposed that unemployment was not a major reason for self-employment. Dennis (1996), also based in the US and accepting the growth of selfemployment in the past 20 years, proposed evidence that people entered self-employment because they wanted to, not because they saw it as the Effectively, Dennis proposed that people who are best option available. self-employed prefer self-employment to alternative work arrangements. Additionally, he commented that those who enter self-employment tended to come from another job and only to a lesser extent from outside the labour market.

### 2.06 - Part-Time Work

Flexible working patterns, such as part-time work, where the labour force moved away from a standard work pattern, typically represented by a full-time, 'job-for-life', master/servant relationship have long been advocated as methods of deregulating the labour market. It has been argued (Brewster, 1998) that this casualisation of labour could be viewed as beneficial both to companies, reacting to the effects of possible recession, low growth and competitive pressures in product markets, and to the workforce, seeking an working environment that fits more closely with the need of the late 20<sup>th</sup> century household unit. However, it is argued that the introduction of most flexible work patterns has been instituted by the employer, rather than the employee.

An analysis of the Labour Force Survey (1997) showed that some 25% of the total UK work force work part-time, either as employees, or self-employed. Of the part-time workers, 81% are female although the percentage of males is increasing, mainly because of redundancies, and albeit from a low base.

Historically, part-time work has been concentrated in the public and private service industries and has been mainly in the low-wage, low-skill jobs. However, a high proportion of these part-time jobs have been permanent, making these workers a relatively stable workforce when compared with a direct selling salesforce. As Stanworth (1998) commented:

'For women, part-time work can be seen as both a threat and an opportunity - more specifically the only way that most women can combine paid work with family commitment.'

It is argued that direct selling is, typically, part-time work but has the added component of self-employment, that is, it offers totally flexible work hours, and also the potential of higher income rates, measured on an hourly basis, than normal part-time jobs.

#### 2.07 - Gender Considerations

As has already been discussed, although there has been a rise in the number of both men and women entering self-employment, much of the primary research on self-employment has focused on the male. However, as the numbers of women entering self-employment increased, the research perspective has widened. Initially, these studies (Watkins and Watkins, 1984; Goffee and Scase, 1985) tended to show the similarities between female and male, rather than any differences. Their basic conclusions were that, like men, women started in self-employment as part of their search for independence and the desire to control their own destiny. Additionally, they also pointed out that access to capital was one of the major barriers to entry.

Carter and Cannon (1982) sought to investigate the motivations and experiences of women entering self-employment. They suggested that factors which could affect the approach to self-employment included age, prior career experience, perceptions of the labour market, marital status, and presence of dependent children.

Carter and Cannon also identified five different approaches to female selfemployment:

- a) young, achievement-orientated females who see self-employment as a long-term career option;
- b) young women who drift into self-employment through lack of available alternative opportunities and anxieties concerning competition in the formal labour market:
- c) older, achievement-orientated women coming from successful careers, becoming self-employed either as a result of dissatisfaction with career progress, or as a means of controlling working hours to enable them to continue working while starting a family;
- d) women entering self-employment as a means of returning to work after a period of child-rearing; and
- e) women with a family background of self-employment.

As will be discussed later, these approaches can be related very closely to those females entering a direct selling activity.

Although Carter and Cannon emphasised that a key issue to all these women is access to finance, it should be noted that this is not a major requirement to entry into direct selling, where the financial barrier to entry is low. Additionally, they referred to the stress which may be caused by the conflict between the demands of the family and the business ownership. However, it was noted that conflicts were minimised when the family were seen as the first priority and where self-employment constituted a second income for the family. Again, this may be related to a part-time, direct selling activity, where companies tend to stress the importance of the family.

The ultimate in this philosophy is promulgated by the multi-national corporation, Mary Kay Cosmetics, whose stated credo for their direct sellers is, 'God first, family second and career third.'

Goffee and Scase (1985), in suggesting that women turn to selfemployment as a means of escaping the occupational confines of the labour market, identified a typology of the female self-employed based on two factors. Firstly, their attachment to entrepreneurial ideals, in particular individualism and self-reliance, and, secondly, their willingness to accept conventional gender roles, often subordinate to men. Additionally, they identified four types of female entrepreneur:

- a) conventional entrepreneurs, who were highly committed to both entrepreneurial ideals and conventional gender roles;
- b) innovative entrepreneurs, who held a strong belief in entrepreneurial ideals, but a relatively low attachment to conventional gender roles;
- c) domestic entrepreneurs, who organised their business life around their families and, whereas they held a low attachment to entrepreneurial ideals, believed very strongly in conventional gender roles; and
- d) radical entrepreneurs, who held a low attachment to both entrepreneurial ideals and conventional gender roles, often organising their business on a political collectivist basis.

Possibly a more accurate view of female participation in self-employment resulted from the analysis of the general Household Survey data undertaken by Curran and Burrows (1988). In particular, they considered gender, age, and marital status. They suggested that the most favoured age range for female self-employment was between 25 and 34, contrasting with the favoured male range of between 35 and 44. Additionally, they commented on the high levels of marriage and low levels of divorce among both male and female self-employed, compared with the rest of the working population. The role of women's families and life-cycles, and their social and family networks as a resource for their business, were key to the findings of Allen and Truman (1993).

In principle, they supported Curran and Burrows (1988) regarding the favoured age for female self-employment, defining it within the age range 25 to 35, but added a secondary popular range at ages 55 to 60. Their data, collected from both rural and urban areas, indicated self-employed women to have lower educational achievement, less relevant experience, and more restricted access to finance than their male counterparts. Additionally, Allen and Truman confirmed that life-cycle stage, family structure and an ability to secure childcare, all had a bearing on entry to self-employment.

Carr (1996) suggested that female's family characteristics, which represent both constraint and choice, are significant predictors of female self-employment. Human capital characteristics, including age, education, past work experience were proposed as significant predictors of both male and female self-employment. In this study, self-employment was presented as a form of contingent work, which affords females, as Carr called it, 'schedule flexibility'.

## 2.08 - Job Activity Characteristics

It is argued that people become involved in activities because of what they expect the activity will provide them. Job (activity) characteristics constitute a set of environmental variables that are thought (Spector and Jex, 1991) to be important causes of worker attitudes and behaviour. Additionally, different characteristics are more important to different people. Hinton and Biderman (1995) have argued that the original work by Hackman and Oldham (1975) on job diagnostics is still valid and thus it been taken as the base for looking at the motivational properties of various characteristics. The rationale is that a job high in motivating potential will not affect all individuals in the same way.

Hackman and Oldham argued that people who strongly value personal feelings of accomplishment and growth would respond to a job which is high on the 'core' dimensions; individuals who do not value personal growth and accomplishment may find such a job less arousing and may be, as they say, 'uncomfortably 'stretched' by it'.

The 'core' dimensions were defined as:

Skill variety	The degree to which a job involves the use of a number of different skills and talents;		
Task identity	The degree to which a job requires completion of a 'whole' and identifiable piece of work;		
Task significance	The degree to which a job has a substantial impact on the lives or work of others - whether in the immediate organisation, or in the external environment;		
Autonomy	The degree to which a job gives responsibility for the outcomes of the work;		
Feedback	The degree to which carrying out the work required by the job results in the worker receiving direct and clear information about the effectiveness of their performance. This feedback may be from supervisors, co-workers, or others, for example, customers.		

To evaluate these concepts, Hackman and Oldham designed the Job Diagnostic Survey (JDS), which was originally for use both in the diagnosis of jobs prior to re-design, and in research and evaluation activities aimed at assessing the effects of redesigned jobs on the people who do them. It is argued that the JDS indicates the importance to the respondent of (a) the meaningfulness of the activity, (b) the responsibility of the outcomes of the activity, and (c) the knowledge of the actual results of the activity. Additionally, the JDS measures a number of personal, affective reactions, or feelings, that a respondent may obtain from performing the activity. These personal outcomes fall into three main categories. Firstly, 'general satisfaction', which is an overall measure of the degree to which the respondent is happy with the job. Secondly, 'internal work motivation', which describes the degree to which a respondent is self-motivated to perform effectively, and finally 'specific satisfactions', which include such concepts as earnings, supervision, job security, peers and co-workers ('social' satisfaction), and opportunity for personal growth and development ('growth' satisfaction).

# 2.09 - Met Expectations

Wotruba and Tyagi (1991) confirmed that 'met expectations' were defined by Porter and Steers (1973) as representing:

'the discrepancy between what a person encounters on the job, in terms of positive and negative experiences, and what they expected to encounter, and that people can have very different expectations about individual conditions or circumstances of a job, such that a specified job condition may not have a consistent effect on a person's decision to quit, or not.'

However, Porter and Steers predicted that when a person's expectations were not being met, then there would be a greater likelihood for that person to quit. Thus, it may be argued, it is the comparison between expectations and actual experience which is the critical factor which may affect the person's 'intention to quit'.

The summaries of turnover research, quoted above (Bluedorn, 1982; Cotton and Tuttle, 1986, and others), supported the view of a relationship between 'met expectations' and turnover. Wotruba and Tyagi, in their work on a sample of US direct sellers (1991), found that 'met expectations' appear to be strongly related to turnover, when both variables are simultaneously assessed. Additionally, they found that, although 'met expectations' measures at a given time did not predict turnover at a later, 12 month, stage, changes in 'met expectations' did accord to turnover behaviour.

They reported that, whereas both 'stayers' and 'leavers' experienced negative change in their 'met expectations' over time, the change was significantly more negative for the leavers, findings which agreed with the earlier work by Youngblood, Mobley and Meglino (1983).

## 2.10 - Job Image

It has been observed (Mason, 1965) that the unsatisfactory image of the selling occupation may reduce a salesperson's job satisfaction. Additionally, research on turnover (Porter and Steers, 1973; Mobley et al., 1979; Cotton and Tuttle, 1986) has shown that job satisfaction is a major determinant of turnover, leading to the argument that a perceived negative image may indirectly increase the intention to quit, by reducing job satisfaction. Studies of organisational status, probably being the closest variable to job image on which there has been research, indicated that salespeople, carrying out their activities mainly with strangers, are more liable to base their own self-image on the views of these outsiders. It can be argued that the basis for conjecturing that public image will affect turnover is the theory of reasoned action (Ajzen and Fishbein, 1980) which stated that the two major determinants of a person's intention to perform, or not to perform, a given action are: attitude to that action and subjective These norms result from the person's belief that most of their norms. superiors think that they should (or should not) perform that action, and their desire to comply with what their superiors want them to do.

Mason (1965) discussed the relatively low occupational status that sales activities enjoy and focus has been given to the fact that this may be exacerbated by the possibility of frequent rejection by potential customers. Thus it may be argued that, in general, the selling occupation has a negative image and this could give a reason for direct salespeople, conscious of a negative public image, to suffer a loss in their job satisfaction and an increase in their liability to quit from their direct selling activities.

Based on a sample of US direct salespeople, Wotruba (1990) found strong correlation that perceived job image was negatively related to inactivity-proneness.

#### 2.11 - Job Satisfaction

Porter and Steers (1973) defined (p.169) job satisfaction as 'the sum total of an individual's met expectations on the job'. Thus, it may be argued, job satisfaction is determined by comparing, over a period of time, expectations with experiences and requires a longitudinal approach to the research. Work by Tett and Meyer (1993), on the contribution of work attitudes to the cessation of an economic activity, showed that satisfaction and commitment each contribute, independently, to the quitting intention. Judge (1993) said that it has been argued (Weitz, 1952) that job dissatisfaction would be more predictive of quitting if it was considered together with an individual's predisposition to be satisfied with everyday With data collected from members of one professional group, events. support was given to the hypothesis that 'affective disposition moderates the relationship between job satisfaction and voluntary turnover'. Although many of the studies were not specifically undertaken to establish a causal relationship between satisfaction and turnover, they have indicated that dissatisfied employees are more likely to terminate their employment than satisfied workers. It has been concluded (Cotton and Tuttle, 1986) that, based on general employee studies as well as studies focusing on sales people (Parasuraman and Futrell, 1983), 'job satisfaction' was correlated with an 'intention to quit'. Other work (Sager, Varadarajan and Futrell, 1988; Sager, 1991) reinforced the opinion that 'job satisfaction' was closely related to turnover, particularly when considering salespeople.

This can be related to the longitudinal data (Johnston *et al.*, 1990) which indicated that, among consumer goods salespeople, which would include direct sellers, 'job satisfaction' was a major reason for higher 'job commitment'.

## 2.12 - Organisational Commitment

Organisational commitment has been effectively described (Porter *et al.*, 1974) as a person's relationship with, or attitude towards, the company with which that person is associated. It refers to the strength of an individual's identification with, and involvement in, an organisation. Wotruba *et al.* (1987) observed that a highly committed member will demonstrate (a) a strong desire to remain a member of the organisation, (b) a willingness to exert high levels of effort on behalf of the organisation, and (c) a definite belief in, and acceptance of, the values and goals of the organisation. Additionally, they suggested that organisational commitment can play an important role in explaining why some people remain with an organisation well after expectancy and equity theories would indicate they should have left.

There is a view that organisational commitment develops from job satisfaction, such that commitment mediates the effects of satisfaction on the exit variables. Mowday et al. (1982) supported this by suggesting a model where job satisfaction has only an indirect influence on the intention and/or decision to exit an activity. A second view holds that the direction of influence between satisfaction and commitment is the reverse of the above. Here, it is suggested that commitment to the company engenders a positive attitude towards the activity, possibly through a rationalisation This model promulgated (Dossett and Suszko, 1989) the view that changes in commitment can be expected to have only indirect effects on exiting from an activity. The third perspective holds that both satisfaction and commitment contribute uniquely to the exiting process. This is supported by Porter et al. (1974), implying that job satisfaction and organisational commitment, though related, are distinct constructs, with no particular inter-causality.

Meyer and Allen (1991) described three forms of organisational commitment. 'Affective' commitment denoting:

"... the strength of an individual's identification with and involvement in a particular organization",

'continuous' commitment, arising from the recognition by an individual of what one would lose if one did leave the organisation, and 'normative' commitment, denoting a willingness to remain within an organisation due to a sense of moral obligation. This underpins the argument of Brodie (1995) that organisational commitment is a better single indicator of intention to quit, and even turnover, than job satisfaction or met expectations.

#### 2.13 - Intention to Quit

Much of the literature recognised that 'intent to quit' was a positive predictor of turnover (Mobley, Horner and Hollingsworth, 1978; Rice and Mueller, 1981). This supported 'attitude theories' which suggested that the best single indicator of a person's behaviour was a measure of their intention to perform that behaviour (Fishbein and Ajzen, 1978). Many models of turnover have accommodated quitting intentions to explain the turnover process (Mobley, 1977 and Mobley *et al.*, 1979). Steel and Ovalle (1984), in summarising the literature relating 'intentions to quit' and turnover, have proposed that 'intentions to quit' were a more direct causal antecedent of turnover than work attitudes such as job satisfaction.

### 2.14 - Motivations to Quit

Brodie (1995) suggested that, for direct sellers, there appeared to be seven primary factors which influence the 'intention to quit'. These related to 'work hours', 'earnings', operating costs and expenses', 'prestige of job in the eyes of family and friends', 'rejection by prospects' and to the direct salesperson's perception of possible negative opinions of other members of the public with regard to 'product quality' and the 'direct selling job'.

These points will be considered later in the wider context of a review of all the aspects which may relate to the 'intention to quit'. If, having quit, not 'earning enough', either in the tangible or intangible sense, really means that their expectations were not met completely, then it should be questioned if the expectations were realistic in the first place, or was the opportunity over-sold, or exaggerated, to encourage them into the business.

# 2.15 - Summary

Chapter 2 has identified and reviewed the conceptual/theoretical dimension and the methodological dimension of the literature relating to key variables and aspects considered in this research and discovered research questions and hypotheses that will be considered in later chapters. It has been suggested that, since there is only limited prior research material regarding labour turnover in the direct selling industry, it would be appropriate to develop a model. Additionally, because of the unique features of direct selling, it is not possible simply to 'transplant' models from the many studies of employees and typical workers. To develop a model certain adaptations will be required.

**Chapter 3:** 

Research Design and Methodology

#### 3.01 - Introduction

Chapter 2 identified several research issues and Chapter 3 now describes the methodology used to provide data in order to investigate them. In presenting assurance that appropriate procedures and protocols were followed, the chapter considers four main topics, namely, the study area, the sampling procedures, nominal group technique procedures and data processing. Within that framework, the chapter proposes some initial working hypotheses with reference to an entity relationship model of the 'life' of a direct seller and then considers various research design methods adopted for this study. Comment is made on the available methods of data collection, with particular reference to interviews and questionnaires. Additionally, the challenges of sampling for this type of study are considered. As part of the discussion on sampling, a basic typology of direct sellers is developed.

Details of the management and operation of the questionnaire are discussed, including the involvement of the Direct Selling Association and the participating direct selling organisations. Next follows a detailed discussion on the measurement of the key variables, with particular reference to the use of Likert-type scales, and the format of the questionnaire. Details are given regarding the creation of a smaller (n=82) sample from the (n=722) sample produced by respondents to the questionnaire. Furthermore, the management and operation of the semi-structured interviews are considered.

The chapter closes by commenting on the limitations of this type of study and giving observations and discussions on the question of the management of all the data, both quantitative and qualitative, using manual archiving and retrieval systems and computer software programmes.

#### 3.02 - Research Methods

The development of the research methodology for this study was based on the concept of finding the most appropriate method to meet the objectives of the research and to explore the issues involved. Research design is defined by Easterby-Smith *et al.* (1991) as:

"... the overall configuration of a piece of research: what kind of evidence is gathered from where, and how such evidence is interpreted in order to provide good answers to the basic research question(s)."

Thus, it is argued the first step is to define the basic research questions, which should be defined narrowly enough to ensure the focus of the research and broadly enough to allow flexibility and serendipity.

To help to focus the overall structure and orientation of this study, several research methods were examined. However, before considering the differing qualitative and quantitative methodologies, it is worth reviewing their fundamental similarities. In arguing that qualitative and quantitative data are intimately related to each other, Trochim (1998) has stated that:

'All quantitative data are based upon qualitative judgements; and all qualitative data can be described and manipulated numerically.'

In fact, it is suggested that the major difference between qualitative and quantitative research may flow from the underlying strategies of the researcher. Generally, quantitative research is viewed as confirmatory and deductive in nature, whereas qualitative research is considered to be exploratory and inductive.

There are two main approaches to research undertaken in Social Sciences. Firstly, the 'theory-then-research' deductive approach, where a set of hypotheses are developed and then supported, or refuted, by empirical research.

Typically, this approach generates quantitative data. For, as Van Maanen (1979) argued:

'In quantitative research the emphasis is on the collection of metric data using well designed instruments, classifying them into response categories and synthesizing the collected information to evaluate the existing body of knowledge or generate new knowledge ...'

(Van Maanen, 1979, cited by Das, 1983)

This deductive reasoning works from the more general to the specific - a 'top-down' approach. Thus, a start may be made with a general theory regarding the research topic area and from which, by narrowing to the more specific, a hypothesis may be created for testing. By further narrowing, observations may be collected to address the hypothesis. This leads to the ability to test the hypothesis with specific data - effectively, a ratification, or rejection, of the original theory. This may be shown diagramatically as:

Theory -	Hypothesis	<b>→</b>	Observation	<b>→</b>	Confirmation	
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Secondly, by way of contrast, the 'research-then-theory' inductive process involves the systematic analysis of the data collected to develop theories. Typically, this contrasting approach generates qualitative data. As Merton (1957) argued:

"... empirical research goes far beyond the passive role of verifying and testing theory; it does more than confirm or refute hypotheses. Research plays an active role; it performs at least four major functions which help shape the development of theory. It initiates, it reformulates, it deflects and it clarifies theory.

(Merton, 1957, cited by Nachmias and Nachmias, 1981)

This inductive reasoning moves from specific observations to broader generalisations and theories - a 'bottom-up' approach. Thus, it may begin with specific observations and measures, from which patterns and regularities may start to be detected, leading to the formulation of a tentative hypothesis that may be explored. This time, the end result is the generation of general conclusions and theories.

This reasoning may be shown diagramatically as:

Observation → Pattern → Tentative Hypothesis → Theory

Whereas deductive reasoning tends to be more narrow and is concerned with testing, or supporting hypotheses, inductive reasoning, by its very nature, is more open-ended and exploratory. One way of pursuing inductive reasoning is to use a 'grounded theory' approach.

# **Grounded Theory**

The grounded theory approach advocates the use of multiple data sources on the same phenomenon and, as Glaser and Strauss (1967) stated:

'In theoretical sampling, no one kind of data on a category nor technique for data collection is necessarily appropriate. Different kinds of data give the analyst different views or vantage points from which to understand a category and to develop its properties; these different views we have called slices of data. While the (researcher) may use one technique of data collection primarily, theoretical sampling for saturation of a category allows a multifaceted investigation, in which there are no limits to the techniques of data collection, the way they are used, or the types of data acquired. (Emphasis in original)

The grounded theory approach, used extensively across a variety of social science disciplines, and whose basic tenet is that a theory must emerge from (that is, must be grounded in) the data, is defined by two of its major proponents (Strauss and Corbin, 1990) as:

'a qualitative research method that uses a systematic set of procedures to develop an inductively derived grounded theory about a phenomenon'.

## As Becker (1993) postulated:

"... the intent is to develop an account of a phenomenon that identifies the major constructs, or categories in grounded theory terms, their relationships, and the context and process, thus providing a theory of the phenomenon that is much more than a descriptive account."

Additionally, Glaser and Strauss (1967) stated that grounded theory required:

'... the development of a systematic understanding of what is clearly recognizable and understandable to the members of the setting and which is done as much as possible in their own terms; yet it is more systematic, and necessarily more verbal, than they would generally be capable of expressing. It uses their words, ideas and methods of expression wherever possible, but cautiously goes beyond these.'

#### Phenomenology

Much of the methodology used in this research is related to phenomenology, based on the philosophical works of Husserl (1913: transl. 1931) and Heidegger (1927: transl. 1962) and outlined by van Manen (1990). Phenomenology, as described by van Manen, is a process of exploring one's interests and understandings of a phenomenon, uncovering the essence of that phenomenon by gathering stories from those living it, interpreting those stories, and offering implications for practice.

It is based on the concept that everyday experience is worthy of examination and it allows the researcher to examine the multiple identities and complex relationships between those who are similar and different. Phenomenology as a school of thought emphasises a focus on people's subjective experiences and interpretations of the world. This relates to the current research, where the goal is to understand those observed from the subject's perspective. It is argued that this is particularly important where, as in this study, empathy and perspective are key issues. The raw data of a phenomenological study are personal experiences, where such experiences may have been gathered through interviewing and the written answers to open-ended questions in a questionnaire. language used that an understanding of the phenomenon may be started and, therefore, an emphasis is made on the words actually used by the interviewees and respondents, remembering that the overall aim is to seek knowledge of the topic, from the perspective of the participant. It is proposed (van Manen, 1990) that phenomenology is both descriptive and interpretative, in that the phenomenon not only speaks for itself but also is interpreted through the use of text to describe it.

#### Data Triangulation

It is argued that most social research involves both inductive and deductive reasoning processes at some time in the project. In fact, it is observed that the two diagrams above may be created as a single circular one that cycles from theories to observations and back again to theories.

Eisenhardt (1989) stated that:

'... research can involve qualitative data only, quantitative only, or both ... Moreover, the combination of data types can be highly synergistic.'

It is argued that the synergy, or data triangulation, mentioned above, allows for quantitative data to indicate directly observable relationships and, simultaneously, corroborating the findings from qualitative data. Qualitative data, on the other hand, can help us understand the rationale of the theory and possibly describe any underlying relationships.

Since both qualitative and quantitative approaches have advantages and disadvantages, it is argued that the use of multiple data sources enhances construct validity and reliability, or, as Denzin (1970) points out, 'using different methods cumulatively to compensate for the biases of any one'. However, referring to the work of Fielding and Fielding (1986), Allen and Skinner (1991) argued that:

"... the problems of combining diverse results derived from different methods should not be underestimated".

As this study wished to cover a large sample of respondents from several companies, within a defined industry, and had certain time and cost limitations, it was felt that the most appropriate method was a combination of qualitative and quantitative elements. This can be related to the study of Hackman and Oldham (1976). Within this framework, the methods of data collection considered were interviews and self-administered questionnaires. Interviews can be structured, where a set of specific and strictly formulated questions are put to the respondent by an interviewer, or unstructured, where the interview is informal enough to allow the respondent more freedom in what they say. The self-administered questionnaires are sets of questions which the respondent completes on their own.

In essence, since it is argued, as Simon (1969) pointed out:

the methodology of this study incorporates both approaches. However, it is recognised that there are choices to be made and that there are good and bad choices based on the goals of the research. To summarise, all the foregoing arguments led to the development, within this study, of a rigorous data collection protocol by employing multiple data collection methods using both qualitative and quantitative data.

## 3.03 - Initial Hypotheses

Effectively, the first stage of this research process involved promulgating tentative hypotheses and developing research questions from which, it was predicted, new hypotheses and concepts might emerge.

A hypothesis is a specific statement of prediction and describes in concrete, rather than theoretical, terms the expected relationship between two, or more, variables, based on the data obtained during the research. With reference to the Entity Relationship Model (Figure 4), and the longitudinal aspect of the research, it is argued that there are three key 'times' involved in the direct seller's activity. These are defined as 't1', the point of entry into the activity, 't2', the point of exit from the activity and tenure, being the actual time span between 't1' and 't2'. Since there is little published academic research on direct selling, a series of tentative hypotheses was initially formulated based on published theories of motivation for self-employment, for example, Granger, Stanworth and Stanworth (1995) and Bögenhold and Staber (1991), and similar published theories for (i) activity characteristics, (ii) met expectations, (iii) job satisfaction and (iv) organisational commitment.

Figure 4 - Entity Relationship Model

This part of the research benefited from further discussions with key respondents from the direct selling industry, including the Director-General of the Direct Selling Association, chief executives and other senior executives of participating companies, as well as current and former direct sellers. It was anticipated and planned that these hypotheses would be continually developed and refined during the time of the research. This proved to be the case. However, to aid the logic and understanding of the development of the thesis, the hypotheses are always stated in their final, fully-developed and refined forms.

At entry: Three hypotheses were floated regarding the point of entry ('t1'):

**H1(A)** - Motivations for entering a direct selling activity will vary, reflecting a variety of labour market conditions, stages in an individual's life cycle and personal preferences;

**H1(B)** - Motivations for entering a direct selling activity will tend to be a combination of both 'pull' and 'push' type, that is, both the logic of 'self-determination' and the logic of 'economic necessity';

and

**H1(C)** - The format of the direct selling organisation, multi-level or single-level, which an independent contractor joins will be largely dependent on the predominance of the type, either 'push' or 'pull', of that direct seller's motivations.

**Tenure:** A single hypothesis was floated regarding tenure period:

**H2** - Independent contractors will tend to continue in a direct selling activity while they believe their expectations are still being met;

and

On exit: A further hypothesis was floated regarding the point of exit (t2):

**H3** - Independent contractors will tend to exit a direct selling activity when an over-optimistic view of activity characteristics and expectations produces low 'met expectations', leading to low 'organisational commitment' and high 'intention to quit'.

#### 3.04 - Research Method

Based on the arguments above, several research methods were considered. Firstly, qualitative research, where, as Brymer (1989) points out, there is a 'consideration of individuals' interpretations of their environments and of their own and others' behaviour' and where the emphasis tends to be on the participants' own terms of describing a situation, rather than those of the researcher.

Secondly, the case study approach, where there would have been a detailed examination of just one, or a small number of 'cases', where the 'cases' could have been individual companies, or individual groups of people, within those enterprises. Thirdly, action research, involving a continual, pro-active role for the researcher, feeding information regarding possible plans of action into the operation, and then observing the impact of their implementation. Lastly, pure quantitative, survey research, where data is collected, usually by interview, or questionnaire, on a range of variables. The aim then being to examine patterns of relationship among the variables.

Effectively, this research sought an in-depth knowledge of the field of study with the priority being that it would be from the perspective of the individual direct seller, who is defined as the **unit of analysis**. Based on the submitted proposal and comment from the University Higher Degree Committee and discussions with the Research Supervisors, it was decided to follow a **qualitative**, longitudinal, research methodology, based on a target of **160**, **in-depth**, **interviews** with independent, self-employed, direct sellers, covering their 'entry' into, and their 'exit' from, direct selling, and supporting interviews with senior executives from the direct selling organisations with which the independent contractors were associated.

Hakim (1987) added force to this decision when she defined qualitative research as being:

'... concerned with individuals' own accounts of their attitudes, motivations and behaviour. It offers richly descriptive reports of individuals' perceptions, attitudes, beliefs, views and feelings ...'

To add strength and validity to the methodology, these interviews were underpinned with an initial, strong, **quantitative**, empirical element of a sample of **4,050** direct sellers, responding to a self-administered questionnaire.

This involved a multi-staged data collection strategy (Figure 5):

- (a) A quantitative postal survey to **4,050** representing **22** different member companies of the Direct Selling Association, and
- (b) Longitudinal in-depth interviews with a sample of **82** taken from the **722** responses to the questionnaire.

This may be shown diagramatically as:

Figure 5 - Flow Chart for Sampling Frame



Overall, this approach is adopted in order to achieve breadth and depth. The quantitative element is designed to overcome the absence of basic knowledge on the independent contractor in the direct selling industry. The in-depth interviews sought to investigate causality and explain some of the general quantitative observations.

At this stage in the research, the self-employment dynamics will be defined generally as the movement in, and out, of a direct selling, self-employment, activity, caused by differing motivations and possible changes in circumstances. Effectively, the research sought an in-depth knowledge of the field of study with the priority being that it was **from the perspective of the participant**.

## 3.05 - Sampling

As the study was dependent on the goodwill of the participating companies and the exact selection of the samples was within their charge, there could be no notion of any type of probability, or random, sample, wherein each type of the total population of direct sellers would have a known chance of being included in the sample, but a more simplified convenience sample, that is, the actual sample made available for the study. This type of has certain problems with regard to the sample subject of It can be questioned if the samples are in fact representativeness. representative of the total population of direct sellers in the United Kingdom. Additionally, the abilities of the populations themselves to be generalised could be questioned.

As Bryman (1989) reported an analysis by Mitchell (1985) which indicated that for all survey research in organisational research studies carried out during the period 1979-1983, only 17% were based on random samples, it is not inappropriate that this study was based on convenience samples, allowing that the **unit of analysis** was the individual direct seller. The theoretical universe for this research is 'all direct selling organisations in the United Kingdom', for which no sampling frame is available. However, sampling was available from members of the Direct Selling Association, who represent over 80% of the activity of all, known, direct selling in the UK, and this was defined as the universe for this study. A judgmental sample of companies (Appendix C) was chosen from Direct Selling Association members, based on their pre-eminence within the industry and their willingness to participate.

## 3.06 - Participating Companies

Through contact with their chief executives, Amway, Ann Summers, Betterware, Cabouchon, Pippa Dee, Studio Dee, Dorling Kindersley Family Learning, Encyclopaedia Britannica, Herbalife, Kirby, Kleeneze, Mary Kay Cosmetics, Nature's Sunshine Products, NSA, Nu-Skin, Nutri-Metics, Oriflame, Princess House, Tupperware, Vorwerk, World Book Childcraft and The Learning Journey, were asked and agreed to participate, in exchange for a copy of the summary statistics from the questionnaire respondents and a copy of the thesis. To allow for any moderating effects related to the organisational format of the direct selling organisation, that is, whether it uses a multi-level, or single-level, distribution and compensation system, and also to the gender of the direct seller, the participants were sampled from companies selected to enable these possible effects to be studied. Thus, the sample of companies was selected, where some are using 'multi-level' and some 'single-level' systems, and where some have a female, and some male, predominance in their independent contractor salesforces.

A total sample of **4,050**, 'new', individual salespeople from the current mailing lists of the **22** participating companies (Appendix C) was sent a questionnaire (Appendix A) and a pre-paid return envelope (Appendix B) to obtain much basic bio-demographical, motivational and work history information. This part of the research took place before the in-depth interviews and helped to 'focus' them, particularly as it had been deemed appropriate to select, randomly, the interviewees, from the respondents to the questionnaire.

Whereas the accompanying letter to the questionnaire (Appendix B) confirmed the confidentiality of the research data, it also invited respondents to give their name and contact details for further contact, which 90% of the respondents actually did.

It was felt to be appropriate that the chief executive, or a nominated senior executive, of each company also wrote a personal letter (Appendix F), sent with each questionnaire, encouraging participation.

Companies were asked to comply with a protocol (Appendix D), which had been created to ensure that each company's respondents matched the overall sample target. This protocol was targeted to avoid samples which could produce specific gender, age, geographical area, success level, or sales group, that is, common distributorship, or 'up-line' bias, beyond the requirements of the protocol.

# 3.07 - Typology of Direct Sellers

As discussed in Chapter 1, and acknowledging that the unit of analysis is the individual direct seller, a four-cell matrix, linking gender and format of the direct selling organisation with which the direct seller was involved, was created (Figure 6), which allowed all four types or classes, of participants to be studied.

Figure 6 - Matrix of Typology of Direct Sellers

	Male(M)	Female (F)
Multi-Level (MLM)	MLM/M	MLM/F
Single-Level (SL)	SL/M	SL/F

As may be seen, these types included Multi-Level/Male, Multi-Level/Female, Single-Level/Male and Single-Level/Female.

However, to ensure that an appropriate number of each cell within the sample was created, within the time frame available, it was necessary to 'structure' the sample, that is, increase the number of potential respondents from certain companies. This was also necessary since some companies are very single gender predominant, while others are not necessarily gender predominant. It is argued that this may be tolerated since the unit of analysis is the individual independent contractor, rather than the company.

Companies were asked to target their participants from those living within the South-East region (Appendix E) and who had joined within, ideally, the last 7/10 days. This takes into consideration the conventional wisdom in the industry which suggests that there is not a regional dimension to the high attrition rates experienced in the industry. Moreover, given the depth of analysis undertaken, and the potential time and travel cost implication of a geographically wider study, it is argued that this regional focus is valid.

### 3.08 - Questionnaire

The quantitative element of this research revolved around the construction of a primary sample base of self-employed, independent contractors (n=4,050) responding to a, previously piloted, self-administered, postal questionnaire (Appendix A), representing 22 different direct selling organisations (Appendix C), all of which were members of the Direct Selling Association.

The questionnaire, designed to obtain much basic bio-demographical, motivational and work history information, was prepared on Le Sphinx PLUS 2 questionnaire design and data analysis software, designed by de Lagarde and Moscarola of Le Sphinx Développement in France.

After meetings and discussions with the research supervisory team, the Direct Selling Association and key respondent interviews with senior management of the participating companies (see Bibliography), the questionnaire was created and 'piloted'. The 'pilot' testing involved the Director-General of the Direct Selling Association, senior management of the participating companies and also a sample of six past and present direct sellers. All were invited to complete the questionnaire and then were given the opportunity to discuss it, on a 'one-to-one' basis, with the researcher.

Following this testing, it was decided to make minor changes to the questions and statements in the questionnaire to help clarify and simplify them. An example of a minor change made would be that, whereas the questions were numbered for computer input, it was decided not to print the numbers on the questionnaires, in an attempt to minimise the fact that there were over 100 questions to be answered, a fact negatively commented upon during the 'pilot' testing.

The finalised questionnaire is shown as Appendix A.

## 3.09 - Use of Likert-Type Scales

Many of the questions in the questionnaire use a Likert-type scale. This was felt to be appropriate since these scales have been found to communicate interval properties to the respondent, and therefore produce data that can be assumed to be intervally scaled (Easterby-Smith *et al.*, 1991). As discussed by Churchill (1995), there are controversies about the number of points to have on a Likert scale. These controversies mainly fall into two categories, those involved with the total number of points, and those involved with the decision to have an even, or odd, number of points.

An even number of points does not allow the respondent to identify a middle, or neutral, position, but, it is argued, forces them to adopt a position which, at a minimum, indicates support for one, or other, side of a debate, or decide to become a 'non-response'. With regard to the total number of points, it is argued that more points give the respondent a better selection from which to make a choice. However, it also argued, that this greater choice may confuse the respondent, and not necessarily produce richer data. For this study, it was decided that, on balance, a fairly minimalist and simple approach would be taken, in that a neutral position was available from within the five point scales offered.

It should be noted that, in this study, all the data from the responses has been entered to ensure that a higher value is always a more positive statement about the variable. Whereas, the numerical scores given to the responses have no actual value, save that of being useful by way of comparison with other scores, the protocol has allowed mean score values to be calculated and comparisons made within various sub-samples and differing variables.

# 3.10 - Design of Additional Likert Scaling

A simplified Likert method of rating was created to score responses, from the questionnaires and at the interviews, to questioning on motivations at their time of entry into a direct selling activity. The open-ended question (Q. 103) on the questionnaire asked the respondent to give the main reasons, to a maximum of three, that they took up a direct selling activity.

At the interview, the interviewees were asked directly what their circumstances were at the time of starting their direct selling activity, and also what they felt their motivations were that led them to start that activity. If prompting was required, it was explained that, as an example, some people joined for the tangible rewards, such as, money, while others joined for the intangible rewards, such as, recognition.

Although most responses contained an element of both 'economic necessity push' and 'self-determination pull' factors, both questionnaire and interview responses were ranked on a scale of '1' to '5' according to their closeness to the following alternative statements:

- 1. predominantly 'economic necessity push' factors,
- balance of 'push' factors over 'pull' factors,
- 3. 'neutral' position,
- 4. balance of 'pull' factors over 'push' factors, and
- 5. predominantly 'self-determination pull' factors.

#### 3.11 - Measurement of Variables

In Chapter 2, certain variables, including Activity Characteristics, Importance of Activity, Met Expectations, Activity Image, Activity Satisfaction, Organisational Commitment and Intention to Quit, were identified as themes for inclusion in the questionnaire. These variables are now each considered again, this time from the perspective of the methodology used for their measurement.

# **Activity Characteristics**

The measurement of 'activity characteristics' was contained in 26 items, divided into five sections: social recognition and organisational identification, income and career growth, attention and approval, personal fulfilment and job challenge, and autonomy and control. These items were taken from the Job Diagnostic Survey, originally proposed by Hackman and Oldham (1975) and more recently re-validated by the study by Hinton and Biderman (1995).

Again, using a five-point Likert-type scale, respondents were asked to rate the importance of the various aspects to them personally, from 'not at all important, through a 'neutral' position, to 'extremely important', when evaluating their direct selling activity.

## **Importance of Activity**

To gain a measurement of how the respondents rated the importance of their direct selling activity, three questions were included in the questionnaire. Firstly, based on a simple, five-point, Likert scale, ranging from 'not at all important', through a 'neutral' position, to 'extremely important', respondents were asked how important the direct selling activity was in their overall life. Secondly, they were asked, if for some reason they were no longer involved in this direct selling activity, would they seek another work activity to replace it. Again, there was a five-point scale to facilitate their responses, which ranged from 'definitely', through 'not sure', to 'definitely not'. Lastly, they were asked, if they were to seek another activity, would it be:

- 1. another direct selling activity,
- 2. a different type of selling activity,
- 3. an activity which did not involve selling, or
- 4. other.

## **Met Expectations**

The measurement of 'met expectations' was contained in 24 items, subdivided into three sections: work experience, personal experience and personal development. The listing of items by Wotruba and Tyagi (1991), originally based on the work of Porter and Steers (1973) and Steers and Mowday, (1981) was used as the model, although some minor changes were made. The items were answered by the respondents, on a five-point Likert scale, saying that their experience with a particular aspect of their direct selling activity was, or has been: (1) very much less than I expected; (2) less than I expected; (3) about equal to what I expected; (4) more than I expected; or (5) very much more than I expected. Whereas, most of the aspects refer to a positive concept, for example, 'opportunity to make friends' and 'increasing my self-esteem', three aspects, namely, 'work hours', operating costs and expenses' and 'amount of rejection by prospects' are negative.

To maintain a logical approach for analysis, the scoring on these three items was reversed on their Likert scale when computing the results, thus, lower values for these aspects do relate to a more negative comment.

# **Activity Image**

To measure 'job image' a twelve-item series based on work by Wotruba (1990) was used. The items selected were selected after study of research specific to direct selling: a survey focusing on the public's image of direct selling (Harris, 1977); a follow-up study completed five years later (Nowland, 1982); earlier studies of consumer attitudes towards direct sellers (Jolson, 1970, 1972); and pilot research carried out by Wotruba (1990).

The topics were written as statements to which respondents were asked to give a rating based on how they felt a given proportion of people would agree. The Likert scale used was: (1) all, or nearly all; (2) most, but not all; (3) just about half; (4) some, but not half; and (5) none, or almost none.

The concept was to measure what direct sellers felt other people believed about their activity and, to reduce the possibility of a 'halo' effect, some statements were worded positively and some negatively. For this research, 'image' has been defined as the direct seller's perception of the public image of direct selling, rather than their own personal image of their activity. Whereas most of the statements in this section of the questionnaire were stated in, what would be considered, a negative way, for example, 'People think that products sold by direct salespeople are overpriced', some were stated in a 'positive' sense, for example, 'People think that products sold by direct salespeople are better in quality than similar products sold in retail stores'. However, the scoring of the positive statements was reversed when computing the 'image' figures, thus lower values of 'image' aspects relate to a more negatively perceived image.

# **Activity Satisfaction**

Following Wotruba (1990), 'activity satisfaction' was measured using nine items from the job satisfaction sub-scales of the Job Diagnostic Survey (JDS), developed by Hackman and Oldham (1975, 1980). Each item was rated on a five-point Likert scale inviting the respondents to give their opinion from being: (1) extremely dissatisfied; (2) dissatisfied; (3) neutral; (4) satisfied; and (5) extremely satisfied. These JDS sub-scales have been used successfully as a measure of job satisfaction both in sales areas (Bercherer, Morgan and Richard, 1982) and non-sales areas (Spencer and Steers, 1981) and cover such facets as feeling of worthwhile accomplishment, earnings, personal development, independence and relationships with co-workers and peers.

# **Organisational Commitment**

Although 'job satisfaction' was one of the key variables included in this research, it was considered appropriate to include also 'organisational commitment'. Mowday and Stears (1979) argued that 'organisational commitment' is more stable over time and that, whereas day-to-day events may affect 'job satisfaction', transitory events should not cause reevaluation of 'organisational commitment'. They further argue, along with Hom, Katerborg et al. (1978) and Porter et al. (1974) that 'organisational commitment' is a more stable predictor of 'employee turnover' than 'job satisfaction'. On the other hand, De Cottis and Summers (1987), with regard to managerial employees in particular, argued that 'job satisfaction' and 'organisational commitment' were equally predictive of 'employee turnover'. They asserted that personal characteristics, such as, gender, age race and education, were antecedents of commitment. Additionally, they suggested that 'close supervision' reduced commitment and that 'social involvement' and 'feeling personally important' commitment.

To measure this commitment variable in the questionnaire, use was made of the original, fifteen item, 'Organizational Commitment Questionnaire' (Porter *et al.*, 1974). Based on their own current feelings about the direct selling company with which they were associated, respondents were asked to indicate their degree of agreement, or disagreement, using a five-point Likert scale, with the different statements.

### Intention to Quit

In this study the measure for 'intention to guit' was the six-point scale devised by Wotruba (1990) with the help of executives from direct selling organisations and itself based on similar measures which have been used in other attrition research (Purasuraman and Futrell, 1983; Futrell and Parasuraman, 1984; Johnston et al., 1987). This single scale includes both 'quitting' and 'intention to quit', allowing answers to be obtained from respondents who had already stopped their direct selling activity and others who, although active, may be considering to stop. In the covering letter to the questionnaire, respondents were asked to complete and return the questionnaire, even if they had become inactive. The points on the scale were: (1) I have never thought about guitting; (2) I seldom think of quitting; (3) I sometimes think of quitting; (4) I frequently think of quitting; (5) I am just about ready to quit; and (6) I am no longer active in this direct selling activity. Unlike other Likert scales used in this study, this one has no neutral, or mid-way, point but ranges from 'never think of quitting' to 'no longer active' and uses such words as 'seldom', 'sometimes' and Inevitably this can lead to problems of definition. 'frequently'. It is argued that each respondent may have a different understanding of what is meant by, for example, 'seldom'. Is it 'once a week', 'once a month', 'once a year', or 'twice a week', 'twice a month', twice a year', or what? In spite of this uncertainty, it was still deemed appropriate for this study to use the same Likert scale as had been developed and used by Wotruba (1990) in related work.

Based on a review of the relevant literature (Bluedorn, 1982; Steel and Ovalle, 1984), 'intentions to quit' are generally agreed to be the best indicators of future cessation of activity. However, the work by Kirschenbaum and Weisberg (1990), who argue that, within that framework, actual activity cessation is influenced by other independent variables, including age, length of tenure and income level, will be considered.

#### 3.12 - Questionnaire Format

Whereas most of the questionnaire was in the form of structured questions, it was felt appropriate to include three, major, open-ended questions. Two asked for the reasons, to a maximum of three, that: (1) they took up direct selling, and (2) they would give up direct selling. Other questions established their company affiliations, their prior work experience (including prior self-employment), their work hours to determine whether they could be considered full-time or part-time, and other bio-demographical data, including gender, age, educational achievement, marital status, dependent children, type of accommodation and type of area in which lived (urban, suburban, or rural).

Additionally, one question was geared to find out into which quintile, based on total household income, did they belong. Respondents were given a final opportunity, towards the end of the questionnaire, to make any further comments with regard to their direct selling experience.

## 3.13 - Management of Questionnaires

Within the methodology, although the questionnaires carried the University of Westminster logo and were accompanied by a explanatory letter on University letterhead, they were actually posted out by the direct selling organisation with whom the direct seller was associated.

Thus, the questionnaire pack may have arrived in an envelope bearing a company logo and, in most cases, were also accompanied by a personal letter from the Chief Executive (Appendix F) encouraging participation 'to help the University of Westminster and the Direct Selling Association in this research'. The target sample was 'new' direct sellers who, if they did complete the questionnaire, would find it, according to the pilot testing, to be 'user-friendly' and relatively easy to complete. Most of the questions only required a 'tick box' response to a simple question, requiring no subtlety, or extra thought. However, within three open-ended questions, one invited respondents to complete the statement, 'The main reasons (maximum of three) that I took up direct selling are: .........' Here, the respondents had to create their own answers in words.

A total of **722** useable responses was received, giving an **18%** response rate. Additionally, by giving their contact details, respondents were also able to receive, if they wished, a summary of the statistics received. A total of 67% of the respondents asked for, and were sent, a copy of the summary statistics (Appendix G).

As each questionnaire was received and its data entered into the computer, the respondent was automatically assigned by the Le Sphinx PLUS 2 software a Study Number.

This study number was then also given a prefix to identify easily into which of the four cells of the gender/format matrix the respondent fitted. That is, either MLM-M, MLM-F, SL-M or SL-F to identify Multi-Level Male, Multi-Level Female, Single-Level Male or Single-Level Female. Thus, each respondent had a unique identification, for example, 'MLM-F-576'.

In the event of a member of the (n=722) sample becoming, by random sampling, a member of the smaller (n=82) sample, who were interviewed, this same identification was kept as the file name within the NUD\*IST 4.0 software. This allowed easier cross-referencing between questionnaire and interview responses.

Again, to aid cross-referencing and comparisons, much of the individual bio-demographical data, collected from the questionnaire, and relating to members of the (n=82) sample, was exported and attached to the relevant NUD\*IST file containing the transcript of their interview. This involved exporting the data to an Excel Spreadsheet and then re-exporting the data, as a text-only file, to the NUD\*IST 4.0 software.

# 3.14 - Limitations of Quantitative Element in this Study

A study of this type has limitations, which tend to come from three major considerations: (1) the simple, basic design of the study and the fact that the initial sampling has been left to the participating companies introduces caution and discretion when attempting to make any causal deductions; (2) self-administered questionnaires, of the type used, can produce from respondents responses which they might consider to be desired ones; (3) retrospective 'memory' is not always objective; and (4) any generalisation from the current sample of independent contractors working in direct selling sales forces to other sales forces, or types of sales forces, should be done only with considerable care and forethought. Additionally, as observed by Bryman (1989), there is the fact that respondents can read the whole questionnaire before starting to answer the first question. This can mean that answers to earlier questions are influenced by their knowledge of later ones. Furthermore, it cannot be guaranteed that the questionnaires were actually completed by the person to whom they were sent, although it is more likely to be so in this study than in studies where questionnaires are sent to senior managers who may be tempted to delegate the responsibility for their completion.

However, this does not consider the problem of 'non-response'. Effectively, a perfect random sample obtained from a perfect sampling frame may be rendered unrepresentative if the invited respondents do not participate in the research.

Thus, it is argued, with Bryman (1989), that, if the selected, *de jure*, sample was compared with the achieved, *de facto*, sample, then it is possible that those who responded are substantially different from those who did not. It is recognised that a low response rate is not necessarily worse than a high response rate in terms of 'representativeness' of a *de facto* sample, and that it is the bias which may be introduced from people's different inclinations to participate which is critical and which, as in this research, it is difficult to verify.

### 3.15 - The Qualitative Element

### Interview

The interview, within this framework, may be defined as a face-to-face verbal interchange in which the interviewer obtained information regarding opinions or beliefs from another person. The rationale of the in-depth interview was that, (i) the researcher could delve deeply into the subject matter, through a focused conversation with the participant, (ii) the researcher could explore the peripheries of the subject freely, and (iii) the interview could generate and explore new ideas and concepts about the subject. However, within this framework, the interviews were planned to be 'focused', or 'semi-structured', in that a 'topic' list, or 'aide-memoire' It is argued that the advantage of this strategy was that the was used. researcher was able to preserve the advantages of the pure, in-depth interview, for example, interaction, depth and sensitivity, but also achieve comparability of information received.

Near the start of the interviews, the researcher took time to make the points that, (i) he had experience of direct selling and, therefore, understood what was being said, (b) he was not reporting back to any company, or to the Direct Selling Association, (c) any detailed matters discussed, or comments made, would remain anonymous, and (d) he would lose credibility, both academically and within the industry, if he betrayed any trust of confidentiality.

This may be related to the comments made by Mayo (1949) with regard to the interviewing he undertook during the Hawthorne Works research for the Western Electric Company. Mayo pointed out that participants wanted to talk and were prepared to talk freely under the seal of professional confidence, which would not be abused, to someone who, by their very attitude, seemed to carry authority and/or gravitas. As he said:

'few people in this world have had the experience of finding someone intelligent, attentive and eager to listen, without interruption, to all that they have to say.'

In recognition of the issues and pitfalls associated with interviews of this nature, the interviewer diligently attempted to achieve an effective rapport with interviewees while maintaining an objective an uninvolved attitude toward the content of the interviewees' responses.

Each interview, which was held, typically, in the respondent's own home, was tape-recorded, with the interviewee's permission.

## 3.16 - Frequency of Interviewing

This part of the research involved a longitudinal study, taken at two times, of a target sample of twenty, newly-recruited, independent contractors from each of the four cells of the matrix, that is, 80 participants x = 160 interviews. The sample to be interviewed, from each cell of the matrix, was obtained by taking from the total (n) responses from that cell, every xth response in order of receipt, where n/x = 20. However, because of cancellations of appointments and a reserve interviewee protocol, the actual numbers interviewed were:

	No. of Interviewees
Multi-Level/Male	19
Multi-Level/ Female	21
Single-Level/Male	20
Single-Level/Female	22
Total	82

The questionnaire invited respondents to give full contact details 'just in case we need more help' and it was noted that 550 of the 722 respondents to the postal questionnaire gave these details indicating a willingness to be approached. All the respondents who were approached agreed to be interviewed.

These independent contractors were interviewed, in-depth, initially during the first month they joined the direct selling organisation ('t1') and, again, at a time ('t2') to be determined by their activity. Because of the high attrition rate, it is argued that a fixed time for 't2', e.g., 't1' plus x months, was not appropriate, in that, if x=12, it is possible that many of the interviewees would have ceased their direct selling activity, and some of them for more than 10 months. Additionally, it is possible that, for many reasons, some may have stopped and re-started within the 12 month Thus, at the initial interview, the researcher agreed to make period. contact with the respondent every one, or two, months, by telephone. these regular contacts, if the respondent has become inactive since the last contact, then the 't2' interview took place immediately, while any changes in circumstances were fresh in the respondent's mind. methodology, the criterion of 'quitting' was also defined, in that we are using the participant's own interpretation - that is to say, 'they have quit, if they say they have quit', rather than any preconceived, differing definitions of 'inactive' by the companies involved. However, if the respondent was still active the 't2' interview was targeted, if appropriate, to take place at a maximum of 't1' plus 9 months.

Differences between their initial expectations (and from what source were these obtained and how were they formed) and their actual experiences were studied and analysed by bio-demographic characteristics and with reference to the differing types of participant, that is, multi-level or single-level organisation involvement and gender.

In a few cases, where the direct seller had only stayed active for a very short time, or had not really started at all, it was possible that the 't1' and 't2' interviews were simultaneous. The times for 't1' covered a total time span of some six months, from mid-October to mid-April. This was a deliberate decision made to allow for two situations; firstly, the sheer amount of time required to make contact with the sample respondents, to fix definite appointments, to travel to and from the appointment and to hold the actual interview, and secondly, to cover some of the wide range of reasons for starting a direct selling activity, for example, short term financial goals associated with Christmas, Easter and other seasonal holidays.

# 3.17 - Management of Interview Data

The tape recordings, made with the respondents' permission, were transcribed as documents, a highly-labour intensive operation which took several months to complete, and then imported into NUD\*IST 4.0 qualitative data analysis software. The NUD\*IST 4.0 software (**N**on-Numerical **U**nstructured **D**ata, Indexing, **S**earching and **T**heorising), has been developed by Prof. Lyn Richards of LaTrobe University in Melbourne, Australia. Within NUD\*IST the document system contains the text and information about every document.

By exploring and coding the documents, they are linked into the index system, made up of nodes, which are, effectively, containers for the researcher's thinking. Nodes store the index categories constructed by the user. With each category is stored information such as the title and definition of the category, a memo of ideas about it and references to the parts of documents coded at the node.

Using the power of the software, each sentence within all the documents was coded, or 'indexed', based on an index tree of 'concepts', designed by the researcher.

Additionally, all the bio-demographical base data from the questionnaires of the interviewees were exported to NUD\*IST and attached to the appropriate interview document. This enabled the researcher to study and work with all the available data referring to one person within one computer 'file'. The NUD\*IST search procedures allow the document text or patterns of coding at nodes to be searched to help discover patterns and themes. The complete index tree, including 'base data' and 'concepts' is given in Appendix R. Figure 7 gives the main headings.

Figure 7 - Index Tree for Coding

14.4	D 1 4 40 E 4
(1 1)	Base data/Company Format
(1 2)	Base data/Gender
(1 3)	Base data/'Push'-'Pull'
(1 4)	Base data/Company
(1 5)	Base data/Economic status
(1 6)	Base data/Prior self-employment
(17)	Base data/Other jobs
(1 8)	Base data/Prime activity
(1 9)	Base data/Hours per week
(1 10)	Base data/Importance of activity
(1 11)	Base data/Seek another activity
(1 12)	Base data/Intention to quit
(1 13)	Base data/Age
(1 14)	Base data/Education
(1 15)	Base data/Other Direct Selling Organisation
(1 16)	Base data/Another activity
(1 17)	Base data/Reasons for joining
(1 18)	Base data/Reasons for quitting
(1 19)	Base data/Other comments
(1 20)	Base data/Still active after nine months
(2 1 1)	Concepts/Pre-'t1'/Circumstances
(2 1 2)	Concepts/Pre-'t1'/Motivations
(2 2 1)	Concepts/'t1' (Time of entry)/Introduction into Direct Selling Organisation
(2 2 2)	Concepts/'t1' (Time of entry)/Expectations
(2 2 3)	Concepts/'t1' (Time of entry)/Reactions
(2 2 4)	Concepts/'t1' (Time of entry)/Training
(2 3 1)	Concepts/Active life/Image
(2 3 2)	Concepts/Active life/Product
(2 3 3)	Concepts/Active life/Job satisfaction
(2 3 4)	Concepts/Active life/Organisational commitment
(2 3 5)	Concepts/Active life/Comments
(2 4 1)	Concepts/'t2' (Time of exiting)/Changes in circumstances
(2 4 2)	Concepts/'t2' (Time of exiting)/Reasons for quitting
(2 4 3)	Concepts/'t2' (Time of exiting)/Comments
	<u>-</u> :

## 3.18 - Limitations of Qualitative Element in this Study

It may be argued that the issue of 'reflexivity', defined as the possible effects that the researcher's presence may have on the respondents, and ultimately on the data, should be considered. It is possible that the researcher may, unwittingly, have an inhibiting, or enhancing, effect on the respondent. Thus, one problem with face-to-face interviews may be that respondents might give, as discussed by de Vaus (1990), what they may believe to be, 'socially desirable' responses. The researcher was also aware of other specific issues such as leading questions, probes as signals and body language and these were carefully considered during the interviews to minimise their biasing impact.

As discussed earlier, the series of interviews were carried out as consistently as possible, with the researcher building up a rapport with each respondent, but, at the same time, aiming to remain as objective as possible.

## 3.19 - Use of Computer-Based Data Analysis Programmes

For the quantitative element of this research, Le Sphinx PLUS 2 software, on which the questionnaire (Appendix A) was created, was used extensively. After creation of a questionnaire, Le Sphinx PLUS 2 software programme has available three main stages of operation, namely, data entry, data management and analysis. All data from the returned questionnaires were entered into the software programme and all analytical processing was carried out within the system. As will be seen in later chapters, the software allows the creation of sub-samples and the analyses of their data.

Following due diligence and comparison with other qualitative data analysis software programmes, such as ATLAS/ti, it was decided to use NUD\*IST 4.0 for the qualitative element data of this research.

This programme was found to be user-friendly and the flexibility of the index/coding system and the ease of changing, or developing, that was found to be very useful. Additionally, much of the quantitative data stored in Le Sphinx PLUS 2 was copied into NUD\*IST 4.0 for easier reference and comparisons. It is argued by Richards and Richards (1991) that the use of qualitative software programmes has revolutionised the field of qualitative research, in that it:

"... allows researchers to interrogate patterns, to keep asking questions and drawing together different levels, contexts, relationships to test their significance and to chase ideas about the way they pattern data",

and that it gives help in 'dealing guite rigorously with soft (sic!) data'.

However, the opinion of Weitzmann and Miles (1995) that:

'computers don't analyze data, people do',

was not forgotten by the researcher throughout this study.

## 3.20 - Financial Inducements to Participate

No financial inducements to participate in any part of this study were offered to any direct seller, any direct selling company, or their employees, save that of offering a copy of the completed study to the participating companies, and a summary of the questionnaire statistics to the individual respondents.

## 3.21 - Confidentiality and Ethics

Non-disclosure of the names and/or addresses of individual respondents was assured throughout the research and afterwards. This confidentiality extends to all the information obtained during the research for which disclosure might be detrimental to any party.

### 3.22 - Resources

Whereas the researcher met all his own university fees, costs of travel and subsistence, and the vast majority of the expenses involved in this study, some of the participating companies (Appendix C) generously offered to help defray the costs of printing, transporting and mailing the questionnaire and its related stationery. At all times, to confirm the credibility, respectability and authority of the research, the logo and letterhead of the University of Westminster was used with permission.

# 3.23 - Summary

This chapter has outlined the methods used in this research. Arguments were proposed for the research methodology chosen, namely a basic qualitative methodology, underpinned by a strong quantitative component.

Following the conceptualising of the topic area, tentative hypotheses were floated and research questions were developed to explore more fully the aims of the research. The research aims were then converted into research action by means of a self-administered questionnaire to the (n=4,050) sample, the data obtained from the responses (n=722), the indepth interviews, on a longitudinal basis, with the (n=82) sample and the analysis of that data. The questions used in the questionnaire were developed from the published work of earlier researchers. Much of the detailed measurement of the key variables, such as, 'met expectations', 'activity image', 'job satisfaction' and 'intention quit' finds its origination in the work of Wotruba et al. (1990-93). The literature review (Chapter 2) indicated that the approach taken to measure the variables on Likert scales was a sound one.

Additionally, the basic tenet that a strong 'intention to quit' is actually a precursor to 'ceasing activity' is maintained for this study. Thus a strong 'intention to quit' is taken as leading inevitably to the cessation of the direct selling activity.

The limitations of both elements, quantitative and qualitative, in this type of study, were discussed, as were the risks of extrapolating any conclusions to other groups of salespeople, in any industry.

**Chapter 4:** 

**Analysis of Qualitative Interview Data** 

#### 4.01 - Introduction

This chapter includes the presentation and analysis of data obtained from the major, **qualitative** element of this research, that is, the longitudinal series of in-depth interviews of the (n=82) sample at 't1', the time of entering, and, where appropriate, 't2', the time of exiting, a direct selling activity. Later, in Chapter 5, the results will be compared with the data obtained from the under-pinning and strengthening, **quantitative** element of the research. In this current chapter, it will be argued that the data obtained supported the first two hypotheses, H1 (A) and H1 (B), proposed in Chapter 3. Following an in-depth analysis of the interviews, a classification of the work basis of active direct sellers is also presented.

#### 4.02 - 'Aide-Memoire'

As discussed in Chapter 3, the in-depth interviews were designed to be 'semi-structured', in that, although it was important to preserve the interaction, depth and sensitivity of the interview, it was also important to achieve comparability of information received. To achieve this, in addition to a tape-recording being made of the interview, interview notes were jotted down on a pre-printed sheet, which listed the respondent's name, company affiliation, study number and an 'aide-memoire' of keywords. These keywords included:

Circumstances	
Motivations	
Expectations	
Image	
Product	

Typically, these keywords led to comment on other issues, such as, 'commitment', 'satisfaction', 'long term plans' and 'attrition'. Each of the keyword topics will be reviewed from the perspective of the interview responses from the (n=82) sample. However, since a respondent's circumstances and motivations are likely to be intertwined, both factually and also in their responses, these two factors will be considered together.

### 4.03 - Circumstances and Motivations

At the interviews, after the basic formalities of confirming name and company affiliation, each of the respondents was invited to give a description of their circumstances at time 't1', their time of entry into direct selling. Typically, this was followed by them giving, without prompting, details of their motivations. As discussed in Chapter 3, all the interviews were recorded and transcribed as documents for analysis. Statements from a selection of each of the four main groups, which are given more fully as Appendix H, included the following:

# Multi-Level Male - 018

'I was made redundant at the beginning of last year. I found that the (income from) direct selling helped. It didn't pay the bills, but it helped me keep my head above water... Whether it's my (own) business, or not, doesn't really matter, but the fact that I'm in control and no one can come along and say, 'Well, we don't need you any more, bye-bye.' The majority of people (in direct selling) are getting involved because they think it's going to provide them with a future, a secure future.'

## Multi-Level Male - 041

'I got a BSc at Imperial College in Mechanical Engineering and followed it up with a Ph.D. (then) worked as a consultant for the chemical industry. I was unhappy because I was putting in a lot of work and not getting much recognition out of it.'

### Multi-Level Male - 096

'I was looking around for anything that would suit my my desires, my ambitions. I'm able to be free, to move around, to do things my own way. I am a person who takes my own decisions. I need to make money from this...'

### Multi-Level Male - 129

'At my age, my (family) responsibilities are over ... all of my three children have got degrees. I have no responsibilities. I don't need money... Now, it is set in my mind that it is a challenge to me. Leave aside the financial gains. Leave aside all other things. I want to be successful.'

### Multi-Level Male - 420

'I was in long-term incapacity for quite a while now and part of the programme that I'm on at the moment which is, I'm under a psychologist, it's just to try and get ... slowly build up the confidence again and get into something that's not going to be strenuous and not going to be too difficult, just, you know, a few hours a week... My motivational force was to try and get my confidence back. Get out there. Meet people. Do something. You know, get your brain working. I enjoy meeting people and finding out about them.

### Multi-Level Male - 510

'(Just) supplement my income. I want to increase security, I suppose. Later on, pension-wise and things like that.'

#### Multi-Level Male - 581

(I joined) only to use the products myself.'

#### Multi-Level Male - 599

'I was actually a receptionist in a hostel (and) I was looking for an opportunity to work from home, with my wife preferably.'

# Multi-Level Female - 023

'I work full-time here in the city ... before that I was five years in an entertainment company ... I used to look after quite famous 'pop' stars ...'

'I think the bottom line is I love meeting people, I love interacting with people and I can chat all day ... to have a little independence ... I think I saw it as a challenge more than anything else ... It's got everything that I love, wrapped up into one little business opportunity. Any financial gain would be a bonus, in fact. It wasn't a necessity.'

#### Multi-Level Female - 048

'My husband was made redundant, which was a total shock because he was in a job that he was doing well at, and it more or less came out of the blue, and that put us into ... dire financial straits financially. ... I was basically looking for something to do, in addition to the job I do, in hours that I am free.'

### Multi-Level Female - 172

'I was between two jobs and I thought that Kleeneze would, you know, give me extra income.'

## Multi-Level Female - 326

'I wasn't looking for a business. I have two degrees in pharmaceutical sciences ... and that is how I came upon Nature's Sunshine Products ... I was only interested in the products and I told them I wasn't interested in the marketing ... I said to myself, 'No harm, at least I'll get the products at the reduced price.' Now, I'm trying to make money out of it!'

# Multi-Level Female - 403

'I was a housewife (and wanted) to be involved in something, to get out of the house, or to get in contact with other people really.'

## Multi-Level Female - 484

'I'm in full-time employment ... I had a baby ... sort of employed but on maternity leave ... something to do that you could do in your own time ... something to keep me occupied, plus the fact I also like the products.'

## Multi-Level Female - 515

'I was in regular employment as a nurse. I joined partly to deal with frustrations that I was experiencing at work and, I think really, because my neighbour offered me an opportunity ... I just find the products very, very, good.'

#### Multi-Level Female - 585

(I joined) because someone showed me the opportunity and I could see the concept was brilliant. The product excited me. It's fun. It is another route to make money. I mean everyone is trying to find another way to make money. Jobs are not what they were. No jobs are permanent, you don't know when you will be made redundant.'

### Multi-Level Female - 648

'Convenience more than anything ... the fact that I could work when I wanted ... the flexibility... you mould work around yourself, rather that fitting in around your job ...which I should think, if you've got a family, is a very useful thing.'

## Single-Level Male - 015

(High-Price Ticket)

'My background is actually in education and I decided last year that I was going to try something different ... so I thought that I would try to use some of my presentational and communication skills in a different area, that is direct selling.'

# Single-Level Male - 033

(High-Price Ticket)

'I was unemployed for a while ... looking for any form of money-making opportunity... when they showed me the product, I was impressed with it, so that was the reason I decided to give it a go.'

# Single-Level Male - 044

(High-Price Ticket)

'I'd gone through a divorce and it was sort of the aftermath of that ... I was sort of bombed out financially.'

# Single-Level Male - 094

(High-Price Ticket)

'At that time (I was) in a lot of money trouble, out of work, looking like no prospects at all ... I'm happier knowing that, if I work harder, I can earn a bit more. I had to have a job where, if I needed more money, I could just get out and just do a few more hours.'

# Single-Level Male - 140

(Low-Price Ticket)

'The thing that appealed to me most was ... that I was going to be involved with the public outside ... to meet more people (and) I've wanted my own business since I was about eighteen.'

# Single-Level Male - 546

(Low-Price Ticket)

'I was looking for a part-time job, really to fit in with what I was doing.'

## Single-Level Male - 613

(Low-Price Ticket)

'I was retired. Just something to occupy my mind. I'm not one for sitting about.'

# Single-Level Male - 643

(Low-Price Ticket)

'We needed to live basically ... it's a case of grabbing whatever was available at the time ... it also gave me a purpose in life ...'

## Single-Level Female - 025

'The bottom line was because I saw the product and I was impressed with the product. It wasn't just because I wanted a job. It was that that particular job appealed to me. I could do my work when I wanted to.'

## Single-Level Female - 147

'I wanted to finish teaching ... I wanted something that was going to involve ... marketing and teaching. I was also tired of being stuck in one place. I wanted the flexibility of more choice of hours and where and when I worked.'

# Single-Level Female - 148

'I was looking for money. I saw an advert and there was also a bit of paper saying that they wanted somebody to do the area ...either full-time, or quite a few hours part-time.'

## Single-Level Female - 167

'I weren't doing anything. I need the money! It would give me something to do.'

## Single-Level Female - 177

'It was basically just to get a little bit of money ... but with a little bit of independence ... away from the baby just for an hour or two, and the hours could revolve around her as well.'

## Single-Level Female - 264

'It suited me for having been self-employed you can do the hours that you choose to do. If you go out to work for someone else then you are dictated to by your hours and I thought, 'Well, this suits me, suits my way of life.'

## Single-Level Female - 555

'I would have done anything really. We were absolutely desperate for money. I'd have licked stamps to be honest with you.'

# Single-Level Female - 615

'Well, give it a try. The children are that little bit older now and they go off doing their things ... a little bit of income, if I've got a daughter going to university, it might be quite useful.'

## Single-Level Female - 628

'As part of my (university) course, I'd been studying in Spain for six months and so I wasn't working whilst I was in Spain and financially it was crippling. So, when I got back I had to get myself a job quite quickly... I think most of the (university) lecturers expect us to have part-time jobs, otherwise we couldn't get through.'

# Single-Level Female - 636

'It was more for social reasons. Just basically being able to get out, meet more people.'

### **Discussion**

It is argued that an analysis of the statements in Appendix H, including the selection made above, regarding the circumstances of interviewees at their time of entry into direct selling, shows that they cover a wide range of ages, socio-economic groups, educational achievement levels, marital statuses, household income levels, dependent children responsibilities, prior work and business experiences, types of accommodation and location.

It is also noted, as indicated by the interviewees, that their motivations for entering a direct selling activity covered a wide spectrum, from entering through stark 'economic necessity' to those whose entry was motivated by a 'logic of self-determination', related respectively to the basic concepts of 'push' and 'pull' in Granger, Stanworth and Stanworth, 1995) into self-employment. In agreement with Granger *et al.*, it was observed that many of the interviewees had elements of both 'push' and 'pull' within their motivations, again reflecting a rich variety of motivations for many of the individual interviewees.

Additionally, these data may be related to the earlier approaches to self-employment, particularly for females, recognised by Carter and Cannon (1982) and presented in Chapter 2. Similarly, one can recognise in the data the 'domestic entrepreneurs' identified by Goffee and Scase (1985), where self-employment activity is planned around the needs of the family unit.

Thus, it is argued that the data support hypotheses H1(A) and H1(B), that is:

**H1(A)** - Motivations for entering a direct selling activity will vary, reflecting a variety of labour market conditions, stages in an individual's life cycle and personal preferences;

and

**H1(B)** - Motivations for entering a direct selling activity will tend to be a combination of both 'pull' and 'push' type, that is, both the logic of 'self-determination' and the logic of 'economic necessity';

## 4.04 - Expectations

Early on in the interviews, if the subject had not already been raised by the interviewees, a prompt was given to enquire the 'expectations' the interviewees had of their direct selling activities. Statements from a selection of each of the four main groups, which are given more fully as Appendix I, included the following:

#### Multi-Level Male - 041

'Well, I didn't expect to make a lot, but then this chap showed me his commission for one particular month and I was thinking, 'This is just one month's commission, what about the rest and that was a huge amount.'

### Multi-Level Male - 096

'My expectation was that it brings me closer to people. Yes, I was expecting about £1,000, £2,000 a month, that's what I was expecting - just a projection, yes. That's what I was expecting. They said you may even think you'll get £10,000 a month. So that's what they told me.' (I was) planning on living well from it.'

#### Multi-Level Male - 510

'I wasn't expecting miracles. I suppose the plan implies that you can do it, you know, you could become financially independent in, I don't know, two to five years. Personally, I didn't think I could do it that quickly.'

#### Multi-Level Male - 522

I realised that many people have devoted their whole life to it and have given up important positions because they could see this had much more potential financially for them.'

### Multi-Level Male - 583

'I thought it was going to be a little easier than it really is, but you have to really put a lot of effort and time in it and, you know, if you haven't got the funds available to join the scheme as they plan, you don't really make that much money according to the time put in.'

## Multi-Level Male - 640

'My expectation level out of it has grown. Mixing with more positive people in a more positive environment, I would say the association was probably the best thing I've had out of it so far.'

#### Multi-Level Female - 172

'I thought I was getting into something big ... might make good use of my spare time because was part-timer at that a time and I thought I could make some extra money ... and be flexible and I thought if this worked very well, then I would even leave my other job and do it full-time.'

### Multi-Level Female - 250

'I wasn't fed (expectations) at all. Now, I think what I've done is that I've fallen into the trap the other way and ended up saying to myself, 'It doesn't happen over-night', and I've actually under-performed as a result.'

# Multi-Level Female - 261

'When I got involved with Cabouchon, I had a five-year game plan and what I wanted to actually achieve, where I wanted to go, the earnings, I mean, I was very much on track. It's amazing how people's expectations are so different. If I do a sale under £250, you know I think, 'God, what a waste of the last few hours.'

### Multi-Level Female - 405

'Well, I want it to be my career, really for the rest of my life, that's what I intend to do ...'

### Multi-Level Female - 503

'I thought there would be a lot of hard work. I certainly wasn't misled in any form.'

### Multi-Level Female - 646

'Because you hear of the few at the top that make the money, that's always your expectation, really. I knew what to expect. The expectations were what they said. They didn't promise anything big over a short period of time, you know.'

## Single-Level Male - 015

(High-Price Ticket)

'Quite high expectations. I felt that having received the training I would be fairly well versed to actually promote the product on an individual basis, or on a domestic basis, and I felt that the structure of the remuneration was quite satisfactory, but that was without knowing how difficult it was to sell the thing. I think that it would have been better to have more realistic information.'

# Single-Level Male - 049

(High-Price Ticket)

'I based my assumptions on what I was told basically. Yes, actually that was quite true. From then I really had high expectations of it all.'

## Single-Level Male - 054

(High-Price Ticket)

'I didn't really have any clear expectations about it.

Just give it my best shot and saw how it went for a while.'

# Single-Level Male - 110

(Low-Price Ticket)

'I knew it wouldn't be a great financial gain but, as I say, it fulfilled for me the motivation I had early on - meeting people and filling the time.'

## Single-Level Male - 546

(Low-Price Ticket)

'I don't really know, quite honestly.'

## Single-Level Female - 025

'More time to myself which was kind of the major factor ... that would be my main expectation.'

# Single-Level Female - 127

'Very low at the time, as it happens. I mean, you know, I thought it was just something for me to do a few hours a week and I'll earn a little bit of money and I wasn't really expecting a great deal of it, at the time ...'

# Single-Level Female - 148

'I was thinking in terms of a nice run up to Christmas. I was thinking in terms of, you know, something like, £40 or £50 a week, sort of thing.

## Single-Level Female - 167

'I don't know, like. They said that there were high earnings and you could earn a lot of money and that. That's about it really.'

## Single-Level Female - 523

'Um ... pretty much what they told me, really.'

# Single-Level Female - 628

'She said my expected earnings would be higher.'

## Single-Level Female - 636

'(Expectations?) I don't know. Just basically being able to get out, meet other people, generally socialise.'

### **Discussion**

An analysis of the in-depth interview data from the (n=82) sample displayed a wide spectrum of 'expectations' anticipated by interviewees, at time 't1', with regard to their entry into direct selling. It was notable that some expectations were personal to individuals, based on their life-cycle stage and/or their personal preferences and that others were based on information given to them directly, or indirectly, by the company with which they were to be associated.

This latter information could be communicated to them in various ways, including verbally by the person recruiting them into the business, the written word within literature printed either by the recruiter or by the direct selling company, audio tape, video and, more recently, CD-ROM. The methods by which information is passed to potential participants may be related to the work of Breaugh and Billings (1988) on the Realistic Job Preview, which examined the importance of what they argued were the key attributes of any recruitment-orientated intervention, namely, (a) accuracy, (b) specificity, (c) breadth, (d) credibility, and (e) importance. The effect of expectations not being met by participants is discussed later, with regard to support for hypothesis H2.

## 4.05 - Image

It was argued in Chapter 2 that an unsatisfactory 'image' of an activity may reduce the 'job satisfaction' that a participant has of that activity. Additionally it was argued that job satisfaction is a major determinant in labour turnover. This leads to the argument that a perceived negative image may indirectly increase the 'intention to quit', and even lead to the decision to exit the activity.

During interviews, respondents were asked for comments on the image of direct selling and direct sellers based on their own perceptions and discussions with, and comments by, their friends and family. These comments tended to include also reaction comments from people, again often friends and family, on being told that the respondent was taking up a direct selling activity. Statements from a selection of each of the four main groups, which are given more fully as Appendix J, included the following:

#### Multi-Level Male - 018

'Generally negative ... pyramid selling is the initial conception. I think the vast majority of people are reacting to hearsay. Many of them don't have personal experience, some do, some bitter personal experience of course, so I can understand them being mildly sceptical. The fact that it's done part-time predominantly means that it's a part-time business and treated accordingly.'

### Multi-Level Male - 412

'I'm sure direct selling is the 'pits' in most people's perceptions.'

## Multi-Level Male - 425

'It's just this thing about 'pin money', which seems to be more associated with females. The image of direct selling is 90% of the people believe you are a hustler.'

#### Multi-Level Male - 581

'I think direct selling is tarred with the 'pyramid' brush. I think it's still misunderstood. I think that people also have unrealistic expectations of earning, you know.'

#### Multi-Level Male - 598

'Direct selling, in general, I think you get a lot of cowboys out there. And a lot of direct sales people do give direct selling a bad name.'

#### Multi-Level Male - 640

'I've met a lot of people who would agree the Amway products were very good and then there was the odd few that would say, 'I heard it was a 'con'.' So, it was mixed, really.'

#### Multi-Level Female - 023

'(Neighbours, Family) ... they've been terribly enthusiastic.'

#### Multi-Level Female - 172

'I'm afraid it wasn't very encouraging.'

#### Multi-Level Female - 250

'Generally, I think there are fairly negative attitudes out there. They see it as a 'hype' industry. I don't. They all know somebody who didn't make it and therefore assume that the industry doesn't work.'

# Multi-Level Female - 261

'Ignorance about the business, ignorance. They still think it's illegal. They think there's something dodgy. It's just that it's not a traditional business.'

#### Multi-Level Female - 405

'I think it doesn't portray a very good image. I think a lot of it has to do with the media ... I think if they had a positive view of it, then it would help... It's seen as, it's this 'jolly' for mums and ladies, rather than men. Men see it as 'not their thing'. They don't look at it very positively. Basically, they'd do it as a kind of career, if they haven't got a choice.'

#### Multi-Level Female - 532

'It is one of the best ways to sell it, I mean to present it.'

#### Multi-Level Female - 542

'Mainly, 'Oh, good, I like their stuff.' I think generally people are happy that I do it. They quite enjoy sitting back in their armchair, choosing what they want while they're sitting there and then getting people like me running around. It's a much more peaceful way of life when you know that you can do it from your own home.'

#### Multi-Level Female - 639

'A lot of interest, enthusiasm so it is becoming bigger than I expected. I've always felt I would prefer to go to a shop and have a wide selection, but I don't know whether I'm typical. An awful lot of women tend to quite like direct selling products because it's definitely a women's thing, isn't it? There will be more direct selling because I think more and more people are beginning to feel, like me, that shopping is now not as pleasurable as it used to be.'

#### Multi-Level Female - 649

'I don't think people are negative at all about it, because it's involved so many companies now. They've had ... all these companies going round but I don't think there's a very negative attitude towards direct selling.'

# Single-Level Male - 015

(High-Price Ticket)

'It seems to be quite negative actually ... high pressure selling ... the amount of time that was being taken up by people coming into their homes and the expectation that they felt was upon them to actually make a purchase.'

# Single-Level Male - 044

(High-Price Ticket)

'You appeared lower than a social leper ... they thought you were part-Martian. They probably think, 'Well, you've really reached rock-bottom if you're going to attempt one of those jobs.'

# Single-Level Male - 049

(High-Price Ticket)

'I think it's getting a little bit better. It used to be that direct selling was basically people ringing up unsolicited with windows and things like that. People didn't have a very high regard for it.'

# Single-Level Male - 613

(Low-Price Ticket)

'Some people are suspicious, put it that way.'

#### Single-Level Male - 643

(Low-Price Ticket)

The image that I've come across from customers is quite positive, 75% ... positive anyway.'

# Single-Level Female - 062

'I think it's better than it used to be.'

# Single-Level Female - 127

'Quite positive.'

# Single-Level Female - 513

'It was sort of, 'Oh, brilliant, great.', you know.'

# Single-Level Female - 523

'They were all right about it.'

#### Single-Level Female - 628

'I suppose it was mixed really.'

# Single-Level Female - 634

'I still think it's stuck with this stigma of network marketing and pyramid selling.

#### **Discussion**

An analysis of the comments on 'image' from the four main groups of the respondents, including those above, shows a discernible trend over the spectrum from multi-level to single-level, which is moderated by gender. Overall, the most negative responses came from the multi-level males, who appeared to be very aware of the negative perceptions caused by linkage of ethical direct selling with concepts of illegal 'pyramid' selling. Thus, many of the respondents in this group actually had avoided telling their friends and family about their new activity, or had presented it in, as they saw it, a more 'user-friendly' manner, for instance, 'I'm working with a health company.' Equally, respondents were aware that the majority of people have had no personal experience of, or contact with, direct selling and, therefore, tend to base their opinions on hearsay.

The responses from the multi-level female group still had a tendency to indicate a negative perception, but there were obvious signs of a more positive understanding. This, more diverse, opinion of perceived image from family and friends reflected the feeling that image is more dependent on the individual direct seller and the product and company with which they were associated. This also reflected their opinions that a negative image, or opinion, is often based on ignorance of a system. The single-level males also indicated mixed positive and negative perceptions. However, it was noticeable that the more negative perceptions appeared to be associated with the 'high-price' ticket companies and this may reflect the possibility of 'high-pressure' selling of the high-priced products.

Within the overall pattern of a slightly negative perception of direct selling and direct sellers, it is argued that the most positive comments came from those belonging to the single-level female sample. This is interesting in that this group were the most likely to have been 'economically pushed' into a direct selling activity and, therefore, may have been expected to be more aggressive in consummating the sale to ensure their profit.

Within their various statements, all groups suggested that as a background to any negativity towards direct selling, it should be acknowledged that there existed an overall basic resentment of 'selling' and that this had always to be taken into consideration. Although these results are largely based on direct sellers' impressions of how the public, including family and friends, feel about direct selling and direct sellers, overall the results tended to reflect and support the public perceptions directly observed by Stanworth *et al.* (1998), as discussed in Chapter 1. Stanworth *et al.* observed that there was a variation in perceptions between those who have purchased from direct selling companies and those who had not.

They found that once people have actually experienced direct selling, either as a participant or customer, then they tended to have a more positive attitude towards this channel of distribution. This was reflected in the public's comments with regard to 'product need and appeal', 'value for money', 'convenience' and 'courtesy and friendliness'.

#### 4.06 - Product

It is argued that an analysis of the comments offered by the interviewees on the subject of 'image' showed that on many occasions they mentioned, without prompting, the importance of the product which they were selling. As already indicated, 'product' was a keyword in the interview 'aidememoire'. Again, statements from a selection of each of the four main groups, which are given more fully as Appendix K, included the following:

#### Multi-Level Male - 017

'It was, I thought, a product worth investing time in.'

# Multi-Level Male - 471

'I wouldn't attempt to be selling anything that wasn't a good product that I didn't believe in. Hence, I had to try it first.'

#### Multi-Level Male - 510

'It must be a product that is consumable.'

#### Multi-Level Male - 522

'The most important thing is that it's got to be a product which is of interest to 90% of the population - not 10% of the population.'

#### Multi-Level Male - 599

'Yeah, it was definitely that product range that got me. It wasn't purely a business venture.'

#### Multi-Level Male - 621

'The product range is important (and it's) important that I feel comfortable about being associated with it.'

#### Multi-Level Female - 261

'Well, the product's great. I mean, I couldn't get involved with anything without absolutely loving the product, so the product, number one, is terribly important. I loved the product. I wear it. I can sell it. But we're not consumable - so there's only so many pairs of earrings you can have.

#### Multi-Level Female - 326

'I like the product.'

#### Multi-Level Female - 405

'Well, purely because I can relate to the products. The products are very important, yes.'

#### Multi-Level Female - 484

'If I was going to do something like this, I wanted to get involved with a consumable product, rather than a one-off buy (because) once you've done your friends and family, you run out of options.

# Multi-Level Female - 616

'That's what got me, I just fell in love with the product line.'

#### Multi-Level Female - 646

'The product's the most important thing.'

# Single-Level Male - 044

(High-Price Ticket)

'It's the product more than the opportunity.'

# Single-Level Male - 377

(High-Price Ticket)

'When I realised the product I was selling was really first class that motivated me more and more.'

# Single-Level Male - 110

(Low-Price Ticket)

'The product is not very important to me really. Obviously, I don't want anything too heavy because I've got to lug it round.'

# Single-Level Male - 643

(Low-Price Ticket)

'The product range is extremely important.'

# Single-Level Female - 062

'I've got to believe in the products that I'm selling.

If I don't think they're good quality ... I wouldn't do it.'

# Single-Level Female - 148

'The products are very important.'

# Single-Level Female - 610

'I wouldn't say (the products are) very important. The range I am dealing with sells itself so I am quite happy to go along.

# Single-Level Female - 636

"... don't think I'd be so willing to sell it if I hadn't actually liked the stuff myself. I think you have to like the product yourself to be able to sell it.

#### **Discussion**

Overall, all groups talked about the 'importance' of the product, or product range. However, the actual concept of 'importance' had differing meanings within the different groups. For example, within the multi-level male group, some respondents could be quoted as saying that the product was not important. However, a deeper analysis showed that what they meant was that the actual physical product was not as important as certain attributes it should have. For example, many direct sellers attached importance to 'quality', in that the direct sellers needed to have confidence in the products.

Other general comments made included the importance of the direct seller actually using the product they were selling and the importance of the product being of interest to 90% of the population, as opposed to only 10% of the population. The multi-level female group tended to reflect their male products which were consumable, thus giving them a justifiable reason for calling back on their customers on a regular basis. Their 'definitions' of 'importance' were shared by members of the other groups and included counterparts comments with particular emphasis on the importance of the product and the use of the product by the direct seller.

Whereas the 'low-price ticket', single-level male group referred more to the importance of having a large range of products, rather than the importance of any one single product, their 'high-price ticket' colleagues had very strong comments about the actual, individual product, which they were selling. Their main interest was product quality and it is argued that this may reflect the necessity of justifying a 'high-price ticket'.

The comments regarding 'product' from the single-level females tended to reflect their desire for belief and confidence in the products, which they would 'like' and which they suggested should exhibit good value for money.

#### 4.07 - Presentation of Qualitative Data from 't2' Interviews

#### Introduction

As discussed in Chapter 3, the (n=82) sample were interviewed at time 't1', their time of entry into direct selling. Additionally, the research methodology included an longitudinal element whereby the target was to interview the (n=82) sample at time 't2', their time of exit from direct selling, if that was appropriate and possible. After the initial interview, contact was maintained with the interviewees, ideally every month, by telephone. If the respondent had become inactive since the last contact, then the 't2' interview took place immediately, while any changes in circumstances were fresh in the respondent's mind.

Conventional wisdom within the industry argues that the attrition rates among direct sellers are highest within the first few months and then tend to slow down with time. Thus, someone who remains active for six, or nine, months could well be expected to stay active for a much longer period of time, possibly measured in years. These 'actuarial' type figures for 'life expectancy' in the direct selling industry may have been calculated by some direct selling organisations but have not been made public since they would be regarded as proprietary information. This would certainly be a possible area for future research.

#### The 't2' Interview

In line with the 't1' interviews, the 't2' interviews were also 'semi-structured', in that, it was important to achieve comparability of information received. To accomplish this, a pre-printed 'Interview Notes' sheet, Appendix L, was used. Unless the 't1' and 't2' interviews coincided, it was not possible to know in advance if a given contact with the interviewee would, in fact become the 't2' interview.

It was noted that, whereas, at the 't1' interview, the interviewee was, typically, very happy to talk about their entry into direct selling, there was a marked contrast at the 't2', 'exit', interview. Although the 't2' interview protocol was used at the appropriate times, most of those contacted, once they had exited from the direct selling activity, had no real wish to discuss any personal changes of circumstances, or reasons for their exit. Even with prompting, it was difficult to obtain meaningful responses suitable for analysis. A lack of success resulted in a reluctance to become involved in further discussion, or a simple lack of interest. Respondents were, in a nutshell, reluctant to spend time discussing what, for them, may have been an unsuccessful venture. It should also be noted that, despite several attempts, some respondents were impossible to contact after the 't1' interview.

It should be noted that, within this research, the 't2' interview, if held, by definition took place not longer than nine months after the 't1' interview. It is suggested that, almost inevitably, therefore, there is a high percentage of negative comment within these 't2' interviews, since the respondents have decided to exit the direct selling activity, for whatever change of circumstance, or reason, rather than continue for a longer time.

Statements regarding their 'change of circumstances' and 'reasons for exiting' from a selection of the four main groups at their 't2' interview, which are given more fully as Appendix M, included the following:

#### Multi-Level Male - 069

'Lack of time ... too busy to talk ...'

#### Multi-Level Male - 096

'Something better came along - not direct selling. However, overall, it was a positive experience.'

#### Multi-Level Female - 039

'No financial gain, but still a positive experience.'

#### Multi-Level Female - 172

'Being your own boss ... I quite liked that as well, yeah. Especially when you have a family you think, 'I can fit it around my family life... I found that some people were very, very nice and very understanding. But other people, you know, they really make you feel like you're infringing on their time and their house and you know.'

#### Multi-Level Female - 186

'Consider doing some direct selling ever again? Possibly, yeah. I enjoy speaking to people. It's a good boost, because it's, like, if you've got 'x' amount of friends, but you'd want other people as well to talk to. I think you can make money.'

# Single Level Male - 015

(High-Price Ticket)

'I decided that the orders just were not coming in so I would re-direct my energies in another field. I was particularly impressed with the amount and quality of training given.'

#### Single-Level Male - 044

(High-Price Ticket)

'Well, it was bad management. I felt the management was extremely amateur.'

# Single-Level Male - 053

(High-Price Ticket)

'I wasn't earning enough money basically.'

# Single-Level Male - 055

(High-Price Ticket)

'Yes, I would like an opportunity still to go into sales but I find my experience with Vorwerk has been very good. I wonder if a lot of other companies are going to match up with them.'

# Single-Level Male - 092

(High-Price Ticket)

'I thought the training was very good and very professional. The product was beautiful. The people I met were intelligent, professional people, that made me feel good ...'Certainly the expectations that were suggested to me as definitely being possible were not met. My expectations which were perhaps half that, were not met... Would I ever think of getting involved with a direct selling company again? Definitely not. No, definitely not.

# Single-Level Male - 092

(High-Price Ticket)

'I think that most salespeople stay because they enjoy the amount of unpredictability involved. However, in direct selling, perhaps this element of unpredictability is too high.'

# Single-Level Male - 141

(High-Price Ticket)

'Things are never quite as they are presented.'

# Single-Level Male - 110

(Low-Price Ticket)

'I'm a better salesman. It was a positive experience.'

# Single Level Male - 643

(Low-Price Ticket)

'We've decided to call it a day ... and go somewhere where we can both get a salaried position on a five-day week basis... Direct selling is not for the faint of heart. It requires determination and commitment to products and company, a belief in which is also essential. It requires patience and sometimes a tough hide and diplomacy to deal with the general public.'

# Single-Level Female - 025

'My heart wasn't in it. I would not get involved in direct selling again.'

# Single-Level Female - 062

'Nothing wrong with the products, just fed-up with late nights.'

# Single-Level Female - 127

'Just taking a break for two or three months.'

#### Single-Level Female - 264

'Very negative. Did I gain anything? Yes - never to touch direct selling! They are not bothered whether they lose you, or not, and I think that again is a very bad aspect.'

# Single-Level Female - 523

'Gone to a full-time job, but a positive experience.'

# Single-Level Female - 555

'Because people are so rude, aren't they? It wasn't worth it. It really wasn't worth it. The money that you got at the end of the day, there was just no point in doing it.'

# Single-Level Female - 628

'I've actually taken a break from it. I didn't want to stop it but I ... started an employed job during the evenings ... once I get settled down and everything gets organised, I'll give it another go, I think.'

#### **Discussion**

An analysis of the 't2' interviews, supported by the above statements, suggests that, typically, although respondents felt that their time in direct selling had included some positive experiences, it could be argued they were still aware of a negative perception of the activity in which they had participated. Some had left direct selling to take on an employed position, which they saw as being more of a 'real' job, in that it gave them the security of a regular income, on which they felt they could depend. This, it is argued, supported the view that many of those entering direct selling were strongly motivated by 'economic push' factors, rather than the 'entrepreneurial pull' factors, such as self-determination, for many of the jobs they were moving to were low-paid ones. In fact, the most negative comments were made directly, or indirectly, about income. These took the form of a direct statement that they did not make sufficient money, or they made reference to the long hours worked and the expectations that were not met.

The more positive statements about their activity referred to the products they had been selling and the training they received. Several respondents felt that their direct selling training would help them in their future careers, in whatever sphere that might be. Additionally, confirming a typology of direct sellers to be discussed in Chapter 7, several spoke about returning to direct selling in the future. It is argued that these respondents could be those who move in and out of direct selling, depending on their economic and social needs.

Effectively, they are direct sellers who, although they exit direct selling fairly quickly after entry, may be perceived as either 'successful', or 'not unsuccessful', in that they may well have achieved their personal short-term goals, which may have been tangible or intangible.

#### 4.08 - Classification of the Work Basis of Active Direct Sellers

A deeper analysis of the texts from all the interviews led to the recognition of six different approaches that direct sellers may take to their activity. This is based on the individual participant's actual basis of work as a direct seller during their active life and mirrors the unpublished findings of the US Direct Selling Association.

#### **Full-Time**

The first group identified were the full-time, career direct sellers. They make up less than 10% of the total direct selling workforce and, typically, worked more than 30 hours per week. It has been estimated (Grayson, 1997) that they share around 80% of the total available financial rewards within the industry and, therefore, include some very high earners, that is, in the UK, earning in excess of £100,000 per annum.

#### Part-Time

The majority of direct sellers fell into the second category of part-time direct sellers and were simply looking for modest extra income, possibly in order to gain incremental improvements in their quality of life. Typically, for this they spend only 3/5 hours a week on this activity. Based on the financial comments of the full-time direct sellers, it may be argued that 90% of all direct sellers, including all the part-timers, shared only 20% of the available financial rewards.

This is reflected by the current Direct Selling Association (DSA, 1997) statistics which indicate that the average sales of all UK direct sellers is £2,476. Assuming the direct seller profit margin to be about 25/30%, it can be argued that the average annual gross profit is under £700 and, because of the highly skewed distribution, and allowing for operating expenses, the modal net profit figure may well be as low as £200 per annum.

# Short Term/Goal Specific

Separate from the long-term, part-time group, there existed a group of successful people who are identified by the length of time they are active, at any one time. These direct sellers, who often enter and exit the activity on a regular seasonal or annual basis, are usually goal specific. The length of time for which they are active is usually predetermined by them. It could be measured as the time taken to make a profit equal to the cost of a goal, or could be the time between entry and a fixed seasonal time, such as Christmas or summer holidays, for which they need money.

#### **Buying Club**

The fourth identifiable group were those participants who had joined a direct selling organisation in order to buy product for their own personal use, at a wholesale price. They simply used the company as a 'buying club' and had no plans to sell the product to other users, or to introduce new participants into the business.

#### Social Contacts/Recognition

A fifth identifiable group, typically female single-level participants with young children, included those who entered a direct selling activity in order to satisfy a desire for adult companionship and contact (away from the closed home environment) and valued the recognition they received for what they did, more than, necessarily, any financial benefit.

# Sharing the Benefits

The final group included a minority of participants who exhibited a great belief in their product line, above and beyond the normal expected of a salesperson. They typically had a strong desire to share their product, usually, associated with health, for example, a nutritional or diet product, with everyone. It is argued that they believed in their products in their 'heads and hearts' and, relating to the earlier typology of Granger *et al.* (1995), were classic examples of 'missionaries'.

In presenting these groups it is also argued that they are not mutually exclusive and participants can belong to more than one group and, over a period of time, may move between groups.

# 4.09 - Summary

Chapter 4 was based on a presentation and analysis of the data obtained from the in-depth interviews of the (n=82) sample at 't1', their time of entry into direct selling. As a basis of these semi-structured interviews, reference was made to the 'aide-memoire' used, to help ensure comparability of information received. Examples of statements from each of the four main groups, that is, multi-level male, multi-level female, singlelevel male and single-level female, were given, reflecting their comments on 'circumstances', 'motivations', 'expectations', 'image' and 'product'. Discussion notes on each of these concepts were presented. The chapter continued with a presentation and analysis of the data obtained from the interviews of the (n=82) sample at 't2', their time of exiting from direct selling. This involved a discussion of methodology of these semistructured interviews, using a pre-printed 'interview note' sheet. presentation gave examples of statements from each of the four main groups on their 'changes in circumstances' and 'reasons for exiting'. Lastly, a discussion on the responses from the 't2' interviews was offered.

# **Chapter 5:**

# **Analysis of Quantitative Questionnaire Data**

#### 5.01 - Introduction

This chapter will include the presentation and analysis of the data collected from the respondents (n=722) to the self-completion questionnaires, thus allowing reference back to the original aims of the thesis, including the circumstances and motivations at the time of entry and the possible reasons for exiting the activity. A model for each of the four main groups of direct sellers, defined with reference to gender and company format (Chapter 1), will be proposed. To underpin and strengthen the earlier presentation (Chapter 4) of the qualitative data from the (n=82) sample interviews, this chapter also presents the questionnaire responses from that (n=82) sample, firstly, from the perspective of those still active at time 'ti + nine months', defined as 'stayers', and those who since 't1' had exited within nine months, that is, had reached time 't2', defined as 'leavers'. The second presentation of the data considers the 'push' and 'pull' data, as defined by the Likert type scale created for this study and introduced in Chapter 3, from the questionnaires, taken from the responses to Q. 103, 'reasons for joining a direct selling activity', of the 'stayers' and 'leavers'.

**5.02 - Basic Data from Postal Questionnaires - All Responses (n=722)**The unit of analysis for this study was the individual direct seller. The responses from the survey gave the following breakdown:

Total Sample	100%
Multi-Level Male	20%
Multi-Level Female	49%
Single-Level Male	8%
Single-Level Female	22%
All Male	28%
All Female	72%
All Multi-Level	69%
All Single-Level	30%
(n=722)	

Although the sample population (n=4,050) was not created as a quota sample with regard to either gender or format (see Research Methodology in Chapter 3), the gender split and format split may be compared with the Direct Selling Association (DSA,1998) figures of:

Female	80%
Male	20%

Multi-Level Male	16%
Multi-Level Female	20%
Single-Level Male	5%
Single-Level Female	59%

Using the Sphinx software, basic tabulations were performed for the data based on the complete sample (n=722), the four basic sub-samples from the 2x2 matrix created in Chapter 1, that is, multi-level/male, multi-level/female, single-level/male and single-level female respondents. From the data provided by the 722 respondents, the following basic biodemographics, shown in Figure 8, were calculated.

Figure 8 - Basic Bio-demographics of Sample (n=722)

	Total Sample	Mult	i-Level	Singl	e-Level
	(n=722)	Male	Female	Male	Female
Gender - Female	72%				
- Male	28%				
Age (average years)	37.5	41.0	37.6	37.7	33.1
Higher education (% degree and above)	37	49	43	36	15
Economically active at entry (%)	55	75	56	46	33
Prior self-employment experience (%)	38	46	37	34	34
Full-time (% 30 hours or more/week)	9	9	4	56	7
Dependent children (%)	56	43	58	33	68
Married/living as married (%)	69	68	70	58	71
Ave. Annual household income (£'000)	20.8	22.3	22.9	20.2	15.7

More detailed data are shown in Figure 9 and, since they are an integral part of the thesis, they have been included *in toto* within the appropriate and relevant chapters, rather than as appendices.

Figure 9
Basic Data from Postal Questionnaires - All Responses (n=722)

		Multi	-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Status at time of joining DSO -	%	%	%	%	%	%	%	%	%
ciatio at timo of joining 200	"	70	70	70	70	70	70	70	70
Economically active (Full/Part-Time/Self-Employment)	55	75	56	46	33	67	49	61	38
Unemployed	11	12	7	34	12	19	9	8	18
House-wife/House-husband	24	1	27	3	42	2	32	20	32
Student/Retired/Other	10	12	10	17	13	12	10	11	12
Previous work experience (if any) -									
Previous direct-selling experience	23	24	21	20	24	23	22	22	23
Other type of self-employment	15	22	16	14	10	20	14	18	11
Another type of selling	21	17	20	24	25	19	22	19	25
Other work experience	34	35	36	31	34	34	35	35	33
No previous work experience	7	3	8	10	8	5	8	6	9
Any other jobs/earning opportunities in addition to DS -									
Yes	55	74	60	21	40	59	54	64	35
No	45	26	40	79	60	41	46	36	65
Primary work activity -									
This direct selling activity	42	30	33	83	55	45	40	32	62
Other	48	60	53	8	40	45	49	55	31
Not applicable	11	10	13	10	6	10	11	12	7

		Mult	i-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Approx. Hours / week -	%	%	%	%	%	%	%	%	%
Less than five hours	32	30	43	0	23	21	37	39	17
5 - 9 hours	34	31	33	15	46	26	37	32	37
10 - 19 hours	17	24	14	19	18	22	15	17	18
20 - 29 hours	8	7	7	11	6	8	7	7	7
30 - 39 hours	4	4	2	17	3	7	2	2	6
40 - 49 hours	3	3	1	22	3	8	1	2	8
50 hours and more	2	2	1	17	1	6	1	1	5
Do hours fluctuate on a weekly basis -									
Yes	71	69	71	63	72	67	71	71	69
No	29	31	29	37	28	33	29	29	31
Intention to quit -									
Never think	53	56	58	46	42	53	53	58	43
Seldom think	23	24	22	33	23	27	23	23	26
Sometimes think	15	12	13	13	23	12	16	13	21
Frequently think	4	5	3	2	3	4	3	3	3
About ready to quit	3	3	2	2	6	3	3	3	5
No longer active	2	1	2	4	2	2	2	1	3
Currently involved in another DSO -									
Yes	13	19	13	6	13	15	13	15	11
No	87	81	87	94	87	85	87	85	89

		Mult	i-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Gender -	%	%	%	%	%	%	%	%	%
Female	72	0	100	0	100	0	100	71	73
Male	28	100	0	100	0	100	0	29	27
Age -									
Under 18	1	0	1	2	2	1	1	0	2
18 - 24	13	8	12	15	22	10	15	11	20
25 - 29	14	12	14	11	17	12	15	14	15
30 - 34	19	10	22	19	19	13	21	18	19
35 - 44	28	34	28	17	24	29	27	30	22
45 - 54	16	19	16	19	12	19	15	17	14
55 - 64	7	11	7	13	3	12	6	8	6
65 or older	2	5	1	6	0	5	1	2	1
Education -									
No formal qualifications	11	10	9	15	13	11	10	9	14
GCSE	7	4	5	6	14	5	8	5	12
O levels	25	19	22	19	36	19	26	21	32
A levels	21	19	21	24	22	20	22	21	23
Higher education	37	49	43	36	15	45	34	44	21
(incl. degree/post-graduate degree)									

		Mult	i-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Current status -	%	%	%	%	%	%	%	%	%
Married	57	59	59	39	58	53	59	59	53
Living as married	12	9	11	19	13	12	11	10	15
Separated/divorced	12	13	10	15	13	14	11	11	14
Widowed	1	1	1	4	1	2	1	1	2
Single, never married	17	16	18	24	14	19	17	17	17
Other	1	1	1	0	1	1	1	1	1
Dependent children -									
Yes	56	43	58	33	68	40	61	53	59
No	44	57	42	67	32	60	39	47	41
Type of accommodation -									
Owner-occupied	63	63	68	47	63	58	66	66	59
Private rented	17	18	17	21	12	19	16	18	14
Local authority rented	10	8	6	19	14	11	9	7	1
Housing Association	6	8	4	8	8	8	5	5	8
Other	4	3	5	6	3	4	4	4	4
Type of area -									
Urban	33	39	30	34	29	37	30	33	30
Suburban	45	45	44	47	45	45	44	44	46
Rural	23	16	25	19	26	17	26	23	24

		Mult	i-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Household Income -	%	%	%	%	%	%	%	%	%
Under £8,000	16	12	13	13	27	13	17	12	23
£8,000 - £13,999	18	19	13	28	20	21	15	15	22
£14,000 - £21,999	26	22	26	21	33	22	28	25	30
£22,000 - £36,000	24	24	27	23	18	24	24	26	19
Over £36,000	16	22	21	15	2	20	15	21	6
Importance of Activity -									
Not at all important	5	7	6	4	4	6	6	6	4
Unimportant	5	7	6	2	5	5	6	6	4
Neutral	29	21	33	15	33	19	33	30	28
Important	44	43	41	50	46	45	43	42	47
Extremely important	16	23	13	30	11	25	13	16	16
Seek another activity to replace this -									
Definitely not	38	48	28	76	35	56	30	34	46
Probably not	25	16	28	15	31	16	29	25	27
Not sure	20	16	23	6	23	13	23	21	19
Probably would	13	16	16	2	10	12	14	16	8
Definitely would	3	3	5	2	1	3	4	5	1
If you were to seek, what type of activity -									
Another direct selling activity	38	41	32	53	39	44	34	34	43
Different type of selling activity	21	23	20	25	22	23	20	21	23
Activity not involving selling	27	24	33	17	24	22	30	30	22
Other	14	12	16	6	15	10	16	15	12

		Mult	i-Level	Singl	e-Level		Female	Multi- Level	Single-
	All	Male	Female	Male	Female	Male			Level
Activity Characteristics -									
Show I can deal with responsibility	3.5	3.2	3.3	4.0	3.7	3.4	3.4	3.3	3.8
Supervisor support available	4.0	4.0	3.8	3.9	4.2	4.0	3.9	3.9	4.1
Opportunity for professional growth	3.9	4.0	3.9	4.2	3.7	4.0	3.8	3.9	3.9
Receiving attention and appreciation	3.5	3.4	3.3	3.7	3.8	3.5	3.5	3.3	3.8
Success related directly to initiative	4.2	4.4	4.1	4.4	4.1	4.4	4.1	4.2	4.1
Predictable earnings	3.8	3.8	3.7	4.0	3.9	3.8	3.8	3.7	3.9
Feelings of worthwhile accomplishment	4.0	4.1	4.0	4.1	3.9	4.1	4.0	4.0	4.0
Offers work hours I want	4.3	4.2	4.3	4.0	4.5	4.1	4.3	4.3	4.3
Provides advancement opportunities	3.6	3.6	3.6	3.9	3.6	3.7	3.6	3.6	3.6
Provides opportunity for high level of income	4.0	4.3	4.0	4.2	3.8	4.3	3.9	4.1	3.9
Makes use of my skills	3.8	3.8	3.8	3.9	3.7	3.9	3.8	3.8	3.8
High prestige in eyes of family/friends	2.7	2.5	2.8	3.0	2.8	2.6	2.8	2.7	2.8
Opportunity for sales meetings/conventions	3.0	2.9	3.1	2.9	3.0	2.9	3.0	3.0	3.0
Helps increase my self-esteem	3.6	3.5	3.6	3.6	3.7	3.5	3.6	3.6	3.7
Feelings of self-fulfilment	3.8	3.7	3.8	3.9	3.8	3.8	3.8	3.8	3.9
Selling a highly competitive product	3.7	3.5	3.6	4.0	3.8	3.7	3.7	3.6	3.9
Provides freedom to perform activity as I wish	4.2	4.1	4.2	3.9	4.1	4.1	4.2	4.2	4.1
Provides respect of my fellow salespersons	3.3	3.1	3.3	3.6	3.4	3.2	3.3	3.2	3.5
Opportunity to earn awards/recognition	3.7	3.6	3.5	3.8	3.8	3.6	3.6	3.6	3.8
Opportunity to develop my selling skills	3.6	3.4	3.4	3.9	3.7	3.6	3.5	3.4	3.7
Working with company of which proud	4.1	4.0	4.1	4.5	3.9	4.1	4.1	4.1	4.1
Opportunity to be creative and innovative	3.9	4.0	3.8	3.8	3.7	3.9	3.8	3.9	3.8
Success depends on individual effort	4.1	4.2	4.0	4.3	4.0	4.2	4.0	4.1	4.1
Opportunity to make friends	3.7	3.6	3.7	3.5	3.9	3.5	3.8	3.7	3.8
Rejection by prospects is minimal	3.2	3.0	3.2	3.1	3.4	3.0	3.2	3.1	3.3
Opportunity to work closely with others	3.4	3.3	3.3	3.5	3.3	3.4	3.3	3.3	3.4

		Mult	Multi-Level		Single-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Image -									
Direct salespeople are too aggressive	2.8	2.7	2.7	2.8	3.1	2.7	2.9	2.7	3.0
DS products are worse in quality than similar retail	2.6	2.6	2.6	2.8	2.6	2.7	2.6	2.6	2.7
DS should be regulated more by government	3.6	3.6	3.6	3.4	3.8	3.5	3.6	3.6	3.7
DS is more inconvenient than normal retailing	3.1	3.0	3.1	2.8	3.3	3.0	3.1	3.1	3.2
DS products are overpriced	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
DS are less knowledgeable about their products	3.5	3.4	3.6	3.9	3.4	3.6	3.5	3.5	3.6
It is hard to find DS for question, or re-order	3.5	3.6	3.6	3.3	3.5	3.5	3.6	3.6	3.4
It is difficult to get DS product replaced, or fixed	3.6	3.5	3.7	3.6	3.5	3.5	3.6	3.6	3.5
DS are less helpful than retail in serving needs	3.5	3.4	3.6	3.6	3.4	3.4	3.5	3.5	3.4
DS policies and practices are of dubious legality	3.3	3.0	3.3	3.4	3.5	3.1	3.4	3.2	3.5
DS products take too long to be delivered	3.6	3.6	3.7	3.4	3.7	3.6	3.7	3.7	3.6
DS opportunity is worse than most other job opportunities	2.3	2.4	2.3	2.2	2.2	2.3	2.3	2.3	2.2

		Mult	i-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Met Expectations -									
Job responsibility	3.2	3.1	3.3	3.2	3.2	3.1	3.3	3.2	3.2
Support and appreciation from supervisors	3.4	3.6	3.4	3.3	3.4	3.5	3.4	3.4	3.4
Work hours (Reversed entry)	2.9	3.0	2.8	2.8	2.9	2.9	2.8	2.9	2.9
Opportunity to go to sales meetings/conventions	3.3	3.3	3.3	3.0	3.2	3.2	3.3	3.3	3.1
Products are highly competitive	3.3	3.2	3.4	3.4	3.3	3.3	3.4	3.4	3.3
Awards/recognition for good performance	3.5	3.5	3.5	3.5	3.7	3.5	3.5	3.5	3.7
Actual earnings	3.0	2.9	2.9	2.9	3.0	2.9	3.0	2.9	3.0
Operating costs and expenses (Reversed entry)	2.6	2.6	2.6	2.6	2.8	2.6	2.6	2.6	2.7
Opportunity for training	3.2	3.4	3.2	2.9	2.9	3.3	3.1	3.3	2.9
Professional growth	3.3	3.4	3.4	3.1	3.2	3.3	3.3	3.4	3.2
Initiative needed (Reversed entry)	2.8	2.8	2.7	2.9	2.9	2.8	2.8	2.7	2.9
Prestige of job in eyes of family and friends	2.8	2.7	2.8	2.8	2.9	2.7	2.9	2.8	2.9
Freedom to carry out activity as I wish	3.2	3.2	3.3	3.2	3.2	3.2	3.3	3.2	3.2
Feelings of loyal association with company	3.4	3.5	3.4	3.4	3.3	3.4	3.3	3.4	3.3
Respect from fellow salespersons	3.3	3.5	3.3	3.4	3.3	3.5	3.3	3.3	3.3
Opportunity to make friends	3.4	3.5	3.4	3.3	3.5	3.5	3.4	3.4	3.4
Amount of rejection by prospects (Reversed entry)	2.9	2.7	2.9	3.0	3.0	2.8	2.9	2.8	3.0
Feelings of worthwhile accomplishment	3.3	3.4	3.3	3.3	3.3	3.4	3.3	3.3	3.3
Advancement opportunities within company	3.3	3.4	3.3	3.1	3.3	3.4	3.3	3.4	3.2
Making use of my skills	3.2	3.3	3.3	3.1	3.2	3.3	3.2	3.3	3.2
Increase my self-esteem	3.4	3.5	3.4	3.1	3.3	3.4	3.3	3.4	3.3
Feelings of self-fulfilment	3.3	3.4	3.3	3.0	3.3	3.3	3.3	3.4	3.2
Development of new skills	3.4	3.5	3.5	3.2	3.3	3.4	3.4	3.5	3.3
Opportunity to be creative and innovative	3.4	3.5	3.4	3.1	3.3	3.4	3.4	3.5	3.2
Opportunity to work in a team	3.2	3.3	3.2	3.1	3.1	3.2	3.2	3.2	3.1

		Mult	i-Level	Singl	e-Level			Multi-	Single-
	All	Male	Female	Male	Female	Male	Female	Level	Level
Activity Satisfaction -									
Amount of personal growth/development	3.5	3.6	3.5	3.5	3.5	3.6	3.5	3.5	3.5
Amount of challenge	3.7	3.9	3.7	3.7	3.7	3.8	3.7	3.8	3.7
Chance to help other people	3.9	4.0	4.0	3.9	3.8	4.0	3.9	4.0	3.8
People with whom I talk and work	3.8	3.9	3.8	3.8	3.9	3.9	3.8	3.8	3.8
Future security	3.4	3.6	3.4	3.3	3.3	3.5	3.3	3.4	3.3
Worthwhile accomplishment	3.7	3.7	3.7	3.6	3.6	3.7	3.7	3.7	3.6
Chance to get to know other people	3.9	3.8	3.9	3.6	4.0	3.8	3.9	3.9	3.9
Amount of independent thought/action	3.9	4.0	3.9	3.8	3.8	3.9	3.9	4.0	3.8
Contribution to company results in earnings	3.7	3.7	3.7	3.6	3.8	3.6	3.7	3.7	3.7
Organisational Commitment									
Willing to put in extra effort	3.6	3.8	3.6	3.9	3.5	3.8	3.6	3.7	3.6
Great organisation with which to work	3.9	4.0	3.9	4.0	3.6	4.0	3.8	3.9	3.7
Great loyalty to company	3.7	3.9	3.8	3.9	3.6	3.9	3.7	3.8	3.7
Accept any activity to stay with company	2.6	2.7	2.5	2.9	2.8	2.7	2.6	2.5	2.8
Company values and mine are similar	3.7	3.8	3.8	3.8	3.5	3.8	3.7	3.8	3.5
Proud to be part of company	3.9	4.0	4.0	4.0	3.8	4.0	3.9	4.0	3.8
Difficult to work as well with other company	3.0	3.0	3.2	2.7	2.8	2.9	3.1	3.1	2.8
Company inspires to best performance	3.6	3.6	3.6	3.5	3.5	3.5	3.6	3.6	3.5
Require great change to cause leaving	3.4	3.5	3.4	3.4	3.1	3.5	3.3	3.4	3.2
Glad I chose this company	3.8	3.8	3.8	3.6	3.7	3.7	3.8	3.8	3.6
Much to be gained by staying with company	3.8	4.0	3.9	3.6	3.5	3.8	3.8	3.9	3.5
Easy to agree with company policies	3.7	3.8	3.7	3.3	3.6	3.6	3.7	3.7	3.5
Care about fate of this company	3.8	3.9	3.9	3.9	3.4	3.9	3.7	3.9	3.6
Best of companies with which to work	3.6	3.7	3.6	3.7	3.3	3.7	3.5	3.6	3.4
Good decision to work with company	4.3	4.3	4.4	4.3	4.2	4.3	4.3	4.4	4.2

# 5.03 - Basic Data Calculations of (n=722) Sample

including Multi-Level Male, Multi-Level Female, Single-Level Male and Single-Level Female respondents

Age
The average ages of the whole sample (n=722) and the sub-samples were:

	Years
Total Sample	37.4
Multi-Level Male	41.4
Multi-Level Female	37.1
Single-Level Male	39.6
Single-Level Female	33.4
All Male	40.9
All Female	36.0
All Multi-Level	38.4
All Single-Level	35.1

It was noted that the single-level females, who account for 59% of all UK direct sellers, were, on average, the youngest group at 33.4 years. Further analysis showed that 41% of this group were aged under 30. This compares with only 24% for the multi-level females.

# **Economic Activity**

There was a wide variation among the basic sub-samples, comprising the four cells of the 2x2 matrix, with regard to the respondents' 'economic activity' standing at the time of their starting their direct selling activity. This economic activity could be full-time or part-time employment, or self-employment. The data show the percentages to have been economically active at their time of starting a direct selling activity were:

Multi-Level Male	75%
Multi-Level Female	56%
Single-Level Male	46%
Single-Level Female	33%

These results appear to be strongly influenced by gender and format, in that the figure for all males is 67% compared with only 49% for females and 61% for all multi-level compared with 38% for single-level respondents.

With regard to gender, this reflects the labour market position of all working age people in the UK (Labour Market Trends, 1997), where 15% of males are economically inactive compared with 28% of females. Again, the single-level female result may be related back to their age, and it is argued that this is strongly influenced by a group made up of young, career-break, mothers who, for various, typically extrinsic, economic reasons, are seeking a simple, 'quick', earnings opportunity. A single-level format company offers this type of opportunity.

# Unemployment

With regard to those actually unemployed at the time of starting their direct selling activity, the single-level males stand out as being significantly different. The data show the following results for the percentage unemployed:

Multi-Level Male	12%
Multi-Level Female	7%
Single-Level Male	34%
Single-Level Female	12%

These are supported by the data from the gender and format sub-samples:

Male	19%
Female	9%
Multi-Level	8%
Single-Level	18%

As will be discussed later, the single-level males stand out in this analysis and, it is argued, the result will support the concept of strong, economic, 'push' motivations within this group.

# **Primary Work Activity**

The single-level males appeared to be more single-minded than the other sub-samples, in that the data showed that 83% considered direct selling to be their primary work activity, 79% had no other earnings opportunity (other than direct selling) and 56% worked more than 30 hours a week at their direct selling activity. This contrasted significantly with the other three groups where the 'over 30 hours a week' percentages were 9%, 4% and 7%.

#### **Intention to Quit**

With regard to 'intention to quit', considering the complete (n=722) sample, 76% 'seldom' or 'never' thought about quitting and this was replicated across all the sub-samples.

#### **Prior Work Experience**

Overall, the vast majority of respondents, in excess of 85%, had had some form of prior work experience. However, the data regarding the respondents having had prior 'self-employment' experience, including prior direct selling experience, showed:

Multi-Level Male	46%
Multi-Level Female	37%
Single-Level Male	34%
Single-Level Female	34%

On a ratio of almost 2:1, a higher percentage of multi-level respondents, 64%, had another job, or earnings opportunity, in addition to their direct selling activity, compared with single-level respondents at 35%.

It is suggested that this may be related to the concept that the multi-level format is associated with developing a 'business opportunity' in addition to the simple retailing of a product, and that these respondents were taking the first steps towards developing a 'portfolio of incomes'.

# **Working with More than One Direct Selling Organisation**

Within the overall (n=722) sample figure of 13%, 19% of multi-level males were currently involved in more than one direct selling company as opposed to only 6% of the single-level males. This reflects the earlier comment regarding the more single-minded business approach of the single-level male. However, that approach may have been imposed because of economic circumstances, for it is noted that, with reference to the single-level males, 34% were unemployed and only 46% were already economically active at their time of entry. This compared with 12% unemployed and 75% economically active in the multi-level male group.

#### **Educational Achievement**

Regarding educational achievement, 11% of the total sample responded that they had 'no formal qualifications'. There was no obvious gender differentiation, but the figure for single-level respondents was 14% compared with 9% for the multi-level respondents. The data giving the percentages for those respondents having attended 'higher education', including the possession of a degree, or post-graduate degree, show:

Multi-Level Male	49%
Multi-Level Female	43%
Single-Level Male	36%
Single-Level Female	15%
All Male	45%
All Female	35%
All Multi-Level	44%
All Single-Level	21%

#### **Marital Status**

Almost 70% of all respondents in the sample (n=722) were married, or living as married. This figure held up in other sub-samples, with the exception of the single-level male group, which contained 24%, of single, never married, respondents, compared with the other sub-samples at 16%, 18% and 14%.

# **Dependent Children**

The data for the percentage of respondents with dependent children showed a strong female bias. The questionnaire asked, 'Have you dependent children living with you?', and thus allowed not only for young, pre-school and school children, but also for older children who were still, in the respondents' opinions, 'dependent' on their family. The figures were:

Multi-Level Male	43%
Multi-Level Female	58%
Single-Level Male	33%
Single-Level Female	68%

Whereas, there was little difference by company format, on a comparison by gender, the results were more obvious:

All Male	40%
All Female	61%

This is discussed more fully, below, in the analyses of the single-level female and single-level male groups.

# **Types of Accommodation**

The overall figures for the complete (n=722) sample showed:

Owner occupier	63%
Privately rented	17%
Local authority rented	10%
Housing Association	6%
Other	4%

The major divergence from these figures occurred in the single-level male sub-sample which showed owner-occupied at 47% and local authority rented at 19%. This can be linked to the status and dependent children data.

# Type of Area

The total (n=722) sample showed:

Urban	32%
Suburban	45%
Rural	23%

Whereas, there are no major differences due to company format,

	Multi-Level	Single-Level
Urban	33%	30%
Suburban	44%	46%
Rural	23%	24%

the gender sub-samples show:

	Male	Female
Urban	37%	30%
Suburban	46%	44%
Rural	17%	26%

Overall, it is argued that the most popular areas for direct selling are suburban areas, which have the highest percentage of respondents both by gender and company format. However, the higher rural percentage for females, compared with males, may reflect a shortage of available, primary, labour market opportunities for women.

## **Importance of Activity**

At least 54% of each of the basic sub-samples rated the importance of their direct selling activity as 'important' or 'extremely important'. However, the single-level male respondents again stood out, with 80% rating the importance of their direct selling activity as being 'important' or 'extremely important'. Again, from the (n=722) sample, there is a dichotomy within the single-level male sub-group, in that the figure for the 'high-price' ticket respondents is 92%, and for the 'low-price' ticket respondents, 58%.

## **Seek another Activity**

On being asked if, in the event they were no longer involved in this direct selling activity, the respondents would seek another (direct selling) work activity to replace it, there were variations over the basic four sub-samples. The data show that the percentages answering 'definitely not', or 'probably not' were:

Multi-Level Male	66%
Multi-Level Female	56%
Single-Level Male	91%
Single-Level Female	66%

Again, the single-level male sub-sample is shown to be considerably different from the other sub-samples. This difference is supported by the analyses based on gender and format:

All Male	72%
All Female	59%

All Multi-Level	59%
All Single-Level	73%

#### **Household Income**

Whereas, overall, the quintiles of household income, based on indexed UK figures (Social Trends 27), are well represented and, whereas, within this study, gender does not appear to have a strong differentiating effect, it is noted that company format does. The data for the (n=722) sample show:

	Male	Female
Less than £22,000 (lower three quintiles)	56%	60%
£22,000 and over (upper two quintiles)	44%	39%

	Multi-Level	Single-Level
Less than £22,000 (lower three quintiles)	52%	75%
£22,000 and over (upper two quintiles)	47%	25%

It is argued that this figure of 75% of all the single-level respondents, irrespective of gender, being members of the lower income households, supports the view of them being more likely to be motivated by economic 'push' factors. Simply, they may have a greater monetary need and, typically, that need can be more quickly satisfied by a single-level format company.

#### **Activity Characteristics**

People get involved in activities because of what they expect the activity will provide them. Different aspects are more important to different people. Part of the questionnaire gave respondents the opportunity of scoring varying aspects, or characteristics, for its importance to them, on a five point Likert scale.

The range of scaling was from 'not at all important', scoring 1.0, to 'extremely important', scoring 5.0. Overall, for the total (n=722) sample, the activity characteristics which scored the highest were:

Offers me the work hours I want	4.3
Provides freedom to perform the activity as I wish	4.2
Success will relate directly to my initiative	4.2
Working with a company with which I am proud to be associated	4.1
Provides an opportunity in which success depends greatly on my effort	4.1

It is noted that all these relate to the logic of 'self-determination', and are associated with intrinsic, job satisfaction concepts rather than extrinsic, economic concepts, such as earnings and income.

When the data were analysed for the gender sub-samples, the two top scoring characteristics, in order, on the Likert scale, were:

Male	
Success will relate directly to my initiative	4.4
Provides an opportunity for a high level of income	4.3

Female	
Offers me the work hours I want	4.3
Provides freedom to perform the activity as I wish	4.2

Whereas, within the male sub-sample, reference to the 'push', or economic, concept of income has the second highest scoring, out of some 26 characteristics, economic ones were not rated in the first half-dozen by the female sub-sample.

Considering the format sub-samples, there was little difference in scoring between multi-level and single-level respondents, with the highest ratings being the same as for the total (n=722) sample. For all gender and format sub-samples, the lowest scoring characteristic was for the importance of 'high prestige in the eyes of my family and friends'.

The characteristics achieving the highest individual scores were 'success will relate directly to my initiative', which was rated at 4.4 by both multi-level and single-level males, and the 4.5 scoring by single-level males for 'working with a company of which I can be proud'.

### **Image**

As discussed in Chapter 3.0, by using a five-point Likert scale, the questionnaire measured what the respondents felt other people believed about their direct selling activity, that is, 'image' was defined as the direct seller's perception of the public image of direct selling, rather than their own personal image of their activity.

It is argued that the most important concepts from this perspective are those which produce a 'negative perception' scoring, that is, allowing for reversed entries, less than 3.0 on the Likert scale.

Overall, the lowest scoring items for the complete (n=722) sample were replicated in both the gender and format sub-samples. These produce the inference that direct sellers perceive the public image to be that most people feel that 'direct sales people are too aggressive and will try to sell you something that you do not need', and 'direct selling products are not better in quality than similar products in retail stores'. Scoring the lowest ratings overall was the perception that 'a job in direct selling is currently not better than most other job opportunities'.

### **Met Expectations**

A five-point Likert scale was used to measuring how respondents' experiences with particular aspects, relating to work experience, personal experience and personal development, in their direct selling experience had been, or was, related to their expectations.

It is argued that, overall, there were no aspects of their direct selling activity where the experiences of the respondents were well in excess of their expectations, in that, from 200 different scorings from the eight sub-samples, only one score was over 3.5. That one score, at 3.7, was the rating of 'getting special awards and recognition for good performance' by single-level respondents, in general, and single-level females, in particular. However, there are five aspects where, overall in the (n=722) sample, the experiences were more negative that expected, and this was reflected in the sub-samples. These were:

Personal costs and expenses (Reversed Entry)	2.6
Prestige of job in eyes of family and friends	2.8
Initiative needed	2.8
Work hours (Reversed Entry)	2.9
Amount of rejection by prospects (Reversed Entry)	2.9

## **Activity Satisfaction**

Using a five-point Likert scale, respondents were asked to rate their satisfaction with various aspects of their direct selling activity. A higher scoring, within a range of 1.0 to 5.0, indicated greater satisfaction.

Overall, and reflected throughout the sub-samples, the respondents indicated a good satisfaction with their direct selling activity, with ratings running in the 3.5 to 4.0 range. An exception to this overall satisfaction was the lower 3.3 scoring on 'how secure things look for me in the future' by both male and female single-level respondents. The highest overall scorings for the (n=722) sample, reaching 4.0 within the sub-samples, were for:

The chance to help other people	3.9
The chance to get to know other people	3.9
The amount of independent thought and action I can exercise	3.9

# **Organisational Commitment**

To measure organisational commitment, respondents were invited to indicate their degree of agreement with certain statements, using a five-point Likert scale. Overall, and supported by the sub-sample analyses, the statements with the highest ratings were:

Deciding to work with this company was a good decision on my part	4.3
Tell friends this company is a great organisation with which to work	3.9
Proud to tell others that I am part of this company	3.9

For the total (n=722) sample, the lowest scoring statement was:

Accept any other selling activity to stay with this company 2.6	3
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# Motivations for joining a direct selling organisation

In the open-ended question, Q. 103, asking for reasons, to a maximum of three, as to why the respondent had started a direct selling career, it was probably not surprising, at this primary stage in their career, that respondents would often tend to use words and terms that they had heard recently from the person involved in introducing them to the direct selling activity, or that they had seen recently in company promotional literature. Rather than dwelling consistently on the tangible, monetary rewards, effectively the 'economic' motivator, much of this would revolve around the intangible rewards of the activity, which may be seen as the 'self-determination, or 'pull', motivators.

## 5.04 - Analysis of Matrix Typology

The next stage in the analysis of the quantitative data was to inspect the data patterns relating to each of the four types recognised within the matrix typology, that is, multi-level male, multi-level female, single-level male, and single-level female. Later, a deeper analysis will attempt to create a model for each type. It will be seen that, whereas the two multi-level groups are fairly simple to analyse, the two single level groups needed much more consideration.

#### **Multi-Level Male**

Currently, in the UK, about 70% of all males involved in direct selling belong to multi-level format organisations and Direct Selling Association (1998) figures indicate, that multi-level males represent 16% of all UK direct sellers. With regard to the (n=722) sample, they are the most mature of the four types, in that, with 35% of them aged 35 and over, their average age is 41.4 years.

At 75%, the multi-level males in the (n=722) sample had, by far, the highest percentage of economically active respondents at the time of entry to direct selling compared with the other three types, although it was also noted that 12% had been unemployed at that time. Additionally, this type also has, at 46%, the highest percentage with prior self-employment experience.

They are the most highly educated group of the four types, with 68% having a minimum of 'A-level' success as their 'highest educational achievement'. It is noted that 49% of the group have had 'higher education', including graduate status.

A total of 68% of the multi-level males in the (n=722) sample were married, or living as married. Additionally, it was noted the majority of multi-level males, 57%, did not have dependent children and, it is argued, this may be related to the higher average age of these males.

Some 81% lived in either owner-occupied or private rented accommodation and, with regard to 'annual total household income', the multi-level males had 46% within the two highest quintiles of the UK figures.

The three most highly rated activity characteristics for this group were:

Activity Characteristics	Score
Success related directly to initiative	4.4
Provides opportunity for high level of income	4.3
Success depends on individual effort	4.2

With regard to perceptions of the image of direct selling (DS), the three statements which produced the most negative scores perceived by the multi-level males were:

Image	Score
DS opportunity is worse than most other job opportunities	2.4
DS products are worse in quality than similar retail	2.6
Direct sellers are too aggressive	2.7

An analysis of 'met expectations' for this group showed those scoring the lowest were:

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Met expectations	Score
Operating costs and expenses (Reversed Entry)	2.6
Prestige of job in eyes of family and friends	2.7
Amount of rejection by prospects (Reversed Entry)	2.7
Initiative needed	2.7

Overall, scoring for 'activity satisfaction' is positive, with all scores being 3.6 or more. For the multi-level males, the two items which scored the highest were:

Activity satisfaction	Score
Chance to help other people	4.0
Amount of independent thought/action	4.0

The 'organisational commitment' from multi-level males is generally high. It was noted that the four highest scoring statements were:

Organisational Commitment	Score
Good decision to work with company	4.3
Great organisation with which to work	4.0
Proud to be part of company	4.0
Much to be gained by staying with company	4.0

Again, it is noted that there is conflict between the high scoring for 'good decision to work with company' and the negative perception of image with regard to the comparison of the direct selling opportunity with other job opportunities.

#### **Multi-Level Female**

Based on the data supplied by the Direct Selling Association, 20% of all UK direct sellers belong to the multi-level female (MLM/F) group. They are, therefore, the second largest group within the gender/format matrix typology developed for this study. An analysis of the data for the (n=722) showed them to have an average age of 37.1 years, almost four years older than their single-level female counterparts. It was noted that 8% were aged 55 and over, whereas only 3% of the single-level females fell into that range. Additionally, only 13% were aged under 25.

Some 56% of the multi-level female sample were economically active, and 27% were house-wives, at the time of entry into direct selling and 36% of the total sample had had previous self-employment experience.

Only 7% of the sample, the lowest figure for the four groups, were actually unemployed at the time of entry. It is argued that these results may be supported by the fact that 70% of the sample were 'married, or living as married' and 58% had dependent children.

Regarding 'highest educational achievement', the multi-level females have a high standard of educational achievement, in that only 9% responded with 'no formal qualifications', but 64% claimed 'A-level' success, or better. Within that data, it was also noted that 43% had achieved 'higher education' status, which could include graduate status. It was noted that 48% of the multi-level female sample fell into the upper two quintiles of 'total annual household income' levels and only 13% fell into the lowest quintile.

By way of contrast from the multi-level males, the multi-level females scored different activity characteristics as their most highly rated. These were:

Activity characteristics	Score
Offers hours I want	4.3
Provides freedom to perform activity as I wish	4.2
Working with company of which proud	4.1
Success related directly to initiative	4.1

As may be seen, the three statements which produced the most negative scorings with regard to the perception of image of direct selling (DS) for multi-level females were the same as for multi-level males:

Image	Score
DS opportunity is worse than most other job opportunities	2.3
DS products are worse in quality than similar retail	2.6
Direct sellers are too aggressive	2.7

The scoring by multi-level females for 'met expectations' showed that those items scoring the lowest were:

Met expectations	Score
Operating costs and expenses (Reversed Entry)	2.6
Initiative needed	2.7
Work Hours (Reversed Entry)	2.8
Prestige of job in eyes of family and friends	2.8

Overall, the scoring for 'activity satisfaction' was relatively positive with the highest scorings for multi-level females going to the same aspects as for the multi-level males:

Activity satisfaction	Score
Chance to help other people	4.0
Amount of independent thought/action	3.9
Chance to get to know other people	3.9

Again, with regard to 'organisational commitment', within generally high scorings, the four highest scoring statements for multi-level females were the same as for multi-level males:

Organisational commitment	Score
Good decision to work with company	4.4
Proud to be part of company	4.0
Great organisation with which to work	3.9
Much to be gained by staying with company	3.9

Again, comparing these results with the multi-level male responses, there was a consistency in the conflict between the high scoring for 'good decision to work with company' and the negative perception of image with regard to direct selling opportunity.

### Single-Level Male

Single-level males, at 5%, comprise the smallest group of UK direct sellers. However, following deeper analysis, it is argued that this group is made up of two, distinctly different, sub-groups. One group deals with 'high-price' ticket products, that is, as defined by the Direct Selling Association (1998), costing more than £75, and typically, because they are dealing with sets of encyclopaedias and vacuum cleaners, over £500. The other group is selling 'low-price' ticket products, that is, as defined by the Direct Selling Association (1998), costing less than £75, and typically, because they are dealing with such basic products as home and car cleaning products and other household products, less than £15.

An age spread analysis of the two groups showed that the low-price single-level males were, typically, younger than the 'high-price' sub-group:

Age	Under 18	18-24	25-29	30-34	35-44	45-54	55-64	65 and over
High-price	0%	9%	11%	17%	17%	23%	17%	6%
Low-price	5%	26%	11%	21%	16%	11%	5%	5%

42% of the low-price ticket single-level males were under 30, whereas the corresponding figure for high-price ticket single-level males was 20%. By way of contrast, 10% of the 'low-price' respondents were aged 55 and over, compared with 23% for the 'high price' respondents.

## 'High-Price' Ticket - Single-Level Male

At the time of entering their direct selling activity, 54% of these respondents were already economically active and 35%, whom Hakim (1988) referred to as 'reluctant entrepreneurs', were unemployed. Notably, 36% of them reported prior self-employment experience.

It was also observed that 94% reported direct selling as their primary work activity and 92% rated the work 'important', or 'extremely important', yet 89% also reported that they currently had other earnings opportunities. This was related to their weekly work hours where 60% worked for 40 or more hours per week, including 26% who worked for 50 hours or more per week. By way of contrast, 17% worked fewer than 30 hours per week.

With regard to accommodation, 59% were owner-occupiers and 9% lived in local authority rented accommodation. This may be related to their annual total household income where 56% were in the two highest quintiles and 21% in the two lowest.

From the questionnaire responses, the direct selling activity characteristics most highly rated, on Likert scaling, by the 'high-price' ticket single males, were:

'High-price ticket' - single-level male	Score
Working with company of which proud	4.6
Provides opportunity for high level of income	4.4
Success related directly to initiative	4.4
Provides opportunity for high level of income	4.4
Provides opportunity for professional growth	4.4

For purposes of comparison with the 'low-price' ticket responses, a selection of relevant Likert scores from the questionnaire responses of the 'high-ticket' single-level males is given:

'High-price ticket' - single-level male	Score
Good decision to work with this company	4.5
DS more knowledgeable about products	4.3
Organisational Commitment - Talk to friends	4.2
Care about fate of this company	4.1
Challenge of job	3.9
DS more helpful in serving than retail	3.8
Job Satisfaction - Personal growth	3.7
Time taken to deliver products	3.7
Difficult to work with other company	3.0
Amount of rejection (Reversed Entry)	2.8
Image - Direct sellers (DS) are too aggressive	2.5
Met Expectations - Operating costs (Rev. Entry)	2.3
DS job opportunity	2.1

## 'Low-Price' Ticket - Single-Level Male

By way of contrast with the 'high-price' ticket respondents, 34% of these respondents were economically active at the time of entering their direct selling activity. However, the figures for unemployed and prior self-employment experience were similar to the 'high-price' respondents at 33% and 29%.

Contrasting with the figures from the 'high-price' respondents, only 61% viewed direct selling as their primary work activity and 58% rated the work 'important', or 'extremely important', with 61% reporting other current earnings opportunities. This may be related to the work hours per week reported where, significantly, 95% reported working fewer than 30 hours, including 37% working fewer than 10 hours. Contrasting with the 'high-price' respondents, 26% were owner-occupiers and 37% lived in local authority rented accommodation. Again, contrasting with the 'high-price' respondents, 79% were in the lowest two quintiles of total annual household income and just 5% in the two highest quintiles. The activity characteristics which had the highest Likert scorings for this group were:

'Low-price ticket' - single-level male	Score
Success depends on individual effort	4.3
Provides freedom to perform activity as I wish	4.3
Success related directly to initiative	4.3
Working with company of which proud	4.2
Provides reasonably predictable earnings	4.1

For purposes of comparison with the 'high-price' ticket responses, a selection of relevant Likert scores is given:

'Low-price ticket' - single-level male	Score
Good decision to work with this company	3.9
Amount of rejection	3.6
Organisational Commitment - Talk to friends	3.6
Care about fate of this company	3.5
Challenge of job	3.3
DS more knowledgeable about products	3.3
Image - Direct sellers (DS) are too aggressive	3.3
Job Satisfaction - Personal growth	3.1
Met Expectations - Operating costs	3.1
DS more helpful in serving than retail	3.0
Time taken to deliver products	2.9
DS job opportunity	2.4
Difficult to work with other company	2.2

## **Further Analysis of the Single-Level Male Sub-Group**

Within the single-level male sub-group, again there is a difference in the 'price ticket' sub-groups with regard to seeking another similar activity to replace the current one. Taking the (n=722) sample figures, 94% of the 'high-price' group responded that they would 'definitely not, or 'probably not' seek another activity to replace the current one. The equivalent figure for the 'low-price' ticket group was 84%. Overall, it is suggested these figures are a very negative comment on direct selling by this group. It is suggested that the negativity may be related to the potential income levels achievable for the work hours per week reported by these two sub-groups. However, this comment is made against the background that the work hours per week are very different in the two groups, in that 95% of the 'low-price' respondents work less than 30 hours per week, and, by way of contrast, 85% of the 'highprice' respondents work **more** than 30 hours per week.

It was also noted that the status of approximately 25% of all single-level males was 'single - never married'. This compares with figures of 16%, 18% and 14% for the other three main groups. Additionally, this relates to the data which showed that 33% of single-level males had dependent children. This figure compared with 43%, 58% and 68% for the other format/gender groups.

Although both groups rate the decision to join their direct selling activity as a good one, in the event of them exiting the activity, 84% of the 'low-ticket' respondents and 94% of the 'high-ticket' respondents would probably, or definitely, not seek another direct selling activity to replace it. This contrasts with the high Likert scoring to their responses to the (implied) statement that 'it was a good decision to work with this company', which were:

'High-price ticket' - single-level male	4.5
'Low-price ticket' - single-level male	3.9

## Single-Level Female

As already observed, the majority (59%) of all UK direct sellers are part of the single-level female (SL/F) group, which is also the group with the youngest average age at 33.4 years. An age spread analysis of this group may be compared to that of the multi-level female (MLM/F) group:

Age	Under 18	18-24	25-29	30-34	35-44	45-54	55-64	65 and over
SL/F	2%	22%	18%	19%	24%	12%	3%	0%
MLM/F	1%	12%	14%	22%	28%	16%	7%	1%

It is noted that 24% of the single-level females are aged under 25, compared with only 13% of the multi-level females. Changing the perspective to those aged under 30, the single-level figure increases to 42%, compared to 27% for the multi-level respondents. With regard to their 'highest educational achievement', the single-level females reported a much lower standard of educational achievement than the other three main groups. Only 15% of the single-level females had experienced 'higher education', compared with 43% of multi-level females. It was also noted that, whereas all the other groups' achievements peaked at 'higher education', that is, beyond 'A'-levels and including undergraduate and post-graduate degrees, this single-level female group peaked at 'O'-level standard.

It was observed that 47% of the single-level females fell into the lower two quintiles of 'total annual household income' levels, compared with 26% for the multi-level females. Perhaps more importantly for this in-depth analysis, it was noted that 27% of the group were in the lowest band, that is, under £8,000 per annum, compared with 13% for the multi-level females.

Considering the percentage of respondents with 'dependent children', the highest percentage was from the single-level female group with 68%. This compares with the multi-level females at 58%.

Initially, so that the position of 'single mothers' could be considered, subsamples were created to give all females who were <u>not</u> married, or living as married, for both multi-level and single-level formats. The results of these analyses showed, within these defined sub-samples, the relevant percentages having dependent children to be:

Multi-Level	28%
Single-Level	33%

However, when similar sub-samples were created for females who were married, or living as married, the analyses showed the following percentages with 'dependent children':

Multi-Level	69%
Single-Level	83%

Thus, it is argued the single-level female group were typically young, married mothers, with dependent children. Conventional industry wisdom suggests that these young mothers meet each other as they take and collect their children to and from school. At those times they also exchange information about their direct selling activities and effectively create, among themselves, a mini-economic community, trading in the goods of the various direct selling organisations. Additionally, later analysis will show that the single-level females were the group with the lowest percentage (33%) of economically active respondents at the time of entering their direct selling activity and that only 12% considered themselves 'unemployed' at that time.

#### 5.05 - Additional Data Calculations

As has been discussed, results were calculated for respondents based on gender, male and female, and company format, multi-level and single-level. Additionally, basic tabulations were carried out, and the results analysed, on a range of other sub-samples, including respondents who, for example:

- 1. were and were not economically active at time of joining,
- 2. were part-time direct sellers, that is, working less than 10 hours per week,
- 3. were full-time direct sellers, that is, working over 30 hours per week,
- 4. had and had no previous self employment experience,
- 5. had and had not prior direct selling experience,
- 6. were under 35, and were 35 and over,
- 7. were involved with selling 'high-price ticket' items, that is, over £75,
- 8. were involved with selling 'low-price ticket' items, that is under £15.

These additional analyses were used throughout the preparation of the thesis. For example, the 'ticket price' sub-samples were extensively used in the analyses of the single-level male group.

Further sub-samples based on the respondents'

- 1. education.
- 2. marital status.
- 3. type of accommodation,
- 4. type of area,
- 5. household income, and
- 6. importance of direct selling activity,

were also created and analysed. Much of the data obtained from these analyses could be the basis of future research.

However, in line with the original objectives of this research, the main dichotomies to be considered are between the respondents who, at a time 't1 plus nine months' were still active ('stayers'), and those who, at or before that time, had ceased their direct selling activity ('leavers'). Thus comparisons are made, among all the sub-samples, between those still active and those who had ceased their direct selling activity.

Additionally, comparisons are made between those deemed to have had 'push' motivations and those deemed to have had 'pull' motivations to start a direct selling activity. Since, by definition, the data at 't1 plus nine months' and/or 't2' could only be obtained from those respondents who were interviewed, the database used for these analyses was the (n=82) sample.

## 5.06 - Data Analysis from Questionnaires - Interviewees (n=82)

## 'Stayers' v. 'Leavers'

For the following analyses, consideration is given only to the questionnaire responses from the (n=82) sample, that is, those respondents with whom indepth interviews were later conducted. The comparisons are between those who, during a maximum time period of 't1 plus nine months', were still active ('stayers') and those who had ceased their direct selling activity ('leavers').

Again, using the Le Sphinx PLUS 2 software, basic tabulations were performed for the above data. These are shown in Figure 10, where 'stay' and 'leave' are used to signify 'stayers' and 'leavers'. The breakdown of 'stayers' and 'leavers', as defined above, within the four cells of the gender/format matrix was:

(n=82)	'Stayers'	'Leavers'
Multi-Level/Male	79%	21%
Multi-Level/Female	76%	24%
Single-Level Male	45%	55%
Single-Level Female	55%	45%

Figure 10
Basic Data from Mailed Questionnaires Responses from (n=82) interviewed sample

				Multi	-Level			Single	-Level			Gor	nder			For	mat	
		AII		Male		male	N	lale		emale	N	lale		male	Mult	i-Level		le-Level
	Stav	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stav	Leave	Stay	Leave	Stay	Leave	Stay	Leave
	Otay	20070	Olay	20010	Olay	20010	Olay	20010	Ciay	200.0	Olay	20010	Olay	20010	Ciay	Louvo	Olay	
Status at time of joining DSO -	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Economically active (Full/Part-Time/Self-Employment)	31	51	87	100	82	60	44	45	8	30	72	61	49	41	84	77	24	38
Unemployed	15	30	20	0	6	0	33	45	8	40	25	33	7	27	13	0	19	43
House-wife/House-husband	29	13	7	0	19	20	11	0	83	30	8	0	46	27	13	11	52	14
Previous work experience (if any) -																		
Previous direct-selling experience	25	20	40	25	13	60	22	9	25	10	33	13	18	29	26	44	24	10
Other type of self-employment	23	13	40	0	0	20	33	9	25	20	38	7	11	21	19	11	29	15
Another type of selling	35	47	27	50	38	80	22	27	50	50	25	33	43	66	32	67	38	40
Other work experience	50	47	60	25	56	40	44	73	33	30	54	60	46	36	58	33	38	55
No previous work experience	6	10	0	0	0	0	11	18	17	10	4	13	7	7	0	0	14	15
Any other jobs/earning opportunities in addition to DS -																		
Yes	50	40	80	75	75	60	22	18	0	40	58	33	43	47	77	67	10	29
No	50	60	20	25	25	40	78	82	100	60	42	67	57	53	23	33	90	71
Primary work activity -																		
This direct selling activity	52	57	40	0	33	40	67	91	83	50	50	67	56	47	37	22	76	71
Other	38	33	60	75	59	60	11	0	8	40	42	20	37	47	60	67	10	19
Not applicable	8	10	0	25	8	0	22	9	8	10	8	13	7	7	3	11	14	10
Approx. hours / week -																		
• •	1																	
Less than five hours	23	17	40	50	25	40	0	0	17	10	25	13	21	20	32	55	10	5
5 - 9 hours	33	30	27	0	38	60	22	9	42	50	25	7	39	53	32	33	33	29
10 - 19 hours	25	10	33	25	19	0	22	0	25	20	29	7	21	13	26	11	24	10
20 - 29 hours	8	7	0	25	0	0	22	9	17	0	8	13	7	0	0	11	19	5
30 - 39 hours	2	0	0	0	6	0	0	0	0	0	0	0	4	0	3	0	0	0
40 - 49 hours	6	20	0	0	6	0	22	45	0	10	8	33	4	7	3	0	10	29
50 hours and more	4	17	0	0	6	0	11	36	0	10	4	27	4	7	3	0	5	24

				Multi	-Level			Single	-Level			Gen	nder			mat		
		All	N	/lale	Fe	male	N	lale		male	N	lale	Fe	male	Mult	i-Level	Singl	e-Level
Do hours fluctuate on a weekly basis -	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave
Yes	73	53	73	75	69	80	78	36	75	50	75	47	71	60	71	78	76	43
No	27	47	27	25	31	20	22	64	25	50	25	53	29	40	29	22	24	57
Intention to quit -																		
Never think	50	43	47	100	57	40	44	27	50	40	48	47	56	40	55	67	48	33
Seldom think	27	17	13	0	28	20	44	27	33	10	36	20	30	13	21	11	38	19
Sometimes think	13	23	20	0	7	20	11	27	17	30	17	20	12	27	14	11	14	29
Frequently think	6	7	13	0	7	20	0	0	0	10	1	20	4	13	10	11	0	5
About ready to guit	0	3	0	0	0	0	0	0	0	10	0	0	0	10	0	0	0	5
No longer active	0	7	0	0	0	0	0	18	0	0	0	0	0	0	0	0	0	10
Currently involved in another DSO -																		
Yes	19	13	30	25	25	20	11	9	8	10	22	13	18	13	27	22	10	10
No	81	87	70	75	75	80	89	91	92	90	78	87	82	87	73	78	90	90
Gender -																		
Female	54	50	0	0	100	100	0	0	100	100	0	0	100	100	52	56	57	48
Male	46	50	100	100	0	0	100	100	0	0	100	100	0	0	48	44	43	52
Age -																		
Under 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 - 24	12	27	7	0	0	0	0	18	42	60	4	13	18	40	3	0	24	38
25 - 29	17	7	0	0	19	20	22	9	33	0	8	7	25	7	10	11	29	5
30 - 34	13	17	7	50	31	20	11	9	0	10	8	20	18	13	19	33	5	10
35 - 44	23	27	33	25	19	40	33	36	8	10	33	33	14	20	26	33	19	24
45 - 54	25	23	33	25	31	20	11	27	17	20	25	7	25	20	32	22	14	24
55 - 64	8	0	20	0	0	0	11	0	0	0	17	0	0	0	10	0	5	0
65 or older	2	0	0	0	0	0	11	0	0	0	4	0	0	0	0	0	5	0

				Multi			Single	-Level			Ger	nder		Format				
		All	ı	Male	Fe	male	М	ale	Fe	male	N	lale	Fe	male	Mult	i-Level	Singl	le-Level
Education -	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave
No female well for the con-	40	40	40	0			00			00	47		4	00	40		40	<u> </u>
No formal qualifications	10	10	13	0	6	0	22	0	0	30	17	0	4	20	10	0	10	14
GCSE	8	3	,	0	6	0	0	9	17	0	4	7	11	0	6	0	10	5
O levels	25	13	13	0	25	40	33	9	33	10	21	,	29	20	19	22	33	10
A levels	27	40	20	25	25	20	22	45	42	50	21	40	32	40	23	22	33	48
Higher education	31	34	47	75	39	40	22	36	8	10	37	47	25	20	42	55	15	24
(incl. degree/post-graduate degree)																		<del> </del>
Current status -																		
Married	65	47	73	75	69	80	33	36	75	30	58	47	71	47	71	78	57	33
Living as married	15	17	7	0	19	0	11	18	25	30	8	13	21	20	13	0	19	24
Separated/divorced	8	20	7	0	6	20	22	27	0	20	13	20	4	20	6	11	10	24
Widowed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Single, never married	10	17	7	25	0	0	33	18	0	20	17	20	4	13	6	11	14	19
Other	2	0	7	0	0	0	0	0	0	0	4	0	0	0	3	0	0	0
Dependent children -																		
Yes	52	47	60	50	47	80	44	27	58	50	54	33	52	60	53	67	52	38
No No	48	53	40	50	53	20	56	73	42	50	46	67	48	40	47	33	48	62
								-				-		-			_	
Type of accommodation -																		<del>                                     </del>
Owner-occupied	56	53	60	75	75	20	44	64	33	50	54	67	57	40	68	44	38	57
Private rented	23	27	20	25	19	80	11	18	42	10	17	20	29	33	19	56	29	14
Local authority rented	19	7	13	0	6	0	44	0	25	20	25	0	14	13	10	0	33	10
Housing Association	2	7	7	0	0	0	0	0	0	20	4	0	0	13	3	0	0	10
Other	0	7	0	0	0	0	0	18	0	0	0	13	0	0	0	0	0	10

				Multi	-Level			Single	e-Level			Gen	nder			Foi	mat	
		AII	ı	/lale	Fe	male	N	lale	Fe	male	M	lale	Fe	male	Mult	ti-Level	Singl	le-Level
Type of area -	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave
Urban	45	43	60	25	50	40	22	36	40	60	46	33	46	53	55	33	32	48
Suburban	46	44	33	50	50	40	56	64	50	20	42	60	50	27	41	44	53	43
Rural	9	13	7	25	0	20	22	0	10	20	13	7	4	20	3	22	16	10
Household Income -																		
Under £8,000	4	24	0	0	7	20	0	18	10	50	0	13	8	36	3	11	5	30
£8,000 - £13,999	24	21	27	25	7	20	56	18	20	20	38	20	12	21	17	22	37	20
£14,000 - £21,999	33	18	20	25	39	20	11	18	60	10	17	20	48	14	30	22	37	16
£22,000 - £36,000	18	24	40	0	7	20	11	36	10	20	29	27	8	21	24	11	11	30
Over £36,000	21	13	13	50	39	20	22	9	8	0	17	20	24	7	27	33	11	5
Importance of Activity -																		
Not at all important	4	0	7	0	6	0	0	0	0	0	4	0	4	0	6	0	0	0
Unimportant	8	7	13	25	0	0	0	9	17	0	8	13	7	0	6	11	10	5
Neutral	35	30	27	25	38	60	22	0	50	50	25	7	43	53	32	44	38	24
Important	38	33	40	0	38	20	56	64	25	20	46	47	32	20	39	11	38	43
Extremely important	15	30	13	50	19	20	22	27	8	30	17	33	14	27	16	33	14	29
Seek another activity to replace this -																		
Definitely not	37	77	53	75	25	60	44	91	25	70	50	87	25	67	39	67	33	81
Probably not	33	7	20	0	44	0	33	9	33	10	25	7	39	7	32	0	33	10
Not sure	18	13	7	25	25	20	11	0	33	20	8	7	29	20	16	22	24	10
Probably would	10	3	20	0	6	20	0	0	8	0	13	0	7	7	13	11	5	0
Definitely would	2	0	0	0	0	0	11	0	0	0	4	0	0	0	0	0	5	0
If you were to seek, what type of activity -																		
Another direct selling activity	29	40	27	50	19	20	44	36	40	50	33	40	27	40	23	33	42	43
Different type of selling activity	12	27	13	0	0	20	11	36	30	30	13	27	12	27	6	11	21	33
Activity not involving selling	35	23	40	0	50	60	33	18	10	20	38	13	35	33	45	33	21	19
Other	21	10	20	50	31	0	11	9	20	0	17	20	27	0	26	22	16	5

				Multi	-Level			Single	e-Level			Ger	nder			For	mat	
		All	N	/lale	Fe	male	N	lale	Fe	male	N	lale	Fe	male	Mult	i-Level	Singl	le-Level
Activity Characteristics -	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave
Show I can deal with responsibility	3.3	3.8	2.7	3.0	3.4	3.6	4.0	3.8	3.5	4.1	3.2	3.6	3.4	3.9	3.0	3.3	3.7	4.0
Supervisor support available	4.0	4.0	3.8	3.8	4.1	3.6	4.0	4.1	4.0	4.2	3.9	4.0	4.0	4.0	3.9	3.7	4.0	4.1
Opportunity for professional growth	4.0	4.0	3.7	4.5	4.1	3.8	4.2	4.1	4.0	3.8	3.9	4.2	4.0	3.8	3.9	4.1	4.1	4.0
Receiving attention and appreciation	3.4	3.7	3.0	4.0	3.4	2.8	3.7	4.0	3.8	3.7	3.3.	4.0	3.5	3.4	3.2	3.3	3.7	3.9
Success related directly to initiative	4.2	4.1	4.3	4.5	3.9	4.2	4.2	4.4	4.3	3.7	4.3	4.4	4.1	3.9	4.1	4.3	4.3	4.1
Predictable earnings	3.8	3.0	3.8	3.8	4.1	3.6	3.4	4.1	3.6	4.0	3.7	4.0	3.9	3.9	3.9	3.7	3.5	4.1
Feelings of worthwhile accomplishment	4.2	4.2	3.9	4.3	4.4	4.0	4.1	4.4	4.2	4.1	4.0	4.4	4.3	4.1	4.2	4.1	4.1	4.3
Offers work hours I want	4.3	4.1	3.7	4.5	4.5	4.4	4.0	3.6	4.8	4.4	3.8	3.9	4.6	4.4	4.1	4.4	4.4	4.0
Provides advancement opportunities	3.8	4.0	3.5	3.8	3.9	3.4	3.7	4.7	4.0	3.7	3.5	4.4	3.9	3.6	3.7	3.6	3.9	4.3
Provides opportunity for high level of income	4.1	4.3	4.4	4.5	4.3	3.8	3.8	4.6	3.7	4.1	4.2	4.6	4.0	4.0	4.4	4.1	3.7	4.4
Makes use of my skills	3.9	4.1	3.9	4.0	4.1	4.0	3.7	4.2	3.7	4.1	3.8	4.1	3.9	4.1	4.0	4.0	3.7	4.2
High prestige in eyes of family/friends	2.4	2.9	2.3	3.0	2.5	2.6	2.2	3.2	2.7	2.7	2.3	3.1	2.6	2.7	2.4	2.8	2.5	3.0
Opportunity for sales meetings/conventions	3.0	3.0	2.5	3.3	3.5	2.3	2.4	3.1	3.3	3.0	2.5	3.1	3.4	2.8	3.0	2.8	3.0	3.1
Helps increase my self-esteem	3.6	3.5	3.3	3.0	3.9	3.4	3.2	3.8	3.8	3.3	3.3	3.6	3.9	3.3	3.6	3.2	3.6	3.6
Feelings of self-fulfilment	3.8	3.8	3.5	3.8	4.1	3.8	3.6	4.0	3.9	3.7	3.5	3.9	4.0	3.7	3.8	3.8	3.8	3.9
Selling a highly competitive product	3.9	3.7	3.3	3.3	4.2	3.8	4.1	3.9	4.2	3.6	3.6	3.7	4.2	3.7	3.8	3.6	4.1	3.8
Provides freedom to perform activity as I wish	4.2	4.0	4.1	3.8	4.6	4.0	3.9	3.8	4.2	4.2	4.0	3.8	4.4	4.1	4.4	3.9	4.1	4.0
Provides respect of my fellow salespersons	3.4	3.5	3.1	3.0	3.4	3.4	3.4	3.7	3.7	3.4	3.3	3.5	3.5	3.4	3.3	3.2	3.6	3.6
Opportunity to earn awards/recognition	3.8	3.7	3.4	3.0	3.8	3.8	4.0	3.9	4.3	3.6	3.5	3.6	4.0	3.7	3.6	3.4	4.2	3.8
Opportunity to develop my selling skills	3.7	3.8	3.6	4.0	3.7	3.4	3.7	4.2	3.9	3.6	3.6	4.1	3.8	3.5	3.6	3.7	3.8	3.9
Working with company of which proud	4.1	4.2	4.1	4.3	4.1	4.4	4.4	4.5	4.0	3.8	4.2	4.4	4.1	4.0	4.1	4.3	4.2	4.2
Opportunity to be creative and innovative	4.0	3.9	4.3	4.0	3.8	4.0	4.1	3.8	3.9	3.9	4.2	3.9	3.9	3.9	4.0	4.0	4.0	3.9
Success depends on individual effort	4.3	4.1	4.3	4.5	4.2	4.0	4.4	4.2	4.2	3.9	4.3	4.3	4.2	3.9	4.2	4.2	4.3	4.1
Opportunity to make friends	3.7	3.8	3.3	4.0	4.1	3.0	3.8	3.8	3.8	4.1	3.5	3.9	4.0	3.7	3.7	3.4	3.8	4.0
Rejection by prospects is minimal	3.1	3.5	2.9	3.5	3.4	3.2	2.3	3.5	3.4	3.6	2.7	3.5	3.4	3.5	3.2	3.3	3.0	3.6
Opportunity to work closely with others	3.3	3.6	3.1	4.0	3.4	3.0	3.4	3.9	3.3	3.3	3.3	3.9	3.3	3.2	3.3	3.4	3.3	3.6
Opportunity to work closely with others	5.5	3.0	3.1	4.0	3.4	3.0	3.4	5.9	3.3	3.3	3.3	3.9	5.5	5.2	5.5	3.4	5.5	3.0
Image -																		
Direct salespeople are too aggressive	2.9	2.8	2.3	3.5	2.8	3.0	3.4	2.3	3.5	3.0	2.8	2.6	3.1	3.0	2.6	3.2	3.5	2.7
DS products are worse in quality than similar retail	2.7	2.8	2.4	3.0	2.7	3.2	3.4	2.9	2.8	2.4	2.7	2.0	2.8	2.7	2.6	3.1	3.0	2.7
DS should be regulated more by government	3.4	3.0	3.5	3.3	3.1	2.0	3.1	3.1	3.6	3.3	3.5	3.1	3.3	2.7	3.3	2.6	3.5	3.2
DS should be regulated more by government  DS is more inconvenient than normal retailing	2.9	2.9	2.7	3.3	2.7	3.4	3.0	2.2	3.4	3.3	2.8	2.5	3.0	3.2	2.7	3.3	3.2	2.7
<u>~</u>	3.4	2.9				_				2.4				_		3.0	3.6	
DS products are overpriced			2.9	4.0 3.5	3.5	2.2	3.9	2.3	3.4		3.3	2.8	3.4	2.4 3.7	3.2			2.4
DS are less knowledgeable about their products	3.4	3.9 3.2	2.9		3.5	4.2	3.7	4.5	3.5	3.4	3.2	4.2		3.7	3.2	3.9	3.6	4.0
It is hard to find DS for question, or re-order	3.5	2.9	3.6	3.8	3.3	3.6	3.3	3.0	3.8	3.0	3.5	3.2	3.5	2.5	3.4 3.5	3.7	3.6	3.0
It is difficult to get DS product replaced, or fixed	3.5		3.3	3.8	3.6	2.8	3.8	3.1	3.5	2.4	3.5	3.3	3.6				3.6	2.8
DS are less helpful than retail in serving needs	3.3	3.5	2.7	3.3	3.6	4.0	3.1	3.8	3.6	3.0	2.9	3.6	3.6	3.3	3.2	3.7	3.4	3.4
DS policies and practices are of dubious legality	3.4	2.9	2.9	3.0	3.2	3.2	3.8	2.8	3.8	2.7	3.3	2.9	3.4	2.9	3.1	3.1	3.8	2.8
DS products take too long to be delivered	3.4	3.1	3.2	4.0	3.9	2.8	3.0	3.3	3.4	2.8	3.1	3.5	3.7	2.8	3.6	3.3	3.2	3.1
DS opportunity is worse than most other job opportunities	2.1	2.5	1.9	2.8	2.4	3.0	2.2	2.0	2.0	2.6	2.0	2.2	2.2	2.7	2.2	2.9	2.1	2.3

				Multi	-Level			Single	-Level			Ger	nder			For	mat	
		All	N	/lale	Fe	male	IV	ale	Fe	male	M	lale	Fe	male	Mult	i-Level	Singl	le-Level
Met Expectations -	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave
Job responsibility	3.1	3.3	3.1	3.3	3.2	3.3	3.0	3.3	2.9	3.3	3.0	3.3	3.1	3.3	3.1	3.3	3.0	3.3
Support and appreciation from supervisors	3.5	3.5	3.4	4.3	3.5	2.5	3.1	3.4	3.8	3.8	3.3	3.6	3.6	3.4	3.4	3.4	3.5	3.6
Work hours (Reversed entry)	2.9	2.8	3.0	3.0	2.8	3.3	2.8	2.6	3.0	2.7	2.9	2.7	2.9	2.9	2.9	3.1	2.9	2.6
Opportunity to go to sales meetings/conventions	3.2	3.1	3.3	3.5	3.3	2.5	3.0	3.4	3.3	2.8	3.2	3.4	3.3	2.7	3.3	3.0	3.2	3.1
Products are highly competitive	3.5	3.2	3.2	3.3	3.5	2.7	4.0	3.1	3.3	3.4	3.5	3.1	3.4	3.2	3.3	3.0	3.6	3.3
Awards/recognition for good performance	3.7	3.5	3.3	3.3	3.6	3.0	4.0	3.5	4.0	3.7	3.6	3.4	3.8	3.5	3.5	3.1	4.0	3.6
Actual earnings	2.9	2.8	2.5	3.5	2.7	2.8	3.3	2.6	3.3	2.6	2.8	2.9	3.0	2.6	2.6	3.1	3.3	2.6
Operating costs and expenses (Reversed entry)	2.6	2.3	2.7	3.0	2.4	2.5	2.6	2.1	2.9	2.1	2.7	2.4	2.6	2.2	2.6	2.8	2.8	2.1
Opportunity for training	3.3	3.1	3.4	3.3	3.3	2.5	3.0	3.3	3.3	3.1	3.3	3.3	3.3	2.9	3.3	2.9	3.1	3.2
Professional growth	3.3	3.3	3.2	3.8	3.6	3.0	3.0	3.1	3.4	3.4	3.1	3.3	3.5	3.3	3.4	3.4	3.2	3.3
Initiative needed (Reversed entry)	2.7	2.8	2.6	2.5	2.4	2.5	3.0	2.9	2.9	3.0	2.8	2.8	2.6	2.9	2.5	2.5	3.0	3.0
Prestige of job in eyes of family and friends	2.7	2.8	2.5	3.5	2.5	3.3	3.0	2.6	3.0	2.6	2.7	2.9	2.7	2.8	2.5	3.4	3.0	2.6
Freedom to carry out activity as I wish	3.0	3.1	3.1	3.3	3.1	3.5	2.9	2.9	3.0	3.0	3.0	3.0	3.0	3.1	3.1	3.4	3.0	3.0
Feelings of loyal association with company	3.4	3.4	3.3	3.5	3.6	2.8	3.4	3.3	3.3	3.6	3.3	3.4	3.5	3.4	3.5	3.1	3.4	3.5
Respect from fellow salespersons	3.3	3.2	3.1	3.8	3.3	3.0	3.3	3.3	3.4	3.0	3.2	3.4	3.4	3.0	3.2	3.4	3.4	3.2
Opportunity to make friends	3.5	3.4	3.5	3.8	3.6	3.0	3.3	3.5	3.3	3.2	3.4	3.6	3.5	3.1	3.6	3.4	3.3	3.4
Amount of rejection by prospects (Reversed entry)	3.0	2.5	2.7	2.8	2.8	2.5	3.6	2.3	3.2	2.8	3.0	2.4	3.0	2.7	2.8	2.6	3.3	2.5
Feelings of worthwhile accomplishment	3.6	3.2	3.3	4.0	3.7	2.5	3.6	3.1	3.8	3.3	3.4	3.4	3.7	3.1	3.5	3.3	3.7	3.2
Advancement opportunities within company	3.4	3.4	3.3	3.5	3.5	2.8	2.9	3.5	3.5	3.5	3.2	3.5	3.5	3.3	3.4	3.1	3.2	3.5
Making use of my skills	3.3	3.1	3.3	3.8	3.4	2.8	3.2	3.2	3.3	3.0	3.3	3.4	3.4	2.9	3.4	3.3	3.3	3.1
Increase my self-esteem	3.4	3.2	3.4	3.8	3.3	3.3	3.3	3.1	3.5	3.1	3.4	3.3	3.4	3.1	3.3	3.5	3.4	3.1
Feelings of self-fulfilment	3.4	3.2	3.3	4.0	3.4	3.3	3.3	2.9	3.4	3.2	3.3	3.2	3.4	3.2	3.3	3.6	3.4	3.1
Development of new skills	3.3	3.5	3.3	3.8	3.6	3.3	3.0	3.5	3.3	3.4	3.2	3.6	3.4	3.4	3.4	3.5	3.1	3.5
Opportunity to be creative and innovative	3.4	3.3	3.5	4.0	3.4	3.5	3.1	3.1	3.6	3.0	3.4	3.4	3.5	3.1	3.5	3.8	3.4	3.1
Opportunity to work in a team	3.2	3.2	3.1	4.0	3.3	2.3	3.0	3.4	3.4	2.9	3.0	3.6	3.3	2.7	3.2	3.1	3.2	3.2
Activity Satisfaction -																		
Amount of personal growth/development	3.5	3.5	3.3	3.8	3.6	3.0	3.4	3.7	3.7	3.3	3.3	3.7	3.7	3.2	3.5	3.3	3.6	3.5
Amount of challenge	3.8	3.7	3.7	4.0	4.1	3.4	3.7	3.9	3.7	3.6	3.7	3.9	3.9	3.5	3.9	3.7	3.7	3.8
Chance to help other people	4.0	3.7	3.9	3.8	4.2	3.8	3.9	3.4	3.8	3.9	3.9	3.5	4.0	3.9	4.0	3.8	3.9	3.7
People with whom I talk and work	3.8	3.7	3.5	3.8	3.9	3.8	3.7	3.6	4.0	3.7	3.6	3.6	4.0	3.7	3.7	3.8	3.9	3.7
Future security	3.3	3.1	3.3	3.8	3.3	3.2	3.0	3.1	3.3	2.8	3.2	3.3	3.3	2.9	3.3	3.4	3.2	3.0
Worthwhile accomplishment	3.7	3.6	3.5	4.0	3.9	3.4	3.9	3.4	3.7	3.8	3.7	3.6	3.8	3.7	3.7	3.7	3.8	3.6
Chance to get to know other people	3.8	3.8	3.7	3.8	4.1	3.4	3.4	3.8	3.8	4.1	3.6	3.6	3.9	3.9	3.9	3.6	3.6	4.0
Amount of independent thought/action	3.9	3.7	3.9	4.0	3.9	3.4	3.9	3.5	4.1	3.8	3.9	3.6	4.0	3.7	3.9	3.7	4.0	3.7
Contribution to company results in earnings	3.8	3.4	3.5	3.8	3.7	3.6	4.2	3.1	3.8	3.5	3.8	3.3	3.8	3.5	3.6	3.7	4.0	3.3

				Multi	-Level			Single	-Level			Ger	nder			For	mat	•
		All	N	lale	Fe	male	N	ale	Fe	male	M	lale	Fe	male	Mult	i-Level	Sing	le-Level
	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave	Stay	Leave
Organisational Commitment	-																	
Willing to put in extra effort	3.8	3.7	3.7	3.8	3.7	3.8	4.1	3.4	3.6	3.8	3.8	3.5	3.7	3.8	3.7	3.8	3.8	3.6
Great organisation with which to work	4.0	3.8	3.6	3.8	4.3	3.8	4.2	4.0	3.8	3.7	3.8	3.9	4.1	3.7	3.9	3.8	4.0	3.9
Great loyalty to company	3.8	3.8	3.9	4.5	3.7	3.2	4.0	4.0	3.8	3.7	3.9	4.1	3.8	3.5	3.8	3.8	3.9	3.9
Accept any activity to stay with company	2.8	2.8	2.4	2.0	2.7	2.8	3.2	2.8	2.9	3.1	2.7	2.6	2.8	3.0	2.6	2.4	3.1	3.0
Company values and mine are similar	3.8	3.7	3.7	3.8	3.9	3.8	4.1	3.9	3.6	3.3	3.8	3.9	3.7	3.5	3.8	3.8	3.8	3.6
Proud to be part of company	3.9	3.8	3.9	3.8	4.1	3.8	4.0	3.6	3.8	3.9	3.9	3.6	4.0	3.9	4.0	3.8	3.9	3.7
Difficult to work as well with other company	3.1	2.9	3.3	2.5	3.1	2.6	2.7	3.3	3.1	2.7	3.0	3.1	3.1	2.7	3.2	2.6	2.9	3.0
Company inspires to best performance	3.5	3.6	3.3	3.3	3.9	3.8	3.3	3.4	3.3	3.8	3.3	3.4	3.6	3.8	3.6	3.6	3.3	3.6
Require great change to cause leaving	3.7	2.9	3.5	3.5	3.7	2.6	3.8	2.7	3.8	2.9	3.6	2.9	3.8	2.8	3.6	3.0	3.8	2.8
Glad I chose this company	3.7	3.7	3.6	3.8	3.9	3.8	3.2	3.4	3.9	4.0	3.5	3.5	3.9	3.9	3.8	3.8	3.6	3.7
Much to be gained by staying with company	3.9	3.8	3.9	4.5	3.8	4.0	3.9	3.6	4.0	3.5	3.9	3.9	3.9	3.7	3.8	4.2	4.0	3.6
Easy to agree with company policies	3.7	3.8	3.7	3.8	3.8	3.8	3.0	3.8	4.0	3.7	3.5	3.8	3.9	3.7	3.8	3.8	3.6	3.8
Care about fate of this company	3.8	3.6	3.8	3.8	4.1	3.8	4.0	3.6	3.5	3.5	3.9	3.6	3.6	3.6	3.9	3.8	3.7	3.6
Best of companies with which to work	3.5	3.5	3.5	3.5	3.7	3.2	3.7	3.4	3.3	3.8	3.5	3.4	3.5	3.6	3.6	3.3	3.5	3.6
Good decision to work with company	4.4	4.1	4.3	4.3	4.2	4.0	4.6	4.1	4.6	4.1	4.4	4.1	4.4	4.1	4.3	4.1	4.6	4.1

### 'Stayers' v. 'Leavers'

### **Economic Activity**

The data show the percentages to have been economically active at their time of starting a direct selling activity to have been:

	'Stayers'	'Leavers'
Economically active	31%	51%

Analysis of current economic activity, at the time of joining, within the major, matrix, sub-samples showed a wide variation of responses. With reference to those who had quit their direct selling activity, the range was from 100% of the multi-level males to 30% of the single-level female. This may be compared with those who were still 'active', where the range was from 87% of the multi-level males to 8% of the single-level females.

### Unemployment

The data show the percentages who were unemployed at their time of starting a direct selling activity to have been:

	'Stayers'	'Leavers'
Unemployed	15%	30%

This may indicate that those unemployed at the time of starting a direct selling activity are more likely to give up the activity more quickly than those who are already economically active.

#### House-wife/House-husband

	'Stayers'	'Leavers'
House-wife, House-husband	29%	13%

#### Student/Retired/Other

	'Stayers'	'Leavers'
Student/Retired/Other	25%	6%

Whereas, some respondents gave multiple responses to their status at the time of entering a direct selling activity, thus producing totals in excess of 100%, it was noted that, within the whole (n=82) sample, among those defined as still 'stayers' there was a much higher percentage of house-wives, house-husbands, students, and retirees (54%) compared with those defined as 'leavers' (19%). This may reflect a lower necessity of commitment or, indeed, a lesser ability, or even desire, to give a strong commitment to a more typical earnings opportunity as an employee.

### **Primary Work Activity**

In response to the question regarding 'primary work activity', there is little difference between the 'active' and those who have 'quit'. However, within the male sub-sample, 58% of the 'stayers' have another 'job/earning opportunity', compared with only 33% of 'leavers'.

Additionally, of those 'leavers', the data show that 37% worked more than 40 or more hours per week, whereas, of the 'stayers', only 10% worked such hours. On further analysis, this result is strongly influenced by the results for the single-level males where, of those who had ceased their direct selling activity, 81% had been working 40 or more hours per week. It could be suggested that at that level of work commitment they had managed to find a 'better rewarded', full-time job.

### **Intention to Quit**

With regard to 'intention to quit', for the (n=82) sample, the data show that 17% of 'leavers' responded that they 'frequently' thought, were 'about ready to quit', or were 'no longer active'. This compared with a lower figure of 6% for the 'stayers'. Again, deeper analysis showed that the single-level males lead this possible pre-disposition to quit, in that, 18% had already ceased their direct selling activity when they completed the questionnaire, which was typically within two or three weeks of starting their activity.

### **Prior Work Experience**

Whereas there was little difference between the 'stayers' and the 'leavers' with regard to having had prior direct selling experience, it was noted that that 23% of the 'stayers' had had other self-employment experience, compared with only 13% from the 'leavers'.

### Working with more than one direct selling organisation

The data show that 19% of the 'stayers' were currently involved in another direct selling organisation, whereas only 13% of the 'leavers' had had multiple associations.

#### **Educational Achievement**

With regard to the 10% of (n=82) sample respondents who indicated that they had 'no formal qualifications, the gender sub-samples indicate the following differences:

	'Stayers'	'Leavers'
Male	17%	0%
Female	4%	20%

It could be argued that this may indicate that, compared with the female, the male without formal qualifications, finds that it is more difficult to obtain a economic activity within the primary labour market, and that he is content to stay longer in the direct selling activity. A deeper analysis of the data indicates that, typically, within the sub-samples, a higher percentage of the 'leavers' had attended 'higher education', including possession of a degree, or post-graduate degree. This could indicate that it is more difficult to satisfy the needs and aspirations of those who have had a 'higher education'.

### **Marital Status**

With regard to the (n=82) sample, the data for marital status shows:

	'Stayers'	'Leavers'
Married/Living as married	80%	64%
Separated/Divorced/Single	18%	37%

It could be argued that this may show that the responsibilities of a partner, and/or a family, has a stabilising effect with regard to attrition of direct sellers. Equally, the data may be the result of some form of economic necessity.

## **Dependent Children**

The data for the percentage of respondents with dependent children showed:

	'Stayers'	'Leavers'
Multi-Level Male	60%	50%
Multi-Level Female	47%	80%
Single-Level Male	44%	27%
Single-Level Female	58%	50%
All Sample (n=82)	52%	47%

## **Types of Accommodation**

The overall figures for the (n=82) sample showed:

	'Stayers'	'Leavers'
Owner occupier	56%	53%
Privately rented	23%	27%
Local authority rented	19%	7%
Housing Association	2%	7%
Other	-	6%

## Type of Area

The data from the (n=82) sample showed:

	'Stayers'	'Leavers'
Urban	45%	43%
Suburban	46%	44%
Rural	9%	13%

From these data, and an analysis of the sub-samples, it is argued that the type of area does not have a major moderating effect on the decision to cease a direct selling activity.

#### **Annual Household Income**

The data from the (n=82) sample showed:

	'Stayers'	'Leavers'
Under £8,000	4%	24%
£8,000 - £13,999	24%	21%
£14,000 - £21,999	33%	18%
£22,000 - £36,000	18%	24%
Over £36,000	21%	13%

From these data it is argued that, although the 'leavers' had a higher percentage than the 'stayers' in the lowest quintile (under £8,000), household income is not necessarily a moderator in the decision to cease a direct selling activity.

### **Seek another Activity**

Considering those who answered 'definitely not' to the question as to whether, or not, if they were no longer involved in this direct selling activity, would they seek another work activity to replace it, the data for the (n=82) sample showed:

	'Stayers'	'Leavers'
Definitely not seek activity	37%	77%

This result was underpinned and duplicated by the results in the four matrix sub-samples. Again, the single-level male sub-sample was the most vociferous, in that 91% of 'leavers' answered 'definitely not', as compared with 44% of 'stayers'.

	'Stayers'	'Leavers'
Multi-Level Male	53%	75%
Multi-Level Female	25%	60%
Single-Level Male	44%	91%
Single-Level Female	25%	70%

## **Activity Characteristics**

An analysis of the data created by the questionnaire responses of the (n=82) sample showed that, typically, the scoring for the characteristics for both 'stayers' and 'leavers' were generally similar. The six characteristics with the highest Likert scores for each sample were:

	'Stayers'	'Leavers'
Feelings of worthwhile accomplishment	4.2	4.2
Success depends on individual effort	4.3	4.1
Provides opportunity for high level of income	4.1	4.3
Success related directly to initiative	4.2	4.1
Offers work hours I want	4.3	4.1
Working with company of which proud	4.1	4.2

Additionally, the lowest scoring characteristic was the same for both 'stayers' and 'leavers':

	'Stayers'	'Leavers'
High prestige in the eyes of family and friends	2.4	2.9

Whereas it appeared, from an analysis of the data, that company format did not have a moderating effect, it was noted that gender did. For the 'stayers', the highest scoring characteristics for 'males' and 'females' differed considerably:

Male 'Stayers'	Score
Success related directly to initiative	4.3
Success depends on individual effort	4.3
Provides opportunity for high level of income	4.2
Working with company of which proud	4.2
Opportunity to be creative and innovative	4.2

### whereas,

Female 'Stayers'	Score
Offers work hours I want	4.6
Provides freedom to perform activity as I wish	4.4
Feelings of worthwhile accomplishment	4.3
Success depends on individual effort	4.2
Selling a highly competitive product	4.2

Again, the lowest scoring characteristic for both male and female 'stayers' was:

	Male	Female
High prestige in the eyes of family and friends	2.3	2.6

Again, considering the 'leavers', company format did not appear to have a moderating effect, whereas gender did.

The data showed that the highest scoring characteristics, by gender, for the 'leavers' to be:

Male 'Leavers'	Score
Provides opportunity for high level of income	4.6
Success related directly to initiative	4.4
Provides advancement opportunities	4.4
Working with company of which proud	4.4
Success depends on individual effort	4.3

### and

Female 'Leavers'	Score
Offers work hours I want	4.4
Feelings of worthwhile accomplishment	4.1
Make use of my skills	4.1
Provides freedom to perform activity as I wish	4.1
Working with company of which proud	4.0
Supervision support available	4.0

Whereas, overall, for both male and female, there was generally little variation in the scorings, there were some clear exceptions to this. For the 'male' sub-sample these were:

Male	'Stayers'	'Leavers'
High prestige in eyes of family and friends	2.3	3.1
Opportunity for sales meetings/conventions	2.5	3.1
Rejection by prospects is minimal	2.7	3.5
Opportunity to work closely with others	3.3	3.9

For the 'female' sub-sample, the only exception was:

Female	'Stayers'	'Leavers'
Opportunity for sales meetings/conventions	3.4	2.8

### **Activity Image**

Overall, with regard to the questions on 'image', 'leavers' tended to score more negatively than 'stayers'. Particularly contrasting scores included:

	'Stayers'	'Leavers'
Direct selling (DS) products are over-priced	3.4	2.6
It is difficult to get DS products replaced	3.5	2.9
DS policies/procedures are of dubious legality	3.4	2.9

The most negative scoring comment, from both 'stayers' and 'leavers', was:

	'Stayers'	'Leavers'
DS opportunity is worse than most other jobs	2.1	2.5

This '2.1' score is the lowest scoring given by either sub-sample to any of the image comments. It is noted that this, the most negative comment about a direct selling opportunity, is actually given be those who are still active in the industry. A deeper analysis shows that the 'multi-level male stayers' actually gave this a '1.9' scoring. However, it is noted that there were only four respondents in this sub-sample.

Within the results for the four major (gender/format) sub-samples, there were some results which tended to indicate that either gender and/or company format, did have some moderating effect. These may be summarised as:

Multi-Level Male	'Stayers'	'Leavers'
Direct salespeople are too aggressive	2.3	3.5
Direct selling (DS) products are over-priced	2.9	4.0
DS opportunity is worse than most other jobs	1.9	2.8
DS products are worse in quality than retail	2.4	3.0

Multi-Level Female	'Stayers'	'Leavers'
DS should be more regulated by government	3.1	2.0
Direct selling (DS) products are over-priced	3.5	2.2
It is difficult to get DS products replaced	3.6	2.8
DS products take too long to be delivered	3.9	2.8

Single-Level Male	'Stayers'	'Leavers'
Direct salespeople are too aggressive	3.4	2.3
DS is more inconvenient than retail	3.0	2.2
Direct selling (DS) products are over-priced	3.9	2.3
DS less knowledgeable about their products	3.7	4.5

Single-Level Female	'Stayers'	'Leavers'
Direct selling (DS) products are over-priced	3.4	2.4
It is difficult to get DS products replaced	3.5	2.4
DS policies/procedures are of dubious legality	3.8	2.7

## **Met Expectations**

Overall, out of the 25 different 'expectations' considered, both 'stayers' and 'leavers' scored the same nineteen positively, that is a score of more than 3.0, and the same six negatively. On a similar basis, there were no 'very positive' scores, say, in excess of 3.7, for 'met expectations. The negative scores were given to:

Met Expectations	'Stayers'	'Leavers'
Work hours (Reversed entry)	2.9	2.8
Actual earnings	2.9	2.8
Operating costs and expenses (Reversed entry)	2.6	2.3
Initiative needed (Reversed entry)	2.7	2.8
Prestige of job in eyes of family and friends	2.7	2.8
Amount of rejection by prospects (Rev. entry)	3.0	2.5

Within the multi-level male respondents it was noted that the 'leavers' scored 23 out of 25 aspects higher than the 'stayers'. By way of contrast, the multi-level female 'leavers' scored 17 out of the 25 either lower than, or equal to, the 'stayers'.

### The major differences showed:

Multi-Level Male	'Stayers'	'Leavers'
Support and appreciation of supervisors	3.4	4.3
Actual earnings	2.5	3.5
Prestige of job in eyes of family and friends	2.5	3.5
Feelings of worthwhile accomplishment	3.3	4.0
Opportunity to work in a team	3.1	4.0

Multi-Level Female	'Stayers'	'Leavers'
Support and appreciation of supervisors	3.5	2.5
Opportunity for training	3.3	2.5
Prestige of job in eyes of family and friends	2.5	3.3
Feelings of worthwhile accomplishment	3.7	2.5
Opportunity to work in a team	3.3	2.3

It could be argued that an analysis of this data may support the concept that, from a gender perspective, there were different motivating forces at work. Thus, for example, whereas 'actual earnings' shows a major shift in scoring between multi-level male 'stayers' and multi-level male 'leavers', there is little difference between the multi-level female sub-groups. By way of contrast, 'opportunity for training', which shows a major scoring shift between multi-level female 'stayers' and 'leavers', has little difference within the multi-level male sub-groups. The differences in scoring with regard to 'support and appreciation of supervisors' are of interest, particularly from a gender perspective. It opens the question, unanswered in this study, about the moderating effect of the gender of the supervisor when it is different from that of the respondent.

Typically, these scales of difference were not observed with the single-level respondents. However, one major difference between 'stayers' and 'leavers' was observed within the single-level male respondents:

Single-Level Male	'Stayers'	'Leavers'
Amount of rejection by prospects (Rev. Entry)	3.6	2.3

A deeper analysis relates this high feeling of rejection among the 'leavers' with the high-price ticket single-level males.

## **Activity Satisfaction**

In general, the scorings for 'satisfaction' for all 'leavers' are less positive than the scorings for all 'stayers'. However, overall, within all sub-samples, all scorings for 'satisfaction' tend to be positive, that is, scores over 3.0 on the Likert scale are reported. There is only one exception to this, which is quite specific to this sub-sample:

Single-Level Female	'Leavers'
Future security	2.8

# **Organisational Commitment**

Again, in general, the scoring for 'organisational commitment' is strongly positive, both among the 'leavers', as well as the 'stayers'. This is reflected by the fact that 67% of the scores are 3.7, or higher. Looking at the overall figures, for all 'stayers' and all 'leavers', there is only one scoring where a major difference occurs:

Organisational Commitment	'Stayers'	'Leavers'
Require great change to cause leaving	3.7	2.9

It is argued that this may indicate that some 'leavers' had almost a predisposition to cease their direct selling activity, before they had really started. Another remarkable scoring was the particularly high figures given to the reversed rating of the comment that it was a 'good decision (by the respondents) to work with the company'.

#### This showed:

Good decision to work with this company	'Stayers'	'Leavers'
Multi-Level Male	4.3	4.3
Multi-Level Female	4.2	4.0
Single-Level Male	4.6	4.1
Single-Level Female	4.6	4.1

This compares with scoring, in the 'image' section, for the statement that 'people think that a job in direct selling (DS) is currently better than most other job opportunities', which showed:

DS is better than other job opportunities	'Stayers'	'Leavers'
Multi-Level Male	1.9	2.8
Multi-Level Female	2.4	3.0
Single-Level Male	2.2	2.0
Single-Level Female	2.0	2.6

With the exception of the single-level males, the other respondents, who exited the activity, had felt a more positive perception of the direct selling opportunity than those who stayed active. Perhaps, it is argued, the leavers were more disappointed with the reality of the situation, which they perceived to be a more negative perception than their original opinion. Additionally, it may be that many of the 'leavers' would find it difficult to stay in other jobs as well, particularly where there may be more of a structured environment.

# 5.07 - Data Analysis from Questionnaires - Interviewees Only (n=82)

#### 'Push' v. 'Pull'

For the following analyses, again consideration is given only to the questionnaire responses from the (n=82) sample, that is, those respondents with whom in-depth interviews were later conducted. The comparisons are between those who, with reference to the specially created Likert-type scale described in Chapter 3, were deemed to have either a balance of 'push' over 'pull' factors, or predominantly an 'economic push', as their motivation to enter a direct selling activity, and those deemed to have a balance of 'pull' over 'push factors, or predominantly an 'entrepreneurial pull' into direct selling.

Within these two sub-samples, comparisons are made between the 'stayers', that is, those still active during a maximum time period of 't1 plus nine months' and the 'leavers', that is, those who had ceased their direct selling activity within that time period, achieving their 't2' time. Using the Sphinx software, basic tabulations were performed for the above data.

These are shown in Figure 11, where 'stay' and 'leave' are used to signify 'stayers' and 'leavers'.

Figure 11
Basic data from Postal Questionnaires - Interviewees Only (n=82)

	All	Δ	All .	'Push'		'Pull'	
	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
	0/	0.4	0.4	0.4	0,1	0/	0,1
Status at time of joining DSO -	%	%	%	%	%	%	%
Economically active	56	32	72	39	25	74	68
(Full/Part-Time/Self-Employment)							
Unemployed	21	36	16	23	50	17	15
House-wife/House-husband	23	36	14	46	25	17	8
Previous work experience (if any) -							
Previous direct-selling experience	23	13	26	15	9	27	23
Other type of self-employment	20	25	14	31	18	17	8
Another type of selling	40	42	33	23	64	30	38
Other work experience	50	38	58	38	36	57	62
No previous work experience	7	13	5	15	9	3	8
Any other jobs/earnings opportunities in addition to DS -							
Yes	46	32	58	23	42	67	38
No	54	68	42	77	58	33	62
Primary work activity -							
This direct selling activity	54	56	49	62	50	43	62
Other	37	32	42	31	33	47	31
Not applicable	9	12	9	8	17	10	8

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	All	All		'Pı	ısh'	'F	Pull'
	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Approx. hours / week -	, ,			_			
Less than five hours	21	12	28	15	8	30	23
5 - 9 hours	36	40	30	38	42	33	23
10 - 19 hours	16	16	14	15	17	20	0
20 - 29 hours	7	12	7	15	8	7	8
30 - 39 hours	1	0	2	0	0	3	0
40 - 49 hours	11	12	12	15	8	3	31
50 hours and more	9	8	7	0	17	3	15
Do hours fluctuate on a weekly basis -							
Yes	66	60	70	69	50	77	54
No	34	40	30	31	50	23	46
Intention to quit -	%	%	%	%	%	%	%
Never think	49	52	49	62	42	46	54
Seldom think	24	16	27	23	8	25	31
Sometimes think	17	16	17	8	25	21	8
Frequently think	6	8	5	8	8	7	0
About ready to quit	1	4	0	0	8	0	0
No longer active	3	4	2	0	8	0	8
Currently involved in another DSO -							
Currently involved in another Boo -							
Yes	17	12	20	15	8	21	15
No	83	88	80	85	92	79	85
Gender -							
Female	52	68	40	62	75	47	23
Male	48	32	60	38	25	53	77

	All	Α	All .	'Pι	ısh'	'F	Pull'
	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Age -							
_							
Under 18	0	0	0	0	0	0	0
18 - 24	17	36	9	23	50	7	15
25 - 29	13	8	14	15	0	17	8
30 - 34	15	8	21	8	8	17	31
35 - 44	24	28	21	31	25	17	31
45 - 54	24	20	23	23	17	27	15
55 - 64	5	0	9	0	0	13	0
65 or older	1	0	2	0	0	3	0
Education -							
No formal qualifications	10	20	5	15	25	7	0
CSE	6	8	5	15	0	7	0
O levels	21	20	16	23	17	20	8
A levels	32	36	28	31	42	23	38
Higher education	32	16	47	15	16	43	54
(incl. degree/post-graduate degree)							
Current status -							
Married	59	44	60	54	33	67	46
Living as married	16	24	14	23	25	13	15
Separated/divorced	12	16	12	8	25	10	15
Widowed	0	0	0	0	0	0	0
Single, never married	12	16	14	15	17	10	23
Other	0	0	0	0	0	0	0
Dependent children -	%	%	%	%	%	%	%
Vac	F.4	44		20	50		F.4
Yes	51	44	55	38	50	55	54
No	49	56	45	62	50	45	46

	All	Δ	All .	'Pı	ush'	'Pull'	
	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Type of accommodation -	%	%	%	%	%	%	%
Owner-occupied	55	56	63	62	50	63	62
Private rented	24	16	23	15	17	20	31
Local authority rented	15	20	12	23	17	17	0
Housing Association	4	4	0	0	8	0	0
Other	2	4	2	0	8	0	8
Type of area -							
Urban	45	43	46	27	58	54	31
Suburban	45	39	49	55	25	39	69
Rural	10	17	5	18	17	7	0
Household income -							
Under £8,000	12	30	2	17	45	0	8
£8,000 - £13,999	23	35	19	42	27	21	15
£14,000 - £21,999	26	17	26	25	9	28	23
£22,000 - £36,000	21	13	24	8	18	24	23
Over £36,000	18	4	29	8	9	28	31
Importance of Activity -							
Not at all important	2	0	5	0	0	7	0
Unimportant	7	4	9	8	0	7	15
Neutral	33	36	30	31	42	37	15
Important	37	40	37	46	33	33	46
Extremely important	20	20	19	15	25	17	23

	All	Α	All .	'Pı	ush'	'F	Pull'
	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Seek another activity to replace this -	%	%	%	%	%	%	%
Definitely not	51	52	51	38	67	37	85
Probably not	23	24	26	31	17	37	0
Not sure	17	12	16	8	17	20	8
Probably would	7	8	7	15	0	7	8
Definitely would	1	4	0	8	0	0	0
If you were to seek, what type of activity -							
Another direct selling activity	34	35	30	36	33	23	46
Different type of selling activity	18	30	9	18	42	7	15
Activity not involving selling	31	26	33	36	17	37	23
Other	18	9	28	9	8	33	15

	All	Α	All .	'Pı	ısh'	'F	Pull'
Activity Characteristics -	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Show I can deal with responsibility	3.5	3.9	3.2	3.7	4.1	3.1	3.3
Supervisor support available	4.0	4.0	4.0	3.9	4.1	4.1	3.8
Opportunity for professional growth	4.0	4.0	3.9	3.9	4.0	3.9	4.0
Receiving attention and appreciation	3.5	3.2	3.6	2.9	3.7	3.5	3.7
Success related directly to initiative	4.2	3.9	4.3	4.0	3.8	4.2	4.4
Predictable earnings	3.8	3.9	3.7	3.9	4.0	3.7	3.9
Feelings of worthwhile accomplishment	4.2	4.2	4.3	4.2	4.1	4.3	4.3
Offers work hours I want	4.2	4.1	4.2	4.1	4.1	4.2	4.1
Provides advancement opportunities	3.8	3.6	3.8	3.5	3.8	3.7	4.1
Provides opportunity for high level of income	4.2	4.1	4.2	3.9	4.3	4.1	4.3
Makes use of my skills	3.9	4.0	3.9	3.8	4.2	3.9	4.0
High prestige in eyes of family/friends	2.6	2.5	2.6	2.2	2.8	2.5	2.8
Opportunity for sales meetings/conventions	3.0	2.9	2.9	3.1	2.7	2.9	3.0
Helps increase my self-esteem	3.6	3.5	3.5	3.6	3.3	3.6	3.3
Feelings of self-fulfilment	3.8	3.7	3.8	3.8	3.7	3.8	3.9
Selling a highly competitive product	3.8	3.8	3.7	4.1	3.4	3.8	3.7
Provides freedom to perform activity as I wish	4.1	4.2	4.1	4.2	4.2	4.2	3.8
Provides respect of my fellow salespersons	3.4	3.2	3.4	3.1	3.3	3.5	3.3
Opportunity to earn awards/recognition	3.8	3.6	3.8	3.7	3.4	3.8	3.6
Opportunity to develop my selling skills	3.7	3.6	3.7	3.5	3.7	3.7	3.8
Working with company of which proud	4.2	4.0	4.2	4.2	3.9	4.1	4.3
Opportunity to be creative and innovative	4.0	3.8	4.0	3.9	3.8	4.1	3.8
Success depends on individual effort	4.2	4.1	4.3	4.2	3.9	4.3	4.3
Opportunity to make friends	3.8	3.9	3.7	3.9	4.0	3.8	3.5
Rejection by prospects is minimal	3.2	3.2	3.2	3.1	3.4	3.1	3.4
Opportunity to work closely with others	3.4	3.2	3.5	3.3	3.2	3.3	3.8

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	All	Α	\II	'Pı	ush'	'F	Pull'
Image -	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Direct salespeople are too aggressive	2.9	2.9	2.9	3.1	2.8	2.9	3.0
DS products are worse in quality than similar retail	2.8	2.4	3.0	2.5	2.3	2.9	3.3
DS should be regulate more by government	3.3	3.4	3.3	3.5	3.2	3.3	3.2
DS is more convenient than normal retailing	2.9	3.0	2.9	3.2	2.8	3.0	2.8
DS products are overpriced	3.1	3.2	3.1	3.9	2.5	3.3	2.8
DS are less knowledgeable about their products	3.6	3.5	3.7	3.4	3.6	3.5	4.1
It is hard to find DS for question, or re-order	3.4	3.3	3.5	3.6	3.0	3.5	3.6
It is difficult to get DS product replaced, or fixed	3.3	3.2	3.5	3.8	2.6	3.5	3.3
DS are less helpful than retail in serving needs	3.3	3.2	3.4	3.4	3.1	3.2	3.9
DS policies and practices are of dubious legality	3.2	3.2	3.3	3.7	2.7	3.2	3.4
DS products take too long to be delivered	3.3	3.3	3.4	3.8	2.8	3.3	3.8
DS opportunity is worse than most other job opportunities	2.3	2.2	2.3	2.1	2.4	2.3	2.4
Met Expectations							
leb roopooikility	2.4	2.4	2.0	2.4	2.4	2.4	2.4
Job responsibility	3.1	3.1	3.2	3.1	3.1	3.1	3.4
Support and appreciation from supervisors					_		2.8
Work hours (Reversed entry)	2.9 3.2	2.9	2.9 3.3	3.0	2.8	2.9 3.2	3.5
Opportunity to go to sales meetings/conventions	3.4	3.0	3.4	3.6	2.8 3.2	3.5	3.3
Products are highly competitive	_	3.4					3.5
Awards/ recognition for good performance	3.6		3.5	3.9	3.6	3.6	
Actual earnings	2.8	2.7	3.0	3.1	2.4	2.9	3.2
Operating costs and expenses (Reversed entry)	2.5	2.4	2.7	2.8	2.1	2.7	2.6
Opportunity for training	3.2	3.0	3.3	3.0	2.9 3.0	3.3	3.4
Professional growth	2.7	3.1	2.6	2.9	3.0	2.6	2.5
Initiative needed (Reversed entry)			2.0				
Prestige of job in eyes of family and friends	2.7 3.1	2.6	3.3	2.9	2.4	2.6 3.2	3.2 3.5
Freedom to carry out activity as I wish	3.1		3.5	3.4		3.2	
Feelings of loyal association with company		3.4			3.3		3.4
Respect from fellow salespersons	3.3	3.2	3.3	3.3	3.0	3.3	3.5
Opportunity to make friends	3.4	3.4	3.5	3.5	3.2	3.5	3.6
Amount of rejection by prospects (Reversed entry)	2.8	2.9	2.8	3.1	2.6	2.9	2.5
Feelings of worthwhile accomplishment	3.4	3.3	3.6	3.5	3.1	3.6	3.5
Advancement opportunities within company	3.4	3.2	3.4	3.2	3.3	3.4	3.6

	All	All		'Pı	ısh'	'F	Pull'
	(n=82)	Push	Pull	Stay	Leave	Stay	Leave
Making use of my skills	3.3	3.1	3.4	3.2	2.9	3.4	3.4
Increase my self-esteem	3.3	3.1	3.4	3.3	2.8	3.4	3.6
Feelings of self-fulfilment	3.3	3.2	3.4	3.4	2.9	3.4	3.5
Development of new skills	3.4	3.1	3.6	3.0	3.2	3.5	3.9
Opportunity to be creative and innovative	3.4	3.1	3.6	3.2	2.9	3.6	3.6
Opportunity to work in a team	3.2	3.0	3.3	3.2	2.9	3.3	3.4
Activity Satisfaction -							
Amount of personal growth/development	3.5	3.3	3.6	3.3	3.3	3.5	3.8
Amount of challenge	3.8	3.6	3.9	3.7	3.5	3.9	4.0
Chance to help other people	3.9	3.8	4.0	3.9	3.6	4.0	3.8
People with whom I talk and work	3.7	3.6	3.9	3.8	3.3	3.8	4.0
Future security	3.2	2.9	3.3	3.0	2.8	3.2	3.6
Worthwhile accomplishment	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Chance to get to know other people	3.8	3.9	3.8	3.9	3.8	3.7	3.8
Amount of independent thought/action	3.8	3.8	3.9	3.9	3.8	4.0	3.6
Contribution to company results in earnings	3.6	3.6	3.7	4.0	3.2	3.8	3.7
Organisational Commitment							
Willing to put in extra effort	3.7	3.6	3.7	3.9	3.3	3.7	3.9
Great organisation with which to work	3.9	3.9	3.9	4.2	3.7	3.8	4.0
Great loyalty to company	3.8	3.7	3.9	4.0	3.4	3.7	4.3
Accept any activity to stay with company	2.8	2.8	2.7	2.8	2.8	2.8	2.6
Company values and mine are similar	3.7	3.4	3.9	3.7	3.2	3.8	4.0
Proud to be part of company	3.9	3.8	3.9	4.0	3.6	3.9	3.8
Difficult to work as well with other company	3.0	2.8	3.1	3.0	2.7	3.1	3.1
Company inspires to best performance	3.5	3.5	3.6	3.5	3.4	3.5	3.8
Require great change to cause leaving	3.4	3.3	3.4	3.9	2.7	3.6	2.8
Glad I chose this company	3.7	3.6	3.8	3.4	3.8	3.8	3.9
Much to be gained by staying with company	3.8	3.6	4.0	3.8	3.3	3.9	4.3
Easy to agree with company policies	3.7	3.5	3.9	3.4	3.7	3.8	4.0
Care about fate of this company	3.8	3.6	3.9	3.9	3.3	3.9	3.9
Best of companies with which to work	3.5	3.4	3.6	3.5	3.3	3.7	3.6
Good decision to work with company	4.3	4.0	4.4	4.2	3.8	4.4	4.3

'Push' v. 'Pull'

Economically Active and Unemployment

(n=82)	All		'Push'		'Pull'	
	Push	Pull	Stay	Leave	Stay	Leave
Status at time of joining DSO -	%	%	%	%	%	%
Economically active (Full/Part-Time/Self-Employment)	32	72	39	25	74	68
Unemployed	36	16	23	50	17	15

With regard to the economic activity of the (n=82) sample, at the time of entry into direct selling, that is time 't1', 72% of those determined to be within the 'pull' sub-sample were already economically active, and 16% unemployed. By way of contrast, only 31% of the 'push' sub-sample were economically active and 36% were unemployed. This tends to support the definitions of the 'push' and 'pull' sub-groups within this study. Additionally, as far as the 'pull' sub-sample, the figures for 'stayers' and 'leavers' were similar. Within the 'pull' sub-sample, however, a higher percentage of 'stayers', 39%, were economically active at time 't1' than 'leavers' with 25%.

# **Prior Work Experience**

(n=82)	All		'Push'		'Pull'	
	Push	Pull	Stay	Leave	Stay	Leave
Previous work experience (if any) -	%	%	%	%	%	%
Previous direct-selling experience	13	26	15	9	27	23
Other type of self-employment	25	14	31	18	17	8

It was noted that within both the 'push' and the 'pull' sub-groups, whereas all members had a high level of general work experience, the 'stayers' had more prior 'self-employment' experience than the 'leavers'. It is argued, therefore, that prior self-employment experience appears to be of value when entering a new self-employment activity.

## **Other Jobs/Earning Opportunities**

(n=82)	All		'Push'		'Pull'	
	Push	Pull	Stay	Leave	Stay	Leave
Any other jobs/earnings opportunities in addition to DS -	%	%	%	%	%	%
Yes	32	58	23	42	67	38
No	68	42	77	58	33	63

With regard to additional earnings opportunities, 58% of the 'pull' sub-sample had these, as contrasted with the 'push' sub-sample, where only 32% had. There are variations within the 'stayers' and 'leavers' of both sub-samples. With regard to the 'push' sample, the figures were 23% of the 'stayers' and 42% of the 'leavers'. This trend is reversed in the 'pull' sample, where the equivalent figures were 67% of the 'stayers' and 38% of the 'leavers'.

## **Working with other Direct Selling Companies**

Whereas 20% of the 'pull' sub-group were currently involved with another direct selling company compared with the 12% of the 'push' sub-group, it was observed that in both ''pull' and 'push' groups, a higher percentage of 'stayers' had a multiple interest. This again suggested the concept of participants, once they had become involved in direct selling, developing a portfolio of interests with different companies. It was noted, for instance, that of the 'stayers' in the 'pull' group, some 21% were involved in other companies. Taking account of the conventional wisdom within the industry, where companies assume that 'less than 10%' of their direct sellers may be involved with another company, this would be regarded as a very high figure.

#### **Educational Achievement**

(n=82)	All		'Push'		'Pull'	
	Push	Pull	Stay	Leave	Stay	Leave
Higher Education	%	%	%	%	%	%
(incl. degree/post-graduate degree)	16	47	15	16	43	54
No formal qualifications	20	5	15	25	7	0

No less than 47% of the 'pull' sample had experienced higher education, including graduate status, compared with just 16% for the 'push' sample. By way of contrast, only 5% of the 'pull' sample had no formal qualifications, compared with 20% of the 'push' sample.

#### **Marital Status**

The results in this analysis do not indicate that marital status had a moderating effect on decisions to 'stay' or 'leave'. However, it is noted that a significantly higher percentage of the 'leavers' within the 'pull' group were 'single, never married'. Deeper analysis showed this to be supportive of the earlier analyses related to the single-level male group.

## **Dependent Children**

Some 55% of the 'pull' group had dependent children, compared with 44% of the 'push' group. Within the 'push' sub-sample, there was a variation of those having dependent children, in that the 'leavers' showed 50% and the 'stayers' 38%. This variation was not apparent in the 'pull' sub-sample.

## Type of Accommodation

It was noted that whereas 72% of the 'push' sub-sample lived in owner-occupied, or privately rented, accommodation, the comparative figure for the 'pull' sub-sample was 86%. Relating to that analysis, 12% of the 'pull' sub-sample were in local authority rented accommodation, compared with 20% of the 'push' sub-sample. It was also noted that within the 'pull' group, none of the 'leavers' were in local authority rented accommodation, compared with 17% of the 'stayers', who were.

## Type of Area

There were considerable variations in the results of the analyses carried out with regard to the three variables of 'type of area', 'push'/'pull', and 'stayers'/'leavers'. The results showed:

	'Push'		'Pi	ull'
Type of area	'Stayers'	'Leavers'	'Stayers'	'Leavers'
Urban	27%	58%	54%	31%
Suburban	55%	25%	39%	69%
Rural	18%	17%	7%	0%

The highlighted figures of the urban 'leavers' in the 'push' sub-sample and the suburban 'leavers' in the 'pull' sub-sample again tend to add support to the models suggested for the different types of direct sellers in Chapter 7.

#### **Household Income**

It is argued that this analysis gives powerful support to one of the major, defining differences between the 'push' and 'pull' sub-samples. It is observed that 82% of the 'push' group fall into the lower three quintiles of annual household income, with 65% being in the bottom two quintiles. Contrasting with that, 79% of the 'pull' group are within the top three quintiles, with 53% being in the top two quintiles.

## **Seek another Activity**

In reply to the question regarding the attitude to seeking another activity to replace the current direct selling activity, if they were no longer involved in it, the responses for the 'push' and 'pull' sub-samples were similar. However, in both groups, when analysed for 'stayers' and 'leavers', the 'leavers' were much stronger in the opinion that they would 'definitely not' seek an alternative activity.

The actual results showed:

	'Pı	ush'	'P	ull'
	'Stayers'	'Leavers'	'Stayers'	'Leavers'
definitely not	38%	67%	37%	85%

Since these responses were obtained before they had reached time 't2', their exit point, it could be argued that many of the respondents may have had a pre-disposition to leave, even at the start of their direct selling activity.

## **Activity Characteristics**

For the 'push' and 'pull' sub-groups of the (n=82) sample, the activity characteristics scoring the highest and the lowest on the Likert scale included:

	'Push'	'Pull'
Feelings of worthwhile accomplishment	4.2	4.3
Offers work hours I want	4.1	4.2
Provides opportunity for high level of income	4.1	4.2
Success depends on individual effort	4.1	4.3
Provides freedom to perform activity as I wish	4.2	4.1
Success related directly to initiative	4.2	4.1
Working with company of which proud	4.0	4.2
High prestige in eyes of family and friends	2.5	2.6
Opportunity for sales meetings/conventions	2.9	2.9

It was noted that, within the 'push' group, there was a variation in scoring with regard to 'receiving attention and supervision'. Whereas, the 'stayers' scored this at only 2.9, the 'leavers' had scored this at a fairly high score of 3.7. It is proposed that this may be a reflection on the position of those who had a strong 'economic necessity' as their motivation and, additionally, for various reasons, perhaps including their own lack of ability, were looking for considerable help and guidance from others in the activity, which was not forthcoming to the extent they needed, or expected.

# **Activity Image**

The responses from both the 'push' and 'pull' sub-samples of the (n=82) sample agreed on the most negative aspects of image perception, which showed the following scores on the Likert scale:

	'Push'	'Pull'
Direct sales (DS) people are too aggressive	2.9	2.9
DS products are worse in quality than similar retail	2.4	3.0
DS opportunity worse than most other job opportunities	2.2	2.3

There were two comments within the 'image' section where there was a significant variation between some of the scorings of 'stayers' and 'leavers'. These were:

	'Pu	sh'	'Pı	ull'
	'Stayers'	'Leavers'	'Stayers'	'Leavers'
DS products are overpriced	3.9	2.5	3.3	2.8
It is difficult to get DS product replaced	3.8	2.6	3.5	3.3

From this analysis, it is argued that the earlier proposition that, typically, 'leavers' felt that public perceptions were more negative than did the 'stayers', was supported, whether or not the respondents were in the 'push' or the 'pull' sub-sample.

## **Met Expectations**

Whereas there was little variation in the 'met expectations' scoring between the 'push' group and the 'pull' group' of the (n=82) sample, again there was support for the differences between the 'stayers' and leavers'. The most noticeable examples of this were:

	'Push' 'Stayers' 'Leavers'		'Pull'	
			'Stayers'	'Leavers'
Operating costs and expenses (R. Entry)	2.8	2.1	2.7	2.6
Amount of rejection by prospects (R.E.)	3.1	2.6	2.9	2.5

## **Activity Satisfaction**

Again, overall, the responses indicate a relatively high level of 'activity satisfaction', even from the 'leavers'. Typically, the responses from the 'pull' sub-sample score higher than those from the 'push' group. There was only one 'negative', that is less than 3.0, score. That was where the 'push' respondents scored their assessment of 'future security' at only 2.9. It is argued that, again this would tend to support the model of those whose motivation was an 'economic necessity push'.

## **Organisational Commitment**

Whereas there was little variation in the 'organisational commitment' between the 'push' group and the 'pull' group', again there was support for the differences between the 'stayers' and leavers', where, typically, within the 'push' group, the 'leavers' scored lower than the 'stayers'. However, within the 'pull' group, the data show that, typically, the 'leavers' scored higher than the 'stayers'. This could be related to the concept that those entering direct selling with a strong motivation based on the 'logic of self-determination' could, equally, adopt a strong 'organisational commitment'. It is possible that this type of person may also tend to be more disappointed with any perceived lack of success and decide to exit the activity.

## **5.08 - Summary**

This chapter has presented the quantitative data obtained from the respondents (n=722) to the original questionnaires. The data referring to biodemographics and the key variables were analysed with reference to the four main sub-groups created by the 2 x 2 matrix based on gender and company format. Additionally, the data were also analysed by gender and company format.

Comment was made on the additional data calculations made on a range of other sub-samples, particularly as the basis of future research. However, in line with the objectives of the research, the data obtained from the questionnaires of the smaller (n=82) sample were presented with reference to the responses of those defined as 'stayers' and those defined as 'leavers'. This analysis was continued by comparing the results of those deemed to have had a predominantly 'economic push' with those deemed to have a predominantly 'entrepreneurial pull', as their motivations into a direct selling activity. Within those two sub-groups, comparisons were again made between 'stayers' and 'leavers'.

# **Chapter 6:**

Overall Discussion of Research Findings

#### 6.01- Introduction

The major data from this research, that is the qualitative data obtained from the respondents (n=82) during the in-depth 't1' interviews were presented and analysed in Chapter 4. Variables such as 'circumstances', 'motivations', 'expectations', 'image' and 'product' were considered. From these analyses, it was demonstrated that hypotheses H1(A) and H1(B) were supported.

To consider the longitudinal element of the research, an analysis of the 't2' interviews was made, considering the respondents' 'changes in circumstances' and 'reasons for leaving', some of which could be considered 'positive' and others 'negative'.

In Chapter 5 the quantitative data obtained from the respondents (n=722) to the questionnaires were presented and analysed with regard to the four main groups created by the gender/format matrix discussed in Chapter 3. At that stage, and in order to underpin and strengthen the analysis in Chapter 4 of the qualitative data from the (n=82) interviews, focus had to move to the questionnaire responses made by that (n=82) sample. Using that (n=82) database, an analysis was made of similarities and differences between respondents defined as 'stayers' and those defined as 'leavers'. Based on that 'stayers'/'leavers' analysis, further analysis was carried out with regard to their motivations to enter direct selling, using the Likert-type scale, created in Chapter 3, to measure the 'pull' and 'push' elements of their motivations.

In this current chapter, further consideration is given to the data associated with the motivations for the respondents entering a direct selling activity, particularly from the perspective of the Granger, Stanworth and Stanworth debate on 'push' and 'pull', which introduces their four-type self-employment typology. This analysis is used to support hypothesis H1(C).

A presentation and analysis of 'stayers' and their 'met expectations' is made and the results used to support hypothesis H2. Additionally, a presentation and analysis of 'leavers' and their 'met expectations' is made and the results used to support hypothesis H3.

Lastly, developing the suggestion made in Chapter 1 of a possible relationship between direct selling and conventional franchising, a franchise typology is created, based on product type and work base. The position of direct selling within that typology is then argued.

#### 6.02 - The 'Pull'/'Push' Debate

As with more conventional self-employment, debates on the relative importance of 'entrepreneurial pull' and 'economic push' as motives for starting a direct selling activity arise.

Granger, Stanworth and Stanworth (1995) argued that the basic 'push'/'pull' dichotomy may be too simplistic, and this led them to create a continuum of four types, namely, 'refugee' (strong push), 'missionary' (strong pull), 'tradeoff' (mix) and 'convert' ('push' socialised, over a period of time, to 'pull'). It is argued that the key variables for this typology are the 'push'/'pull' motivations, previous economic activity, prior self-employment experience, interest in employment status, centrality of work as life interest, importance of social relationships, career advancements and personal development. Although Granger *et al.* dealt specifically with the publishing industry, the typology has also been used for other sectors, for example, teleworking (Fothergill, 1998). It is argued that these types are also recognisable in the direct selling setting and are described here, from that perspective.

#### Refugees

Typically, these people were seeking shelter from the breakdown, or failure, of the primary labour market and are, therefore, motivated by the 'push' logic of economic necessity.

They may have been previously economically active and would probably return to an 'employed' status, or 'real' job as it often called, if the opportunity arises. In some cases, where they were already economically active, the motivation may be that of 'extra money' for a particular need. Typically, members of this group were attracted by the ease of entry into direct selling, from the point of the simplicity to join, low financial cost and commitment and no prior experience being needed. Additionally, they were prepared to accept a low deferred gratification and are attracted, effectively, by the income potential and, more importantly, the speed of their first income.

#### **Missionaries**

Typically, this group was motivated by the result of a combination of some aspects of direct selling, including self-employment, and possible rejection of some parts of current economic activity. Although not necessarily previously economically active, their decision to become self-employed was 'motivated by desire for self-direction in the labour process' (Bögenhold and Staber, 1991), rather than entrepreneurial', or 'self-determination', pull.

Members of this group were, typically, attracted by 'being their own boss', flexible working hours, recognition, social intercourse, and the actual product they will be selling. They are attracted by the income potential and will accept the higher deferred gratification that is more liable to occur in multilevel format companies.

#### **Trade-Offs**

This group typically balanced their direct selling work and non-work interests. It is argued that they were taking advantage of labour market opportunities to satisfy other life interests, effectively accommodating certain non-work needs. Effectively, they were striking a balance between 'push' and 'pull'. cases, the members of this group were simply adding a self-employment activity to their, already extant, income portfolio. Alternatively, perhaps because of other activities, they may need to have some measure of selfcontrol (regulation and direction) of work-time, that is, they require the flexibility of work hours which is generally not available in employment. This group also included those individuals taking a break from employment, and consciously trading 'security' for 'flexibility'. In the direct selling sector, it is argued that there was a sub-sample of 'trade-offs', which will included people moving from a purely domestic role, for example, house-wife, or househusband, into self-employment, sometimes just for a limited period, since, in direct selling, some participants may enter and leave the activity more than once in a given time period. Thus, for example, a direct seller may choose to be active, say, from September to November, and then again, after a break, from February to June. These could be seen as 'short-term trade-offs', where they will often be goal specific, for example, to work long and hard enough to earn a target sum of spending money to buy Christmas presents.

#### Converts

This group includes those who may well have been motivated to start direct selling through the logic of economic necessity, even on a part-time basis, and have then positively adopted the activity, and even embraced it full-time. It could be argued, with Granger, Stanworth and Stanworth (1995) that they have 'experienced an ideological conversion' from economic 'push' to entrepreneurial 'pull'.

From these descriptions, it is suggested that self-employed direct sellers readily fit into the generalised typology of the self-employed as originally proposed by Granger, Stanworth and Stanworth.

# 6.03 - Methodology of Analysis

As discussed in Chapter 3, to assist analysis of the data, a simplified Likert-type scale was created for this study and was used to score responses, both from the questionnaires and the interviews, to questioning on motivations at their time of entry into a direct selling activity. An open-ended question on page 4 (Q. 103) of the questionnaire asked the respondent to give the main reasons, to a maximum of three, that they took up a direct selling activity.

At the interview, the interviewees were asked directly what their circumstances and motivations were at time 't1', their entry point into a direct selling activity. If prompting was required, it was explained that, as an example, some people joined for the tangible rewards, such as, money, while others joined for the intangible rewards, such as, recognition. Although most responses contained an element of both 'push' and 'pull' factors, they were ranked on a scale of one to five according to their closeness to the following alternative statements:

- 1. predominantly 'economic necessity push' factors;
- 2. balance of 'push' factors over 'pull' factors;
- 3. 'neutral' position;
- 4. balance of 'pull' factors over 'push' factors;
- 5. predominantly 'self-determination pull' factors.

With regard to Likert scales in general, and this one in particular, it should be noted that conventional wisdom indicates respondents tend to avoid the extreme positions on a Likert scale and are more likely to choose a neutral position, if it is available.

If, as in this study, the Likert scales have only five positions, including a neutral position, it is argued that there will be a strong tendency to tend to the neutral, 3.0, score and that any movement, in either direction, away from the central position is actually a stronger statement of attitude than may at first appear. Thus, for example, a score of 3.5 on this scale may be taken as quite definitely a 'pull' motivation, and a score of 4.0 or more, a 'strong pull' motivation. As a background to later discussion, the average, overall, Likert scoring for each group of the four cells in the gender/format matrix for the **questionnaire** responses of the (n=722) sample to Q. 103 was calculated as:

Figure 12 - Questionnaire Responses to Q. 103 (n=722)

Multi-Level Male	4.1	Strong Pull
Multi-Level Female	3.8	Pull
Single-Level Male	4.0	Strong Pull
Single-Level Female	3.5	Pull

The average Likert scorings for each of the four cells in the gender/format matrix and also for the simple gender and format sub-samples for the **questionnaire** and the **interview** responses of the (n=82) sample were calculated as:

Figure 13 - Questionnaire/Interview Responses (n=82)

	Questionnaire Responses		Interview	/ Responses
Multi-Level Male	3.5	Pull	3.9	Pull
Multi-Level Female	3.7	Pull	3.5	Pull
Single-Level Male	3.6	Pull	2.9	Push
Single-Level Female	3.5	Pull	2.2	Strong Push
All Multi-Level	3.6	Pull	3.8	Pull
All Single-Level	3.5	Pull	2.6	Push
All Male	3.5	Pull	3.4	Pull
All Female	3.6	Pull	2.9	Push
Total Sample	3.6		3.1	

In four cases, interviewees had not replied to the relevant question (Q. 103) in the questionnaire. So that valid comparisons could be made, the samples were corrected to ensure that the population remained constant.

The above Figure 13 shows that the average Likert scoring, based on the **interview** responses, for each of the four cells in the gender/format matrix, these data indicate, with regard to the single-level and female samples and the single-level/female sample, in particular, a considerable divergence from the original **questionnaire** responses.

Additionally, it was noted that the scorings of the questionnaire responses from all four groups of the (n=82) sample were more closely bunched together than their counterparts from the (n=722) sample in Figure 11. It is argued that this may just reflect some socialisation effects of role-models and peer-support at their time of entry. However, it could be argued that these average changes in scoring might be influenced by dramatic changes in just a relatively small number of responses and, in order to test for this, a case-by-case study of each of the (n=82) sample was conducted.

The analysis of change in scoring from questionnaire to interview, for each of the four cells of the gender/format matrix and taking into account the case-bycase study, showed:

Multi-Level Male
where average Likert score increased from 3.5 to 3.9
35% of sample 'increased'
53% of sample 'stayed same'
12% of sample 'decreased'

This showed a ratio of 3:1 for those with 'increase' to those with 'decrease', against a background that 53% did not change. Additionally it was noted that the ratio of those who 'changed' versus those who had 'not-changed' was approximately 1:1.

Multi-Level Female
where average Likert score slightly <b>decreased</b> from 3.7 to 3.5
30% of sample 'decreased'
35% of sample 'stayed same'
35% of sample 'increased'

By way of contrast with the multi-level males, it was noted here that the ratio of 'changed' to 'not changed' for multi-level females was almost 2:1.

Single-Level Male
where average Likert score <b>decreased</b> from 3.6 to 2.9
45% of sample 'decreased'
35% of sample 'stayed same'
20% of sample 'increased'

This indicated a ratio of 2.25:1 for those with 'decrease' to those with 'increase'. Additionally, it was noted that the ratio of 'changed' to 'not changed' for single-level males was 2:1.

Single-Level Female
where average Likert score <b>decreased</b> from 3.5 to 2.2
67% of sample 'decreased'
24% of sample 'stayed same'
10% of sample 'increased'

This analysis shows a ratio of 7:1 for those with 'decrease' to those with 'increase'. The single-level females, with a figure of 3.2, showed the highest ratio between 'changed' and 'not-changed'.

It is argued that, overall, these analyses supported the data in Figure 13, showing a substantial divergence in responses between the questionnaires and the interviews.

For further study, with regard to the sample who were interviewed (n=82), by summation of '1' and '2' responses and then '4' and '5' responses, it was possible to assign to their questionnaire responses a predominantly 'Push', a predominantly 'Pull', or 'Neutral' label. The questionnaire results (for n=82) showed:

Figure 14 - Questionnaire Responses (n=82)

	Multi-Level		Single-Level		Total Sample
	Male	Female	Male	Female	
'Push'	12%	15%	15%	14%	14%
'Pull'	53%	65%	65%	67%	63%
Neutral	35%	20%	20%	19%	23%

Over the four cells, the ratios of 'Pull' to 'Push' varied slightly from 4.3:1 to 4.8:1, with a ratio of 4.5:1 for the total sample being observed.

It was noted that there was a very strong bunching in both the 'pull' and 'push' percentages in Figure 14 among the four cells and it is argued that this was influenced by the individual direct seller's socialisation factors, the need to justify their decisions, and by their wish to protect their self-esteem in the given responses to the questionnaire.

It is argued that these figures suggest that, over the sample, the data supported hypothesis H1 (B), that is:

**H1(B)** - that 'motivations for entering direct selling activity will tend to be a combination of both 'pull' and 'push' type, that is, both the logic of 'self-determination' and the logic of 'economic necessity'.

However, based on an overview analysis of the data above, it could be suggested that there appeared to have been a tendency in favour of 'self-determination pull' factors.

Again, to maintain the analysis protocol and based on an analysis of the individual respondents' own comments and responses derived by in-depth **interviewing** regarding their motivations to enter a direct selling at 't1', their time of entry, the results showed:

Figure 15 - Interview Responses (n=82)

	Multi	-Level	Single-Level		Total Sample
	Male	Female	Male	Female	
'Push'	0%	15%	40%	62%	31%
'Pull'	76%	65%	55%	14%	51%
Neutral	24%	20%	5%	24%	18%

From Figures 14 and 15, we can see that, for the whole sample, whereas the 'pull' group dropped from 63% to 51%, the 'push' group increased from 14% to 31%.

## 6.04 - Analysis of Differences between Likert Scorings

It is argued that time 't1' is a fixed point of time for each respondent and that their individual circumstances and motivations to enter a direct selling activity at time 't1' were also fixed at that time. However, although the actual circumstances and motivations cannot change, it is further argued that perceptions, and even recollections of them, may. It is argued that at the time of completing the questionnaires, the respondents answered the questions taking into account their need to justify the decisions they had made at time 't1' and also to protect their self-esteem.

The strength of the in-depth interviews contributes to a more valid view of the actual situation. It is argued that the data obtained from the in-depth interview is fuller and will reflect more in far greater depth the objective life-situations of respondents, compared with the data obtained from that same respondent completing a self-administered questionnaire.

The thesis proposed is that, at the time of completing the questionnaire, the respondents overstate their freedom of choice, at their point of entry into direct selling. Effectively, self-esteem influences, urging them to want to appear as 'free spirits' exercising autonomy, over-rode the forces of economic reality, which could be as basic as desperation and constrained economic choice. It is argued that the in-depth interviews expose the essential reality of the importance of the 'push' factor at the time of entry.

#### 6.05 - 'Quo vadis?'

Relating the analysis, detailed above, with the original data, obtained at the **t1** Interviews (Figure 16), it is seen that, from the female sub-sample 'pushed' into direct selling, 82% joined a single-level company and that from the male sub-sample 'pulled' into direct selling, 61% joined a multi-level format company.

Figure 16 - Interviewees (n=82) - Predominance of 'Push' and 'Pull'

	Multi-Level		Single-Level	
	Male	Female	Male	Female
Number of 'Pull' (n=46)	15	14	11	3
Number of 'Push' (n=25)	0	3	8	14

Figure 17 - UK Direct Selling Population (DSA, 1998)

	Multi-Level		Single-Level	
	Male Female		Male	Female
(n=450,000)	16%	20%	5%	58%

Using this data analysis, and weighting the sample to equate to the UK direct selling population (Figure 17), it was calculated that **66**% of those whose motivations are predominantly 'pull' take up a multi-level format activity and, conversely, it was calculated that **94**% of those whose motivations are predominantly 'push' take up a single-level format activity.

Adding support to the above calculations, statements indicating 'push' motivations for single-level interviewees and 'pull' motivations for multi-level interviewees, which are given more fully as Appendices N and O, included the following selection from each of the four main groups of participants, identified by company format and gender:

## 'Push' Comments by Single-Level Interviewees

# Single-Level Male - 044

'So, I was bombed out financially.'

### Single-Level Male - 094

'At that time, um, in a lot of financial trouble, out of work, looking like no prospects at all.

## Single-Level Male - 377

"... I needed money and, um, that was a good motivating factor as well, because, um, when you need money, you just have to work ..."

## Single-Level Male - 643

"... we needed to live basically ... it's a case of grabbing whatever was available at the time ..."

## Single-Level Female - 148

'I was looking for some money ...'

## Single-Level Female - 167

'I need the money!'

# Single-Level Female - 513

"... it was basically to live ..."

## Single-Level Female - 555

'... I would have done anything really. We were absolutely desperate for money. The truth was, you know, I'd have licked stamps to be honest with you. I'd have done anything and it was just because we were in such difficulty you know.'

# 'Pull' Comments by Multi-Level Interviewees

### Multi-Level Male - 018

"... the concept of having, or being in, control ..."

#### Multi-Level Male - 096

'I like to meet people ... I'm able to be free, to move around, to do things in my own way. I am a person who takes my own decisions.'

## Multi-Level Male - 420

'Money? Not really, not really. My motivational force was to try and get my confidence back. Do something. You know, get the brain working, again.'

#### Multi-Level Male - 581

"... only to use the products myself."

#### Multi-Level Male - 599

'I was looking for an opportunity to work from home, with my wife preferably. You know, freeing us up really from bosses and actually having a say ... in our future ...

#### Multi-Level Female - 023

"... I saw it as a challenge more than anything else ..."

# Multi-Level Female - 048

'... I was basically looking for something to do ... in hours that I am free.'

#### Multi-Level Female - 250

"... having your own business, working your own hours, the satisfaction of working with a team ... doing good, bringing benefits all round, and the fact that the people that you work with, you helped them to grow.

#### **Multi-Level Female - 261**

'The positives were that I was obviously my own boss, was in charge of what I was doing, taking full responsibility of whether I make it a success.

#### Multi-Level Female - 326

'I wasn't looking for a business. I wanted the products because I was only interested in the products and I told them I wasn't interested in the marketing ...'

#### Multi-Level Female - 403

"... to be involved in something, to get out of the house, or to get in contact with other people really."

#### **Multi-Level Female - 648**

'... definitely more the social side ... the fact that I could work when I wanted ... the flexibility.

An analysis of the statements in Appendices N and O, including the selection above, showed that they accord with the earlier calculations. It was noted that those respondents 'pushed' into direct selling tended to stress economic motivation whereas those 'pulled' stressed intrinsic factors. Thus, **it is** argued that the data supported hypothesis H1(C), that is:

**H1(C)** - the type of direct selling organisation which an independent contractor joins is largely dependent on the type, 'push' or 'pull', of that direct seller's motivations'.

#### 6.06 - Consideration of 'Stayers'

To consider if there is support for hypothesis H2, the single hypothesis floated regarding the tenure period, an analysis of the comments made by those respondents defined as 'stayers' was made. Statements relating to 'expectations' of the 'stayers' (n=52), within the four main sub-samples of the (n=82) sample who were interviewed, are given more fully in Appendix P and included the following examples:

#### Multi-Level Male - 041

"... I didn't expect to make a lot ..."

## **Multi-Level Male - 471**

'We haven't been disappointed.'

#### Multi-Level Male - 510

"... I wasn't expecting miracles."

### Multi-Level Male - 581

"... only to use the product myself ... (others) see it as a quick and easy way to fame and fortune, which is not always delivered because they don't work hard enough at it, I think. I think the companies make it very clear that this is not an instant solution ...'

#### Multi-Level Male - 598

'... I knew it wasn't a get rich quick scheme and I knew it would take a long time.'

#### Multi-Level Male - 640

'My expectation level out of it has grown. Mixing with more positive people in a more positive environment, I would say the association was probably the best thing I've had out of it, so far.'

## Multi-Level Female - 023

"... what have I got to lose, well nothing ..."

#### Multi-Level Female - 250

'I wasn't fed (potential expectations) at all. Now I think what I've done is that ... I've ended up by saying to myself 'it doesn't happen over-night' and I've actually under-performed as a result ...'

'At times I go into self-doubt as to whether I need to be more money driven in order to make it worth more for me simply than enjoying what I'm doing... (For some people) if it doesn't happen fast enough then they jump board and say 'well, it's just a load of rubbish'. I accept that any month it doesn't happen for me, the only reason that it doesn't happen is because I didn't make it happen.

#### Multi-Level Female - 326

'I wasn't thinking in terms of buying and selling, or making money out of it ...'

#### Multi-Level Female - 405

"... I want it to be my career really for the rest of my life ..."

#### Multi-Level Female - 515

"... well, I don't think I had great expectations ..."

#### Multi-Level Female - 649

'I mean I'm finding it great. Helpful in the sense I'm working in my own time form home, at my own pace. So I take it as I go along.'

### Single-Level Male - 094

(High-Price Ticket)

'My expectations were more what actually happened ...'

## Single-Level Male - 351

(High-Price Ticket)

'I didn't know what to expect, you know, really ... I was more optimistic than anything.'

### Single-Level Male - 110

(Low-Price Ticket)

'I knew it wouldn't be a ... great financial gain but ... it fulfilled for me the motivation I had ... meeting people ... filling the time.'

## Single-Level Male - 137

(Low-Price Ticket)

"... we thought it was quite successful and everything."

### Single-Level Female - 127

'... I thought it was just something for me to do for a few hours a week and I'll earn a little bit of money and I wasn't really expecting a great deal of it at the time ...'

## Single-Level Female - 177

'I thought, 'well, I'll give it a try and see what happens' but it got quite a good response ...'

## Single-Level Female - 610

"... thought I would do it for three months and now I have been doing it ... I actually quite like it mainly because I can do it as and when I want."

### Single-Level Female - 611

'Basically, what I got actually. It actually ended up being a lot better that I thought it was.'

### Single-Level Female - 656

"... I felt a bit nervous to start with. I didn't think that I was going to be able to do it because it was all the information coming into my head and I thought, "Oh, God, I'm never going to do this", but once I got into it, it was all right."

#### **Discussion**

An analysis of this interview data from those respondents defined as 'stayers' within the (n=82) sample showed that, typically, they had low personal expectations of what they might achieve in their direct selling activity, whether they were motivated by 'economic push' or 'entrepreneurial pull' factors. This was reflected in their comments regarding not only their potential earnings but also in the time needed to build their own business. Additionally, it was noted that, if they mentioned expectations suggested or created by external forces, then these had been quite realistic and not 'hyped' up to encourage them to join.

Many of these 'stayers' were critical of those who had, as they saw it, entered the direct selling activity with unrealistically high expectations and had subsequently exited, having been disappointed with their apparent failure. This, of course, did not take into consideration whether, or not, those people had been led to higher expectations by the person recruiting them, or by information supplied directly by the direct selling organisation.

This suggests that the 'stayers' may have had lower expectations and are therefore less likely to be disappointed as a result of expectations not being met. Equally, with lower expectations, there is a greater chance of their expectations being met on a continuing basis. Thus, based on the data presented and the analysis above, it is argued that the hypothesis H2 is supported, that is:

**H2** - independent contractors will tend to continue in a direct selling activity while they believe their expectations are still being met;

### 6.07 - Considerations of 'Leavers'

The final hypothesis (**H3**) floated in Chapter 3 considered the position of those defined as 'leavers' (n=30), within the (n=82) sample who were interviewed, and stated that independent contractors will tend to exit a direct selling activity when an over-optimistic view of activity characteristics and expectations produces low 'met expectations', leading to low 'organisational commitment' and high 'intention to quit'.

To seek support for this hypothesis it was necessary to consider not only the 'leavers' responses and comments regarding 'activity characteristics' but also other aspects, including 'importance of activity', 'expectations', 'image', 'satisfaction', 'organisational commitment' and 'intention to quit'.

As was shown in Chapter 5, with regard to most highly desired 'characteristics' in an activity, these tend to be moderated by gender, rather than format. The male 'desired' characteristics tended to emphasise high income, success related to initiative and individual effort with opportunities for advancement. By way of contrast, the female 'desired' characteristics tended more to relate to aspects of flexible work hours, availability of support, making use of skills and feelings of worthwhile accomplishment.

However, this analysis should be related back to the initial data obtained from the (n=722) sample and presented in Chapter 5. Taking the argument, already discussed in Chapters 2 and 3, that 'intention to quit' was the best indicator of the likelihood of a respondent 'exiting' the activity, a deeper analysis was made of the data received from two sub-samples representing different ends of the 'intention to quit' spectrum. In the first of these sub-samples those who responded that they 'never' or 'seldom ever' thought of quitting were grouped together and their data compared and contrasted with a second sub-sample which included those who had responded that they were 'about ready' to exit the activity, or had already done so.

The decision to include those who had already exited was based on the concept that it was more appropriate to choose the extremes of the scale for the analysis. However, as an additional piece of background research a separate comparison was made using a sub-sample consisting of those who 'frequently think of quitting' or were 'just about ready to quit'. The results supported the analyses given below.

Based on the earlier argument and for comparison purposes, these subsamples are also referred to as the 'stayers' and 'leavers'. An analysis of the responses to the various key sections of the questionnaire follows. It should be noted that, following the earlier convention, a higher Likert scoring indicates a more positive comment.

## **Activity Characteristics**

Considering their scoring for the Activity Characteristics section, it was noted that the 'leavers' are outscored on all 26 items by the 'stayers'. An overall average Likert scoring for the complete questionnaire section showed:

Activity Characteristics	
'Stayers'	3.8
'Leavers'	3.2

This shows a tendency among the 'leavers' to rate all the characteristics of the activity as being less important to them now and it is argued that this may indicate that, originally, they had a somewhat over-optimistic view of the various activity characteristics.

### Importance of Direct Selling Activity

Overall average Likert scores showed:

Importance of Direct Selling Activity	
'Stayers'	3.8
'Leavers'	2.6

Not surprisingly, the 'leavers' scored the importance of their direct selling activity much lower than the 'stayers'. It is argued that this scoring simply reflects the reality of the situation that, having exited the activity, the activity is of less importance to them. As part of the section on 'Importance of Activity', respondents were also asked if they would seek another (direct selling) work activity, if they were no longer involved in the current one. The results indicate that the 'stayers' tend towards the opinion that they 'would probably', whereas the 'leavers' tend towards the opinion that they are 'not sure'. It is suggested that this is a more positive response that might have been expected and may be judged to be a 'halo' effect.

The overall average scoring showed:

Seek another Work Activity	
'Stayers'	2.2
'Leavers'	2.5

### **Expectations regarding Direct Selling Activity**

In 24 out of 25 items, the 'leavers' scored their expectations lower than the 'stayers'. The only exception, which was a minor difference, was with regard to 'opportunity to go to sales meetings and conventions' and it is argued that this is not critical since that opportunity could be seen as a 'positive' expectation for the enthusiast and, equally, a 'negative' expectation for the non-enthusiast and potential 'leaver'. The overall average of all the Likert scorings for this section showed:

Expectations for Direct Selling Activity	
'Stayers'	3.0
'Leavers'	2.5

As was discussed in Chapter 3, the average scoring of 2.5 indicates a fairly negative comment with regard to 'met expectations'. Additionally, it is argued that already the 'leavers' are showing that their expectations are not being met to the same extent as the 'stayers'.

This could reflect the fact that their expectations had been intrinsically higher, although it is argued there is little justification for that opinion, or that they been given indications and hope of higher expectations at their entry time, 't1'.

## **Image of Direct Selling**

For all 12 statements in the 'image' section the 'leavers' gave Likert scorings significantly lower than the 'stayers'. This, it is argued, suggests that 'leavers', based on their perceptions and discussions with others, believed that people had a predominantly negative perception of direct sellers and direct selling. Again, as discussed earlier, this will also tend to reflect their own 'self-image'. The overall average of all the Likert scorings for this section showed:

Image of Direct Selling	
'Stayers'	3.2
'Leavers'	2.6

Again, it is noted that, as discussed in Chapter 3, the average overall scoring of 2.6 indicates a fairly negative comment with regard to 'image'.

### Satisfaction with Direct Selling Activity

In all nine aspects included in the 'satisfaction' group of questions the Likert scorings of the 'leavers' were significantly lower than those of the 'stayers'.

Thus, it is argued, whereas the 'stayers' tended to be 'satisfied' with their direct selling activity, the 'leavers' were not. The overall average of all the Likert scorings for this section showed:

Satisfaction with Direct Selling Activity	
'Stayers'	3.8
'Leavers'	2.7

Again, it is noted that, as discussed in Chapter 3, the average overall scoring of 2.7 indicates a fairly negative comment with regard to 'satisfaction'.

## **Organisational Commitment**

It could be argued that the questionnaire section dealing with 'Organisational Commitment', or 'Feelings Toward Your Company', as it was actually headed, is a prime indicator as to possible future action by a respondent. In all 15 statements within this section the 'leavers' scored lower than the 'stayers'. The overall average of all the Likert scorings for this section showed:

Organisational Commitment	
'Stayers'	3.5
'Leavers'	2.6

This shows that the organisational commitment of those tending to exit the activity is considerably lower than those tending to stay in the activity.

The largest differences in Likert scoring were for the statements:

	'Stayers'	'Leavers'
Deciding to work with this company was a 'good decision' on my part	4.5	2.9
There is much to be gained by staying with this company indefinitely	4.0	2.5
This company really inspires me to my very best activity performance	3.7	2.4

(Statements corrected to reflect reverse entry)

In this section, it is noted that, using the Likert scale, the 'leavers' failed to score any statement above 3.0, that is, make a positive comment with regard to their 'organisational commitment'. By way of contrast, typically, the 'stayers' scored the statements in the high 3.0s with three scores in excess of 4.0.

#### **Discussion**

The above analysis may be compared with an audit trail in that one section almost leads both naturally and longitudinally to the next and, equally, may be related back to the Entity Relationship Diagram (Figure 4) presented in Chapter 3. Effectively, based on an analysis of the above results and following the Entity Relationship Diagram, it is possible to model a typical career path of a direct seller who, after a period of time, exits the activity.

The path starts with the participant entering the activity partially attracted by the various 'characteristics' of the activity with which, because of their perceived motivations and circumstances, they individually may relate. These characteristics may have been immediately recognised by the participant, personally, or they may have been pointed out by another participant, or may have been highlighted in the company literature, or other promotional material. Equally, their 'expectations' may have been boosted by what they were told, or what they read. At that time, they would probably assess the 'importance of the activity' fairly highly. It is argued that much of this process develops mainly during the time 'pre-t1'.

Soon after time 't1', their entry time, they will become more aware of the question and perception of 'image', both from their own perspective and, perhaps more importantly, the perspectives of others, such as, their family, friends, and potential customers.

As this is an analysis of 'leavers', it is argued that there will be considerable negativity surrounding their activity at this stage which will be reflected in their attitude to 'satisfaction'. A reduction in their satisfaction with the activity will quickly be translated into a weakening in their 'organisational commitment'. The lowering of their commitment to their direct selling company is matched by an increase in their 'intention to quit'. As discussed earlier in Chapter 2, an increase in their intention to quit leads, almost inevitably, to their exiting the activity, that is, reaching their 't2' time.

Based on the data presented and the analysis above, it is argued that the hypothesis H3 is supported, that is:

**H3** - independent contractors will tend to exit a direct selling activity when an over-optimistic view of activity characteristics and expectations produces low 'met expectations', leading to low 'organisational commitment' and high 'intention to quit'.

### 6.08 - The Position of Direct Selling in a Franchise Typology

This research on direct selling was carried out alongside work being undertaken by other researchers on behalf of the International Franchise Research Centre. On several occasions similarities between direct selling and franchising were noted. Additionally, a visiting professor from Slovenia to the University of Westminster used the term 'popular franchising' to denote direct selling in his country. Thus, at that stage it was decided to undertake a conceptual exercise to fit direct selling into a franchise typology.

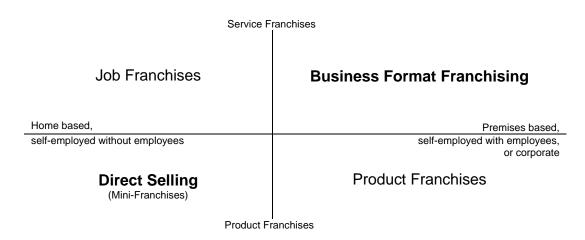
## **Franchising**

Franchising has been defined by Curran and Stanworth (1983) as:

'A business form essentially consisting of an organisation (the franchisor) with a market-tested business package centred on a product or service, entering into a continuing contractual relationship with franchisees, typically self-financed and independently owner-managed small firms, operating under the franchisor's trade name to produce and/or market goods and services according to a format specified by the franchisor.'

Based on this Curran and Stanworth definition of franchising and considering the description of direct selling, given in Chapter 1, it may be argued that direct selling has a clearly defined location within a franchise typology. This typology, shown in Figure 18, was created as a 2 x 2 matrix linking the 'work base' and 'franchise type' of the self-employed, independent contractor. The current literature on franchising tends to focus largely upon 'business format franchising', where, it is argued, there is a 'cloning' process of an established, and ideally fully-tested, complete business system as a channel for delivery of a service, or a service-related business. However, in addition to business format franchising, the proposed model locates what have been called 'first generation' franchises which tend to be confined to the fields of car and petroleum distribution, soft drink bottlers and, particularly in the United Kingdom, tenanted public houses. Additionally, it is suggested that the cells in this matrix are not necessarily mutually exclusive and may be viewed as ideal conceptual types.

Figure 18 - A Franchise Typology



Support for this argument is sought in the work of the Bolton Committee researchers (Bolton, 1971) who proposed a typology based on the type of market a small company supplies and their relationship with a larger firm and identified three groups.

Firstly, 'marketeers', where the small company actually competes directly in the same, or similar, markets as the large company. Secondly, 'specialists', where the small companies carried out functions which larger companies do not find it economic to undertake, although, as Stanworth and Purdy (1998) point out, they may include large companies among their Lastly, 'satellites', where the smaller firm is highly dependent customers. upon a single larger firm for the major part of its economic activity. It is argued that most franchise operations fall into this category. argued that, because of the dependence of the independent direct seller to the organisation with which they are associated for the supply of goods and services, this category would also include the vast majority of direct sellers. Perhaps, more correctly, because of the disparity in size between the direct selling organisation and the independent contractor, the direct seller should be considered as a 'mini-', or even 'micro-', franchisee of the larger company.

# 6.09 - Comparisons between Direct Selling and Franchising

### **Entry Motivation**

As discussed in earlier chapters, entrants to direct-selling typically begin on a part-time basis, to counteract a situation where their regular out-goings are not being met by their current income, that is, 'economic push factors'. Additionally, as has been argued, there are others who start because they are attracted by diverse 'pull' attractions of self-employment (Granger, Stanworth and Stanworth, 1995), such as 'flexibility of work hours', 'my own business', 'meeting people', the attraction of the 'product' and, in some cases, the hope of large incomes. Conventional industry wisdom suggests that many males taking up a franchise were previously unemployed and, equally, many females considering a franchise have to take into account domestic responsibilities.

This may be related to the recent work of Nunn, Purdy, Stanworth and Hatcliffe (1998) who found that, within their sample of four established UK franchise systems, there was a significant redundancy 'push' factor encouraging men to enter franchising, and that whilst 79% of women, when choosing a franchise, said it was important that the franchise offered them domestic flexibility, only 47% of the men thought the same.

#### **Gender Bias**

It is currently estimated (DSA, 1997) that 80% of all direct sellers are female. However, statistics (Figure 19) taken from the DSA Annual Survey of Direct Selling (DSA, 1980-1998), shows a growth of male participation in the industry in recent years.

Figure 19 - Gender Percentage of UK Direct Sellers - 1980-1998

	1980	1998
Male	5%	18%
Female	95%	66%
Partnerships	-	17%

This also shows an increase in total male participation, to around 26%, brought about by the increase in partnerships adopting a direct selling activity. Whereas these partnerships can also be male/male and female/female, indications from the (n=722) sample are that probably 80% are male/female. A deeper analysis reveals that this is mainly a multi-level marketing phenomenon where at least one major company promotes strongly the concept of a 'partnership' distributorship. However, there is still a strong female bias among direct sellers with total female participation of around 74%. By way of contrast, industry comment indicates that conventional franchising has a strong male bias with around 75% of franchisees being male.

## **Barriers to Entry**

There are minimal barriers to entry for most direct selling organisations. Direct selling organisations have, particularly over recent years, brought down the financial cost of entry. Most new independent contractors will be able to start up in business for under £75, or even at zero cost. Additionally, in many cases, direct selling organisations have promotional plans whereby new distributors can obtain demonstration products on advantageous terms, by using such methods as borrowing, renting, 'fast start' special discounts and extended trading terms.

By way of contrast, entry costs for most franchises will be measured in thousands of pounds. Additionally, possibly with the hope of increasing levels of initial success, franchisors may introduce additional entry barriers, such as, seeking a banker's reference, or other character references, from the potential franchisee. Because of the ease of entry and the low initial financial outlay, it could be argued that, almost by definition, there may not be the participant 'organisational commitment' among direct sellers that one would expect from participants who have a more challenging entry system to their activity, that is, where there is a more rigorous selection programme and a much greater financial outlay, for example, conventional franchising.

#### **Goods/Services**

As already presented in Chapter 1, the range and value of UK Direct Selling relating to consumer goods shows (DSA, 1998):

Figure 20 - Range and Proportional Value of UK Direct Selling

Personal - cosmetics, fragrances, skincare, jewellery, ladies' and	
children's clothing and other personal items	
Household - security, water treatment, energy saving, electrical,	
home decorative, furnishings, cookware, tableware, kitchenware,	
housewares, home and car cleaning and other household products	
Family - books, toys, games, audio, video, financial, other	
household products and business aids	19%
Services - telecommunications and utilities	
Wellness - nutritional supplements, diet plans and other products	6%
Food - frozen and other foods	4%

It can be argued that direct selling is in a strongly competitive market place, since all these products ranges are not unique to direct selling and are aggressively marketed in the normal retail outlets. It is noted that many of the product ranges tend to include personal and consumable goods, thus giving the direct seller a reason for making regular calls on their customers.

By way of comparison, the range and value of the UK franchising sector (Stanworth, Purdy and Hatcliffe, 1998) shows:

Figure 21 - Range and Proportional Value of UK Franchising

Business Services	19%
Food Franchising	9%
Home Care Services	8%
Motorist Services	8%
Property Care	8%
Walk-In Retail	8%
Distribution Services	6%
Cleaning Services	5%
Health and Beauty	5%
Estate Services	4%
Leisure and Travel	3%
Delivery and Haulage	2%
Fast Print	2%
Miscellaneous others, e.g., Pet Foods, Greetings Cards and Will Preparation	10%

### Regulation

In the UK, the wording of the 'Trading Schemes Act - 1996' and its related 'Trading Schemes Regulations - 1997', originally introduced to outlaw 'money circulation' schemes, ensured that, whereas all single-level direct selling companies and the majority of franchise operations were excluded, all companies involved in multi-level marketing were covered by detailed legislation. Currently, there is no legislation specifically covering franchise operations.

### **Trading Status**

DSA member companies' salesforces are comprised of self-employed, independent contractors, who have been 'recruited', or 'sponsored' by others, who, typically, are already participants in the activity. Direct selling organisations tend only have agreements/contracts with a named 'individual person' and not with a 'limited liability company'.

These contracts confirm that there is no subordination, that is, that there is not a master/servant relationship and that the independent contract is not an employee of the direct selling organisation and is recognised as being self-employed. This is by way of contrast with the established conventional franchisors who, typically, have a contract with a franchisee who will trade as a limited liability company.

## **Prior Experience Requirements**

Although many who start in a direct selling activity have been economically active at some earlier stage in their lives, there are no requirements made by any DSA member company. This approach is similar to that of most conventional franchisors. In the current research, the figures from the (n=722) sample for those direct sellers 'having been economically active', at the time of taking up their current direct selling activity, were:

All (n=722)	55%
Male	67%
Female	49%
Multi-level	61%
Single-level	38%

# **Contractual Terms**

Under the Trading Schemes Regulations, multi-level marketing companies must have a written and signed contract with each of the independent contractors associated with them. The content of these contracts is specified within the legislation, including the wording and actual positioning of various statutory warnings about the possible dangers of entering into the agreement and also the rights on cancellation or termination of the contract. For some companies, these contracts run to over thirty clauses and all are careful to confirm the 'independent, self-employed' status of the participant.

Additionally, all contracts must include the name and address of the direct selling companies, a description of their products and the role the participant will play, and, importantly, any payments the participant will have to make in the first year. Within the conventional franchise industry, the legally prepared contracts between franchisor and franchisee tend to much fuller and are, usually, more onerous on the franchisee.

### **Length of Contract**

Whereas single-level companies have 'open-ended' contracts, under the Trading Schemes Regulations, multi-level companies require all independent contractors to renew their contracts annually, usually on 1 January. By way of contrast, franchising contracts tend to be for a period of years, typically, five to ten years.

### **Territory Exclusivity**

Whereas a single-level company, for example, Betterware, may give a new representative 50 homes in one street and 50 homes in another as 'her' territory, multi-level marketing companies have no similar restrictions and all distributors may go wherever they want, within the UK, to market the product and the business opportunity. The typical franchise, however, will be very specific regarding the territory for which the franchise has been given.

#### **Initial Training**

All direct selling companies have training programmes for their new salespeople. However, it is common, particularly in multi-level operations, for this to be 'delegated' to the existing, successful, independent contractors. Thus, the person, who, having recruited or sponsored someone into this type of company, will be entitled to receive over-ride commissions, resulting from the retail sales activity of that new distributor, based on the understanding that they have accepted the ongoing responsibility for training and motivating that new participant.

The time taken to train a new direct seller will be measured in terms of hours and days, rather than weeks. By way of contrast, conventional franchises will tend to allocate longer periods of training for their new franchisees. This training is often given at the company's headquarters, which may be abroad, and could include training in an already-established outlet.

#### Income

Recent work by Grayson (1997) confirmed the distribution of incomes from a sample of four major multi-level format companies operating in the UK. More than 80% earn at a rate of less than £ 5,000 per annum. His study also shows that a small group, less than 4%, earn in excess of £ 25,000 per annum. These are the 'professional', fully-committed, direct sellers and some of them enjoy incomes well in excess of £100,000 per annum. Such income figures are confirmed in private discussion with the chief executives of the direct selling companies, who are obviously aware of the actual monthly values of individual commission cheques paid by their companies.

#### **Hours Worked**

Whereas most franchise companies expect their franchisees to work full-time in their franchises, the Direct Selling Association suggests that 96% of all the self-employed direct sellers are part-time, that is spend less than 30 hours per week on their activity. Data from the (n=722) sample indicated that 74% of females and 47% of males work less 10 hours per week at their direct selling activity. Additionally, the data also indicated that, although 40% of the females and 45% of the males see this activity as their 'prime work', only 4% of females and 21% of males exceed 30 hours per week. These data may be related back to the concepts of expected commitment as a result of 'ease of entry' and 'initial financial outlay'.

#### **Work Base**

Virtually all direct sellers use their home as their work base. However, some of the full-time participants do use an office which, in some cases, for example, Vorwerk and Kirby, is made available by the direct selling organisations with which they are associated. In conventional, business format franchising, by way of contrast, the franchise is operated, typically, from distinct business premises.

### **Marketing Initiative**

It can be argued that a decisive factor for a buyer to assess a form of selling is whether the buyer has taken the purchase initiative, or whether this initiative has come from the seller. Since most direct sellers use their own home as their work base, it may be argued that the independent contractor has to be more pro-active in taking the marketing initiative to seek their potential customers, than a franchisee. Again, because of the business relationship, they will probably not have the ability to advertise their activity. Certainly, they will not have a 'high street' or 'yellow pages' visibility to attract custom, which the conventional franchisee would typically have.

#### **Transaction Venue**

Direct selling can also imply that the physical distance between buyer and seller is reduced. Ideally, the seller, as the pro-active party, seeks to optimise his potential for a sale by relieving the buyer of the obligation to travel to find the seller. Classically, the buyer's home thus becomes the transaction venue. For the conventional business format franchise, the normal transaction venue would be the franchisee's retail outlet, for example, a fast-food restaurant. However, it is noted that with some smaller, job franchises, for example, will writing, the franchisee may well operate at the potential customer's home or office.

# **Career Progression/Promotion**

In all direct selling organisations, and particularly those organised with a multi-level compensation plan, there is a 'career plan' concept. The simplistic approach to this is that the greater the sales and recruiting success of the participant then the greater will be their rewards and the recognition they receive. The rewards will be in the form of increased commissions and bonuses paid out to them, based on the sales achieved by them and their 'team'. The recognition often comes in the form of 'titles', for example, supervisor, manager, director and, even, national executive sales director all, in fact, courtesy titles, but eagerly sought by many direct sellers. By way of contrast, in franchising, career progress and promotion is limited to the development of an existing outlet, or the acquisition of additional outlets.

### **Ongoing Training**

All direct selling companies have ongoing, non-compulsory, training programmes for their direct sellers. Sometimes these are company sponsored and sometimes they are organised and run by the senior independent contractors. Most major franchise companies offer their franchisees ongoing training on a regular basis.

#### Other Similar Activities

Since they are dealing with self-employed, independent contractors, it is difficult for direct selling companies to 'forbid' these people to associate themselves with other direct selling companies. The training and ethos of direct selling companies is that participants only get involved with one company.

However, data from the (n=722) sample in this research indicated that 13% of the female and 15% of the male respondents are currently working with more than one direct selling company. This is in contrast to most business-format franchises where, typically, the legal contract would include a 'non-competition' clause.

# Rights during the first 14 Days after Signing the Contract

Under the Trading Schemes Regulations, within the first seven (7) days after a contract is signed, the direct seller in a multi-level format organisation may not be legally billed for more than £200 in total. This is to prevent the naive participant from becoming too committed until they have tested the market. Such concepts as post-dated cheques and standing orders do not get round this limit! If the participant regrets joining the scheme, they have the right to cancel the contract and return any products for a full refund. There is no such cover for the newly appointed franchisee.

### Rights on Termination (after 14 days)

Again, in the UK, under the Trading Schemes Regulations, direct sellers working within a multi-level format organisation may terminate their contract at any time by giving 14 days written notice. Giving such notice releases the participant from all obligations to the direct selling companies which are set out in the contract, with one possible exception. This exception allows the company to protect their business by keeping in force any contract which stops the participant competing with that company, for example, by setting up, or participating in a rival scheme. This has not yet been tested in law and it is argued that it is doubtful if it will stand up in court. On termination of the contract, by either party, the participant may return any goods purchased during the preceding ninety (90) days for, typically, a 90% refund. Again, unless they form part of the franchise agreement, there is no such cover for the franchisee.

## **Business Disposal**

In contrast to most conventional franchises, on termination, by either party, the vast majority of direct sellers effectively have no business of which to dispose. However, particularly in multi-level marketing, a minority do have a saleable business and the process involved is usually the subject of special clauses in the contract. Most direct selling organisations demand that their agreement to the new 'owner' has been sought and obtained. In conventional franchising, details of possible business disposal on termination would form part of the franchise contract.

## **Parent Company Income**

In direct selling, the parent company income comes mainly from the sale of goods to the independent contractors. A smaller, but nevertheless substantial, income derives from the annual joining, or renewal, fee paid by all participants. As an example, a multi-level format company may receive £25 per annum from 100,000 direct sellers, giving an additional £2,500,000 sales revenue. In return for the £25 fee the company will maintain the direct seller's name and address on their computer-generated, active, mailing list and send them a regular, possibly monthly, newsletter. By way of contrast, a franchise company income will derive from 'up-front' franchise fees, royalties, advertising fees and income derived from the franchisee's use of approved suppliers.

#### **Discussion**

Typically, the **franchisee** is male, full-time, works under onerous contractual terms from the franchisor, has undergone comprehensive training, has overcome financial and aptitude barriers to entry and has employees.

By way of contrast, the **direct seller**, typically, is female, part-time, has a simple contract with the direct selling organisation, is given minimal training, has minimal financial and aptitude barriers to entry and has no employees.

It is also notable that the two industries share an additional similarity in that a review of the literature produced for public consumption, by both the franchising (International Franchise Association, 1998) and direct selling (World Federation of Direct Selling Associations, 1998) industries, indicates that there is a strong tendency to maximise the positive concepts of growth and success and minimise, or even ignore, any negative concepts, such as failure and attrition rates. In a nutshell, rhetoric prevails over reality.

Based on the earlier comparisons, it is argued that there are enough similarities for direct selling to be included in a franchise typology, as shown in Figure 18, and the principle areas of contrast are identified in Figure 22

Figure 22 - Summary of Key Characteristics of Direct Selling and Conventional Franchising Organisations

	Direct Seller/Direct Selling	Franchisee/Franchising
Entry motivation	'Push' and 'Pull'	'Push' and 'Pull'
Trading status	Labour only sub-contractor	Separate legal identity
Initial financial outlay	Typically minimal	Typically substantial
Prior experience requirements	None	Typically none
Ease of Entry	Minimal barriers to entry	Financial and aptitude barriers to entry
Work base	Home	Retail outlet/office/home
Employees	Typically 'NO'	Typically 'YES'
Territory exclusivity	Rare	Common
Contractual terms	Simple	Onerous
Length of contract	MLM - annual renewal usually 1 Jan SL - open-ended	Years - legally defined
Goods/Services	Tried and tested - aggressively marketed	Tried and tested - aggressively marketed
Initial training	Hours/Days	Days/Weeks
Ongoing training	Yes	Yes
Career progression/Promotion	Compensation plan - development of existing activity	Limited to development of existing outlet, or acquisition of additional outlets
Gender bias	Typically female	Typically male
Hours worked	Typically part-time	Typically full-time
Participant's Income	Sales linked	Sales linked
Marketing initiative	Pro-active - seller initiative	Passive - usually buyer initiative
Transaction venue	Customer's home/customer's office	Franchisee's retail outlet/ customer's office/home
Advertising	Company sponsored, usually prestige type	Contribution to advertising, which may be product or locality focused
Competing economic activities	Not encouraged - not forbidden	Discouraged
Regulation	MLM - Yes / SL - No	No
Rights on termination	Simple, but detailed	Complex
Business disposal	Rare	Saleable as going concern
Parent company income source	Mark-up on sale of goods to direct sellers/ MLM - Nominal annual joining fee < \$50	Up-front franchise fees/ Royalties/ Advertising fees/ Use of approved suppliers

## 6.09 - Summary

This chapter discussed the 'push'/'pull' debate, based on the earlier work of Granger, Stanworth and Stanworth (1995). It was argued that their four-fold typology of 'refugee', 'missionary', 'trade-off' and 'convert' could be applied to direct sellers. A description was given of the simplified Likert-type scale which was created to assist in the data analysis of 'push'/'pull' responses from both the questionnaires and the interviews. The results obtained were used to support hypothesis H1(B), that motivations for entering a direct selling activity will tend to be a combination of both 'pull' and 'push' type, that is, both the logic of 'selfdetermination' and the logic of 'economic necessity'. Additionally, there was a discussion on the causes of the perceived differences between those responses obtained from the questionnaires and those responses obtained from the in-depth interviews, with regard to the motivations of the respondents for entering a direct selling activity. It was argued that the in-depth interviews reflected more accurately the feelings of the This, it was further argued, tended to indicate stronger respondents. 'economic push' factors at work, than originally considered.

Further analysis of the data showed support for hypothesis **H1(C)**, that the format of the direct selling organisation, multi-level or single-level, which an independent contractor joins will be largely dependent on the predominance of the type, either 'push' or 'pull', of that direct seller's motivations. However, the analysis also allowed the argument that those respondents motivated by predominantly 'pull' factors would be attracted to the multi-level format and those motivated by predominantly 'push' factors would be attracted to the single-level format.

Following an analysis of the responses from those defined as 'stayers', it was argued that hypothesis **H2**, which stated that independent contractors will tend to continue in a direct selling activity while they consider their expectations are still being met, was also supported.

Based on an analysis of the responses from those respondents defined as 'leavers', and taking into consideration many variables, including, 'activity characteristics', of activity', 'expectations', 'importance 'satisfaction' and 'organisational commitment', it was argued that hypothesis **H3**, that independent contractors will tend to exit a direct selling activity when an over-optimistic view of activity characteristics and 'met expectations', leading expectations produces low low 'organisational commitment' and high 'intention to quit', was supported.

Lastly, having defined 'direct selling' and 'franchising', a franchise typology, linking 'work base' and 'product type', was created and it was argued that direct selling should be included within the typology as a 'minifranchise'. Support for this argument was sought from the work of the Bolton Committee (1971) on the classification of small firms. Comparisons and a summary of key characteristics of direct selling and conventional franchising were presented to defend the argument.

**Chapter 7:** 

**Conclusions** 

#### 7.01 - Introduction

In this final chapter, reflecting the earlier data and ensuing discussions, a model for each of the four main groups, based on the original 2 x 2 matrix linking gender and company format introduced in Chapter 1, is proposed, recognising two distinctly different types in the single-level male group. Thereafter, based on the data and analyses of both the quantitative and qualitative elements of this research, support for the hypotheses floated in Chapter 3 and developed and refined during the research is confirmed.

Lastly, a summary of the major findings from the research, followed by recommendations for future research.

## 7.02 - Models of Typology

Four distinct types of direct seller were recognised in the original 2 x 2 gender/format matrix proposed in Chapters 1 and 3. However, based on the analyses above, it is argued that, from the position of proposing models for these types, the single-level male type must be sub-divided since there are two distinctly different groups within the one type. As discussed earlier in chapters 4 and 5, these may be differentiated by the type of product they sell, or more simply, from an analysis perspective, the 'ticket price' value of the product they sell. Thus, the typology recognises both 'high-price ticket' and 'low-price ticket' single-level males.

A model for each of the types of direct seller recognised is proposed.

#### **Multi-Level Males**

Taking the earlier analyses as a base, members of the multi-level male group fitted a model of a more mature, married father, aged about 40 to 45, possibly with dependent children, who is already economically active and who may well have prior experience in self-employment. Additionally, the family unit already had a total household income well above the UK average. They were looking to supplement their income, possibly by creating a 'portfolio of incomes'. He was well educated, often to degree level, and was well able to accept the additional responsibilities that came with the business opportunity of a multi-level marketing format.

#### **Multi-Level Females**

Based on these analyses, members of the multi-level female group fitted the model of a more mature, married mother, aged 35 to 40, probably with dependent children, who is already economically active and where the family unit has a total household income that is well above the UK average. Effectively, they were looking for 'additional' income. She was well educated, possibly to graduate level, and had the ability to deal with the additional responsibilities and rewards that the business opportunity in multi-level marketing brings.

## Single-Level Males - 'High-price' ticket

Using the analyses as a base, typically, the high-price ticket single-level male fitted the model of a mature, well-educated, already economically active, person, aged around 40, competent and willing to bring pride and a professional approach to his direct selling activity, which was important to him.

Socially, he was an owner-occupier with well-above national average earnings from employment. He was disappointed at the level of his operating costs and expenses and was aware of a, possibly, negative perception of the aggressiveness of direct sellers.

## Single-Level Males - 'Low-price' ticket

By way of contrast, the low-price ticket single level males fitted a different model, typically, aged between 25 and 35 years old, poorly educated, who may not have been economically active at the time of entering his direct selling activity, possibly as the result of redundancy. He had well below average household income and lived in local authority rented accommodation. Although he had a greater need for the financial rewards of the activity, he did not rate its importance as highly as the 'high-price' ticket respondent. Additionally, overall, he had lower met expectations and organisational commitment than his 'high-price' counterpart.

# Model of Single-Level Female

From these analyses, members of the single-level female group fitted the model of a young, married mother, typically aged around 30 with dependent children. Having exited a paid job, possibly as a career break to have children, and then, because of the extra family costs and expenses involved, developed, or exacerbated, a weak overall economic position within the family unit, she found that there was an economic necessity for the family to have a second income. Typically, she needed an additional income, quickly.

It was argued that this was not seen as a primary economic activity since 69% of the single-level females reported that they worked fewer than 10 hours per week at their direct selling activity.

Typically, for this group of people, direct selling was a means of obtaining a second, albeit limited, income until they rejoined the employed labour market. As they were, relatively speaking, educationally unqualified, and had limited occupational choices open to them, it is argued that a single-level format direct selling company, with its low entry barriers and offering a simple retail profit on goods sold, provided at least a temporary solution.

It is argued that this is the first time that such models have been formulated for the types of direct sellers identified by the creation of a gender/company format matrix.

# 7.03 - Support for Working Hypotheses

In Chapter 3, five separate hypotheses were floated as working tools for this research, each having particular reference to a particular time within the individual direct seller's activity life-cycle. Each hypothesis was the subject of continual development and refining and, as in Chapter 3, are stated here in their final, fully-developed, form.

**At entry:** Three hypotheses were floated at the point of entry:

**H1(A)** - Motivations for entering a direct selling activity will vary, reflecting a variety of labour market conditions, stages in an individual's life cycle and personal preferences;

**H1(B)** - Motivations for entering a direct selling activity will tend to be a combination of both 'pull' and 'push' type, that is, both the logic of 'self-determination' and the logic of 'economic necessity';

and

**H1(C)** - The format of the direct selling organisation, multi-level or single-level, which an independent contractor joins will be largely dependent on the predominance of the type, either 'push' or 'pull', of that direct seller's motivations.

**Tenure:** A single hypothesis was floated regarding tenure period:

**H2** - Independent contractors will tend to continue in a direct selling activity while they believe their expectations are still being met;

and

**On exit:** A further hypothesis was floated regarding the point of exit:

**H3** - Independent contractors will tend to exit a direct selling activity when an over-optimistic view of activity characteristics and expectations produces low 'met expectations', leading to low 'organisational commitment' and high 'intention to quit'.

Based on the data presented in Chapters 4 and 5 and the discussions made in Chapters 5 and 6, it was confirmed that:

- all hypotheses were supported.

# 7.04 - Methodological Observation

In Chapter 6, with particular reference to the data shown in Figures 13, 14 and 15, it was noted that, for certain groups of direct sellers in the (n=82) sample, there were considerable differences in the responses they gave for their 'motivations for entry' between their questionnaire response and their in-depth interview response. Responses from the interviews tended to give a more complex picture with greater emphasis on economic 'push' motivations, whereas the questionnaire responses tended to indicate stronger, self-determination 'pull' motivations. This is not the first time that this contrast has been noted, but it is a fairly dramatic example of the concept within the field of entry into self-employment.

## 7.05 - Future Action by Direct Selling Organisations

Although in earlier chapters it has been shown that there are many motivations to enter a direct selling activity, Biggart (1989) still suggests that people entering direct selling activities are 'often driven by dreams of riches'. Thus, there is always the liability of the enthusiastic recruiter building up unrealistic expectations in the minds of potential entrants, particularly with regard to earnings, with subsequent disappointment and probable exiting from the activity. As Wanous (1980) confirmed, this criticism may be applied to other enterprises, in that members of organisations 'selling' that organisation will tend to stress positive characteristics rather than characteristics which those who are already part of the organisation find disappointing, or dissatisfying. Equally, the positive features may be slanted to appear even more positive.

Entrants into a direct selling organisation should, therefore, be given more realistic expectation goals to ensure greater job satisfaction and, probably, Overselling the opportunity leads to unrealistically high longer tenure. expectations which lead more easily to dissatisfaction and an increased tendency to leave the activity. Thus, it is argued, direct selling organisations, in attempts to minimise the attrition of the independent, selfemployed, direct sellers, should balance more closely the reality of expectations with the available rewards, both tangible and intangible. This would suggest a more controlled recruiting effort. Whereas, this tends to go against perceived policy in many direct selling organisations, the positive effect of a lower attrition rate may well justify the action. example, consideration could be given to the value of the consequence of building a longer and stronger relationship between the direct seller and the customer in providing greater opportunities for repeat business. achieve these aims, it is argued that direct selling organisations should focus their recruiting more on the social rewards, personal fulfilment and autonomy enjoyed successful direct sellers. by

If, as has been argued earlier, a direct seller's perspective on 'met expectations' influences their 'job satisfaction' and thus their tendency to exit the direct selling activity, then it is also argued that direct selling organisations need to consider these 'expectations' in order to ensure that marketing plans and promotional activities are geared to meet these. Additionally, direct selling organisations should consider a list of desirable activity characteristics, from the perspective of their direct sellers. is noted that different characteristics will be of key importance to the differing types of direct seller within the original typology of direct sellers, created in Chapter 1. It is proposed that the type of characteristic to be considered under this concept has to be related to better relationships, greater recognition and, very often, 'Is the company always seen to be acting in an equitable way to all its salesforce? Thus, a direct selling organisation, by increasing the number of desirable job characteristics, will contribute to the probability that more expectations regarding those characteristics will be met, leading to greater job satisfaction, higher organisational commitment and, overall, to a longer activity tenure for the individual direct seller.

Stanworth *et al.* (1998) showed that people who have already had dealings with direct sellers tend to have positive perceptions regarding direct selling. Thus, overall, the positive perceptions of direct selling by 52% of the population are good, but still allow for considerable improvement. Improving the positive nature of the perceptions of the other 48% of the UK public could lead to greater success within the whole industry, since buying behaviour and decision making are highly dependent on a person's perception. Effectively, direct selling needs to 'touch' these people just once, for it is argued that, once they have been customers, they become more positive in their perception of direct selling and their willingness to proselytise on behalf of the industry.

Thus, it may be argued, direct selling organisations should concentrate part of their efforts on a broader 'industry' base, rather than just on their own company and products. Perhaps using the Direct Selling Association (DSA) logo as a sign of fair trading, companies should consider participating in a scheme where stronger generic advertising and public relations programmes, publicising the trustworthiness, honesty and sincerity of direct sellers.

As Brodie (1995) proposed, the messages that need to be communicated to the general public to improve the lot of direct selling and the independent direct seller are:

- (i) the direct seller is a valued member of your community;
- (ii) the convenience of the products and services being brought to you by direct selling; and
- (iii) you can trust and depend on your direct seller and the company with which they are associated.

### 7.06 - Future Research

During this research. considerable data were collected using questionnaires and interviews appertaining to self-employed, independent The data could be used for further in-depth analyses, with particular reference to the variables of gender and age. Additionally. using these data as a base, it would be possible to embark on a longitudinal study of direct sellers, over a longer period of time. direct selling and direct sellers are still relatively unresearched areas, there are many opportunities available for new research in these fields. noted that the companies in the industry, the Direct Selling Association and the direct sellers themselves are keen to co-operate in this work.

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## **Appendices**

### Appendix A

Questionnaire sent to (n=4,050) sample of direct sellers representing twenty-two (22) different companies

Replace this page with actual copy of questionnaire

Appendix B Sample of accompanying letter and return envelope cover Replace this page with copy of SB Questionnaire letter - 'Dear Colleague ..........'

## BUSINESS REPLY SERVICE Licence LON 8088

Westminster Business School, University of Westminster, 35, Marylebone Road, London, NW1 0YS

F.a.o. Stewart BRODIE

### Appendix C

List of participating companies

### List of participating Direct Selling Association member companies

Amway (UK), Ltd., Ambassador House, Queensway, Bletchley, Milton Keynes, MK2 2EH

Ann Summers, Ltd., Gadoline House, 2, Godstone Road, Whyteleafe, Surrey, CR3 0EA

Betterware, plc., Stanley House, Park Lane, Castle Vale, Birmingham, B35 6LJ

Cabouchon, Ltd., West Cross House, West Cross Way, Brentford, Middlesex, TW8 9DG

The Dee Group, (includes Pippa Dee and Studio Dee) Anglesey House, Anglesey Road, Burton on Trent, Staffs., DE14 3QS

Dorling Kindersley Family Learning, Ltd., 1, Horsham Gate, North Street, Horsham, West Sussex, RH13 5PJ

Encyclopaedia Britannica, Carew House, Station Approach, Wallington, Surrey, SM6 0DA Herbalife (UK), Ltd., Senator Court, Belmont Road, Uxbridge, Middlesex, UB8 1SA

The Kirby Company (European Div.), Ltd., Cogshall Grange, Hall Lane, Autrobus, Northwich, Cheshire, CW9 6BJ

Kleeneze, Ltd., Martins Road, Hanham, Bristol, BS15 3DY

Mary Kay Cosmetics (UK), Ltd., 39, Park Street, London, W1Y 3HG

Nature's Sunshine Products, Sunshine House, Hortonwood, 32, Telford, Shrops., TF1 4EX

NSA, (t/a DNI) 39, Queen Street, Maidenhead, Berks., SL6 1NB

Nu-Skin International, Ltd., Windsor Court, Kingsmead, London Road, High Wycombe, HP11 1JU Nutri-Metics International, Ltd., 3, Garamonde Drive, Wymbush, Milton Keynes, MK8 8DF

Oriflame (UK), Ltd., Tilers Road, Kiln Farm, Milton Keynes, MK11 3EH

Princess House, Ltd., West Point, West Road, Hexham, Northumberland, NE46 3RR

The Tupperware Company, Chaplin House, Widewater Business Centre, Moorhall Road, Harefield, Uxbridge, UB9 6NS

Vorwerk (UK), Ltd., Ashville Way, Wokingham, Berks., RG41 2PL

World Book Childcraft International, (including World Book and The Learning Journey)
77, Mount Ephraim,
Tunbridge Wells,
Kent, TN4 8AZ

Appendix D

Sample of protocol letter to participating companies

Direct Tel: + 44-(181)-868.3051 Direct Fax: + 44-(181)-868.1252 University Tel: + 44-(171)-911.5000 # 3036 e-mail: brodies@westminster.ac.uk

Date as postmark

Dear Angus,

## Re: Research on Direct Selling

Sincere thanks for agreeing to the participation of Mary Kay Cosmetics in the research project supported by the Direct Selling Association (DSA) and the Westminster Business School. Under separate cover, and delivered by Federal Express, you will be receiving 150 copies of the relevant questionnaires, cover letters and reply-paid envelopes (sample of each enclosed) and, as you will appreciate, a set of one of each of these needs to be sent out as a 'pack' from your office to each of your potential respondents.

With regard to your potential respondents, the Ph.D. thesis proposal, agreed by the Higher Degree Committee of the University, allows for the following sampling -

- the potential respondents are to be 'self-employed, independent contractors who have just become associated with the participating company, that is, within their first month of joining and, ideally, within their first seven to ten days';
- the potential respondents should be all those new independent contractors joining the participating company and whose address is within the following areas -

ALL London Postal Codes,
Bedfordshire,
Berkshire,
Buckinghamshire,
Essex,
Hertfordshire,
Kent,
Milton Keynes,
Oxfordshire, and
Surrey;

This geographical limitation is intentional within the thesis proposal.

Although we may hope for a 20% response, we must allow for a lower response of, say, only 10%. That is, for every 100 questionnaires sent out, only 10 may be completed and returned. The number of questionnaires you have been sent reflects this. Equally, based on the respondents' criteria above, and to achieve a statistically significant number, it may be some months for all your questionnaires to be sent out from your office. Apologies in advance if this is the case!

Some participating companies have decided to send out the questionnaire 'pack' along with the 'new participant' kit, while others are planning to send the 'pack', seven to ten days after the 'new participant' has joined. Please do whatever you feel is most appropriate to your system and, additionally, it would be quite acceptable to send out questionnaires to independent contractors who satisfy the geographical criterion and have already joined your company within the last month.

To help give credibility to the research and to improve the response rate, it would be very much appreciated if a letter, printed on your own company letterhead, and based on the enclosed draft, could accompany the questionnaire 'pack'. This was an idea suggested by some of your participating colleagues in the Direct Selling Association and is gratefully adopted.

Please - if there are any queries about this project - contact me immediately on -

Direct Tel: (0181)-868.3051 Direct Fax: (0181)-868.1252

University Tel: (0171)-911.5000 - Ext. 3036 e-mail: brodies@westminster.ac.uk

Again, thank you for your valued support, which we trust will result in increased knowledge and a better understanding of some aspects of the direct selling industry.

Kind regards, Yours sincerely,

Stewart BRODIE

Angus Cameron,
President,
Mary Kay Cosmetics (UK), Ltd.,
39, Park Street,
London, W1Y 3HG

Appendix E

Target for geographical extent of sample

## Target geographical areas for research

ALL London Postal codes
Bedfordshire
Berkshire
Buckinghamshire
Essex
Hertfordshire
Kent
Milton Keynes
Oxfordshire
Surrey

Appendix F

Sample of accompanying letter from a Chief Executive

## Suggested letter from Senior Executive on company letterhead

(Note: Better not to have any specific date printed)

Dear Dealer, (Please use your own company usual nomenclature)

## **Research in Direct Selling**

We have been contacted by Stewart Brodie asking for our assistance with the above research project, which is being supported by the Direct Selling Association (DSA) and the Westminster Business School at the University of Westminster.

To assist Stewart we have selected you, along with a number of other (your company) Dealers, to support this research by completing the enclosed questionnaire. This will provide details of your own experiences of direct selling and how you rate aspects of this activity. As mentioned in the covering letter of the questionnaire, your answers will be entered into a computer and all information will be treated as confidential. No individual will be identified in the analysis, or in any subsequent reports.

We thank you for your support in providing this invaluable information and ask that your completed questionnaire is returned, in the pre-paid reply envelope to the Westminster Business School, within the next seven days.

Yours sincerely,

A. N. Other Chief Executive

# Appendix G

Summary statistics and letter sent to relevant (n=722) respondents

Telephone: (0171)-911.5000 #3036 e-mail: brodies@westminster.ac.uk

## **Research in Direct Selling**

Dear Colleague,

Some months ago, you may remember helping in this research by completing a questionnaire. At that time, you asked to receive a copy of the summary statistics and this is now included for your information. Almost 750 responses were received from direct sellers representing 24 member companies of the Direct Selling Association. Whereas, this sample, which was specifically created to provide specialised data for this research, may not be totally representative of the industry, the data may still give an idea of how independent contractors feel about various aspects of their direct selling activity.

For many questions, you were asked to rate statements on a 1 - 5 scale, where 1.0 represented a very negative response, 3.0 represented a neutral, or mid-point position, and 5.0 represented a very positive response. The data figures quoted in this summary are the average ratings from all respondents for each of the questions, with corrections made for negatively framed questions.

The full research study will probably take another two years to complete and your help and co-operation in this part was greatly appreciated.

Kind regards, Yours sincerely,

**Stewart BRODIE** 

#### University of Westminster - Research in Direct Selling

#### **Respondent Information:**

Multi-Level Male	21%
Multi-Level Female	50%
Single-Level - Male	8%
Single-Level - Female	21%

58% of all respondents were already economically active when they started their current direct selling activity.

38% of all respondents had previous experience as being self-employed.

47% of all respondents considered direct selling to be their primary work activity.

65% of all respondents devote less than 10 hours per week to their direct selling activity.

82% of all respondents devote less than 20 hours per week to their direct selling activity.

9% of all respondents devote more than 30 hours per week to their direct selling activity.

13% of all respondents were currently involved with at least one other direct selling company.

72% of all respondents were female.

58% of all respondents had at least some 'A' levels, or equivalent.

22% of all respondents had a university degree, or equivalent.

68% of all respondents were married, or living as married.

63% of all respondents lived in owner-occupied accommodation.

67% of all respondents asked to be sent a copy of these statistics!

How important is this direct selling activity in your overall life?	3.6
If, for some reason, you were no longer involved in this activity,	2.2
would you seek another work activity to replace this one?	

#### How important to you, personally, is each of the following aspects when evaluating your direct selling activity -

Opportunity to show I can deal with responsibility	3.4
Support from my supervisors will be available	3.9
Opportunity for professional growth	3.9
Receiving attention and appreciation from my supervisors	3.5
Success will relate directly to my initiative	4.2
Earnings from my activity will be reasonably predictable	3.8
Provides me with feelings of worthwhile accomplishment	4.0
Offers me the work hours I want	4.3
Provides advancement opportunities within my company	3.6
Provides an opportunity for a high level of income	4.0
Makes use of the skills I have	3.8
Has high prestige in the eyes of my family and friends	2.7
Provides opportunity to go to sales meetings and conventions	3.0
Helps increase my self-esteem	3.6
Provides me with feelings of self-fulfilment	3.8
Involves selling a product which is highly competitive	3.7
Provides freedom to perform the activity as I wish	4.1
Provides respect of my fellow salespersons for my performance	3.3
Provides opportunity to earn special awards/recognition for good performance	3.6
Provides specific opportunities to develop my selling skills	3.5
Working with a company with which I am proud to be associated	4.1
Provides opportunity to be creative and innovative	3.8
Provides an opportunity in which success depends greatly on individual effort	4.1
Provides an opportunity to make friends	3.7
Provides an activity in which rejection by prospects is minimal	3.2
Provides the opportunity to work closely with others in a team	3.3

# For each of the following aspects of your direct selling activity, please compare your actual experience to date with what you expected -

Job responsibility	3.2
Support and appreciation from supervisors	3.4
Work hours	2.8
Opportunity to go to sales meetings and conventions	3.2
Products are highly competitive	3.3
Getting special awards/recognition for good performance	3.5
Actual earnings	2.9
Personal operating costs and expenses	2.6
Opportunity for training	3.1
Professional growth	3.3
Initiative needed	2.8
Prestige of job in eyes of family and friends	2.8
Freedom to carry out the activity as I wish	3.2
Feelings of loyal association with the company	3.4
Respect from fellow salespersons	3.3
Opportunity to make friends	3.4
Amount of rejection by prospects	2.9
Feeling of worthwhile accomplishment	3.3
Advancement opportunities within the company	3.3
Making use of my skills	3.2
Increase my self-esteem	3.3
Feelings of self-fulfilment	3.3
Development of new skills	3.4
Opportunity to be creative and innovative	3.4
Opportunity to work in a team	3.2

## What proportion of people would, in your opinion, AGREE with the following statements -

People think that direct salespeople are too aggressive and will try to sell them something they do not need	2.8
People think that products sold by direct sales people are worse in quality than similar products sold in retail stores	2.6
People think that direct selling practices should be more regulated by government	3.6
People think that buying from direct salespeople is less convenient than buying in normal retail stores	3.1
People think that products sold by direct salespeople are overpriced	3.1
People think that direct salespeople are less knowledgeable about their products than are retail store assistants	3.5
People think that it is hard to find the direct salesperson from whom they bought when they have a query, or to re-order	3.5
People think that if a product bought from a direct salesperson is unsatisfactory, getting it mended or repaired is difficult	3.6
People think that direct salespeople are less helpful than retail store assistants in serving customers' real needs	3.5
People think that some of the policies and practices of direct selling companies are of dubious legality	3.3
People think that products ordered from direct salespeople take too long to be delivered	3.6
People think that an opportunity in direct selling is currently worse than most other job opportunities	2.3

## How satisfied are you with each of the following aspects of your direct selling activity -

The amount of personal growth and development I receive	3.5
The amount of challenge	3.7
The chance to help other people	3.9
The people with whom I talk and work	3.8
How secure things look for me in the future	3.4
The feelings of worthwhile accomplishment I get	3.7
The chance to get to know other people	3.9
The amount of independent thought and action I can exercise	3.9
How my contributions to my company result in earnings for me	3.6

# Based on your current feelings, indicate your degree of agreement, or disagreement, with the following statements -

I am willing to put in a great deal of effort beyond that normally expected in order to help this company be successful	3.6
I talk about this company to my friends as a great organisation with which to work	3.9
I feel strong loyalty towards this company	3.7
I would accept almost any type of selling activity task in order to stay working with this company	2.6
I find that my values and those of this company are similar	3.7
I am proud to tell others that I am part of this company	3.9
I could not work as well with another company even if the type of work was similar	3.0
This company really inspires me to my very best activity performance	3.5
It would take quite a lot of change in present circumstances to cause me to leave this company	3.3
I am extremely glad that I chose to work with this company, over other companies that I considered at the time I joined	3.7
There is much to be gained by staying with this company	3.8
I find it easy to agree with this company's policies on important matters relating to its salespeople	3.7
I really care about the fate of this company	3.8
For me, this is the best of all companies with which to work	3.6
Deciding to work with this company was a good decision on my part	4.3

# Appendix H

Quotations from 't1' Interviews regarding

'Circumstances and Motivation'

#### Multi-Level Male - 018

I just needed to, what shall we say, secure or, at least, attempt ... to secure what I felt was a better future for me. ... I was actually working for another company ... I was made redundant at the beginning of, that would have been, last year. ... I found that the direct selling, yes, helped. It didn't pay the bills, but it helped me keep my head above water ...

... I use these direct selling organisations purely to supplement my (family) income and purely, well, it helps my wife, largely her business. I just help her and it keeps her active ...

Whether it's my business, or not, doesn't really matter, but the fact that I'm in control and no one can come along and say, 'Well, we don't need you any more, bye-bye.' I don't want that to happen again. I want to make sure that no one's going to pull the plug.

... the majority of people are getting involved because they think it's going to provide them with a future, a secure future.'

## Multi-Level Male - 041

"... I got a BSc at Imperial College in Mechanical Engineering and followed it up with a Ph.D. ... worked as a consultant for the chemical industry." ... I was unhappy because I was putting in a lot of work and not getting much recognition out of it.

... my contacts asked me, 'Why don't you start on your own?'

... I had a couple of projects lined up already so that would take me through a year, or something, with nothing coming in (from direct selling). I knew I would be able to survive.

#### Multi-Level Male - 096

'I was doing my own business ... importation ... it's big money to import ... I was looking for a job. I was looking, but working. Actually, I like working, staying at the place and working all the time, but I like to move around. I like to be free you know. I like to meet people too, when I'm doing business. The way I'm doing things, not all the time locked up in the office. I like to be versatile. I was looking around for anything that would suit my ... desires, my ambitions. I'm able to be free, to move around, to do things my own way. I am a person who takes my own decisions.

I need to make money from this, so I have to go and put pressure on anybody.'

#### Multi-Level Male - 129

"... at my age, my (family) responsibilities are over ... all of my three children have got degrees ... I have no responsibilities. I don't need money.

... I will be busy, otherwise I am stale. I don't know what to do at home.

I really am very active. I can put in sixteen hours a day, physically standing, without sitting. That capacity, I have, even now.

And now ... it is set in my mind that it is a challenge to me. Leave aside the financial gains. Leave aside all other things. I want to be successful.'

#### Multi-Level Male - 412

'I was aware of (company) because my wife had worked for them as an employee ... and we have a massive number of their products on my daughter's bookshelf. I go to teachers' shows to see why information technology, the way I use it, is not the way information technology is used by schools.

I'm not, unfortunately, so generous. I'm canny. I can see that I can obtain the product more economically.'

I'm pursuing anything that might remotely enhance my daughter's education.'

## Multi-Level Male - 420

I was in long-term incapacity for quite a while now and part of the programme that I'm on at the moment which is, I'm under a psychologist, it's just to try and get ... slowly build up the confidence again and get into something that's not going to be strenuous and not going to be too difficult, just, you know, a few hours a week.

My motivational force was to try and get my confidence back. I think that (money) would almost come second to job satisfaction, in fact.

Get out there and get back into the groove, so to speak, instead of being stuck indoors being depressed all the time. Get out there. Meet people. Do something. You know, get your brain working.

I enjoy meeting people and finding out about them. Not ... I don't want to know their 'ins and outs' but, I mean, getting to see how they are and what they do.'

## Multi-Level Male - 425

'Driving back to London, pulled in at a petrol station, got some fags, police were there, breathalysed me, I was minimally over the limit ... so I got banned ... I was getting paid £1,000 a sale, so it was (a) reasonable loss and, yeah, I was a bit sort of devastated by that ... I was riding a crest and suddenly the bubble burst and it was like, 'What I am going to do now?' So, yeah, that's how I got involved in, sort of, like, the whole concept.'

#### Multi-Level Male - 471

'We're both retired from the Health Service ... four years now, and I've been retired now for just coming up for one year. So we've both been sort of full-time in Physiotherapy treatments really - NHS or privately.

We'd tried the stuff. We had the stuff come here and a lot of the stuff we've been impressed with. It's very good.'

## **Multi-Level Male - 510**

'... I'm a hairdresser ... I wasn't looking for anything at the time ... came to me, I didn't look for it.'

... because I think it is a really good concept. A bit of extra money, really. Supplement my income. I want to increase security, I suppose. Later on, pension-wise and things like that.

... what I really wanted out of it was more for my wife than meself (sic) really, so she doesn't have to work ... she can look after the young one.'

## Multi-Level Male - 522

'I was in the textile industry ... went into partnership ... went wrong ... washed my hands of the whole thing and thought, 'Yeah, I've got tremendous experience in the trade. Everyone knows me. I know everybody. I'll get another job with someone else.'

... fortunately I'm in a position that I wasn't a desperate situation. I did have some backing behind me but, you know, it wasn't sufficient for me to carry on year after year.

I needed to earn something. You know, to tick over, to pay the bills and all the rest of it and to enjoy a reasonable way of life.

... large plc ... they were looking for a sales manager ... saw the Director of Human Resources, a very nice lady. She said, 'You've got all these qualifications but your age is against you and you're too expensive.'

So, I looked around, was approached by a friend of ours whose son-in-law ... a very successful solicitor ... was also involved in (company) ... and doesn't want to be a solicitor for the rest of his life.

During this time ... my lady was made redundant ... so we had time to devote to this. The whole package was that retailing was one aspect but the success only comes with multiple sales and the only way you get multiple sales is by encouraging other people.

... it was explained very carefully that the only way we'd really make dough was to ... er ... er ... er ... start offering the business opportunity, not just retail. Whatever retail we did was almost a bonus and also helped us to understand the company that much more ...'

#### Multi-Level Male - 581

'I am a self-employed management consultant ... as a result of meeting someone who was actively involved who said that the very least I should do is sign up because the products would not do me any harm.

... only to use the products myself."

## Multi-Level Male - 583

'I've always worked self-employed and I was just between contracts, doing nothing at that particular moment.

I just saw a poster that they wanted self-motivated people so I just gave them a call.

... I'd heard of them before and I knew what the 'sale and return' is all about and all that stuff and it was not cleaning products but health products. I was quite interested in doing it and trying it out myself, anyway. So I just went ahead.'

#### Multi-Level Male - 598

'Well, I was doing market research ... I'm a Chartered Accountant by profession ... but to be quite honest, I hate the profession. I really hate it with a passion because there's so much red tape, you know, it used to be quite enjoyable but now it's a nightmare.

... we needed an income ... its a way I could see of making money and I could see the theory behind it and I could see that you could make a lot of money through it.'

#### Multi-Level Male - 599

'... I was actually a receptionist in a hostel and I was looking for an opportunity to work from home, with my wife preferably. You know, freeing us up really from bosses and actually having a say, much more of a say, in our future, you know. In other words, what we got out of it was what we were willing to put into it ... it also offered us the opportunity to lose some weight as well, but that was a massive bonus!

... but obviously the way we were looking, we weren't expecting an instant income. We were looking at sometime in the future.

I mean, I don't like the idea of my wife going out working long hours and I don't like the idea, I mean, myself personally, if I get a job, I try to get a job that doesn't entail any overtime. I don't like working week-ends. I say that but, you know, with (company), of course, you know, we do that by nature, funnily enough.

... we were looking to work together just because I was fed up of us working apart ...

#### Multi-Level Male - 621

'I teach ... at a school.

I just thought it was very interesting ... the whole concept.'

#### Multi-Level Male - 640

'I was employed ... It wasn't additional work, it was changing over in a short space of time by being able to re-coup my income from something else and then being able to afford to give up the other thing that I wasn't really ... I didn't like.

... a new career ...

... obviously the product has got to be very good, at least a large number of products have got to be good to be able to sell them. From a very young age, I was more business-minded anyway so I mean I'd sell hankies if it got me rich, if you understand that?'

#### Multi-Level Female - 023

'I work full-time in here in the city ... before that I was five years in an entertainment company ... I used to look after quite famous 'pop' stars ...

... I think the bottom line is I love meeting people, I love interacting with people and I can chat all day ... to have a little independence ... I think I saw it as a challenge more than anything else ... It's got everything that I love, wrapped up into one little business opportunity.'

I've got all the ingredients here that I enjoy (a) the jewellery and (b) meeting people and be able to just go out there and give it my all ...

Any financial gain would be a bonus, in fact. It wasn't a necessity.'

#### Multi-Level Female - 039

'Well, I own this Tanning Shop which we're sitting in ... this is a franchise ... it is my own business ... I run it on my own, I've got a couple of staff working with me, but it is my business.

I just liked the product, I'd seen it around but I didn't really know how to get involved ... because it's not like it's advertise, it's purely between other people introducing you to it, so this girl came in one Friday night actually and showed me a little selection she was carrying in a bag and I liked the look of it and she said, 'Would you like to get involved?' 'Would you like to sell it?', and she said this was a brilliant place to sell it because you've got a lot of people coming in, and I said. 'Yes, why not?

... just as an added something else ... like another feather to your bow ...'

#### Multi-Level Female - 048

'I was doing the job I'm doing now, which is selling chemicals into any and every outlet.

... my husband was made redundant, which was a total shock because he was in a job that he was doing well at, and it more or less came out of the blue, and that put us into ... dire financial straits financially. ... I was basically looking for something to do, in addition to the job I do, in hours that I am free. I had a look at several of the advertisements in magazines, etc...'

#### Multi-Level Female - 172

"... I was between two jobs. I had just finished working for the NHS, you see, and I was going to start a part-time job at the time and I thought that (company) would be, you know, a sort of, you know, give me extra income."

#### Multi-Level Female - 186

'(Just) moved to London ... opportunity, money ... previous to that I was doing tele-sales ... not a lot of people like them so they changed the name from tele-sales to tele-marketing executive because it's not a very nice ... it's not appealing to a lot of people.

Well it's money, but then satisfaction in the same way that people will actually listen to me, going round knocking the doors ...'

#### Multi-Level Female - 250

"... well, I'd just come back from Hong Kong .. (where I had been employed) purchasing raw materials and plastics for a UK company ... I've been there ten years ... I could see the future I was going to be there for my old-age pension ... I really couldn't face the idea so I thought, 'Well, the time to go is now...' So, I resigned, took five months off for travelling and came back and then thought, 'Now, what do I do?' and I went for interviews ... and I just said, 'I don't want this.

I don't want this. I don't want this job.' I wasn't financially destitute and I wasn't money-driven ... I go into self-doubt as to whether I need to be more money-driven in order to make it worth more for me, simply than enjoying what I'm doing.

... I was in the library one day and I came across this book on network marketing ... I read it and I thought, 'Well, it seems quite substantial reasons (sic) to be involved with this. Let's read a bit more.', so I got hold of other books and I said, 'Well, all of the negative stuff that I'd ever heard about network marketing, it kind of explained why the negativity was there and also the reasons for the positivity as well ... so I rang the DSA and said, 'Please send me a list of your members.' ... and then picked out the ones that I thought ...

... had other little jobs but the (direct selling) is the one that I want to make my only source of income. ... having your own business, working your own hours, the satisfaction of working with a team, ... doing good, bringing benefits all round, and the fact that the people that you work with, you helped them to grow.'

I accept that any month it doesn't happen for me, the only reason that it doesn't happen is because I didn't make it happen.'

#### Multi-Level Female - 261

"... I worked full-time in residential lettings for a property company ... The positives were that I was obviously my own boss, was in charge of what I was doing, taking full responsibility of whether (or not) I make it a success.

I think also, seeing a very good friend making something like (company) such an enormous success, I felt that, if she could do it, I could certainly do it!

I went in full-time with (company) immediately, which is quite rare because most people do it part-time and then would make the changeover, but I'm sort of one of those people, all or nothing, so you know that's basically the reason I joined (company).

... nine years ago ... I got my fingers burnt and that's why I've stayed out of network marketing for so long and that's why I didn't get involved in (company) when it first started. It took me nearly four years to actually say, 'Yes, I can do this.'

#### Multi-Level Female - 326

'I wasn't looking for a business.

I had a part-time job. Apart from that, I have my family, look after the children and all that...

A single (parent) family you know, so I have to look after them and so I actually had my hands full, so I didn't need any extra but how I got into it was for some time I hadn't been well ... ... I have two degrees in pharmaceutical sciences ... and that is how I came about (company) ... through a couple

. . .

... I wanted the products because I was only interested in the products and I told them I wasn't interested in the marketing ...

I looked at the products, the labelling and everything and said, 'Why not? They don't look very bad, I'll try it.'

... the man said, 'Listen, it might be cheaper for you since it looks ultimately that you might buy more than one (product), it would be cheaper for you to be registered ... that way you buy on wholesale ... so I bought the products from them and registered, so I said to myself, 'No harm, at least I'll get the products at the reduced price ...

So the products I took, in three days I noticed the difference ... I was really excited. I wanted to tell everybody, so I bought some. I told everybody who would listen and that was it.

... now, I'm trying to make money out of it ...'

#### Multi-Level Female - 403

'I was a housewife.

... to be involved in something, to get out of the house, or to get in contact with other people really.'

#### Multi-Level Female - 405

'About two years ago, I had my first daughter and I was actually working for Nationwide Building Society as a Branch Manager, I went on maternity leave, went back full-time, then I had another daughter last year and then I went back part-time with Nationwide. I'm still with them but I'm actually giving up ...

It was really for the flexibility of (company) that I gave up my job.

- ... purely because I can relate to ... the products ...
- ... I want it to be my career really for the rest of my life ...

I will give up my part-time 'safe-money' job and I want to devote my talents to my own (direct selling) business.'

#### Multi-Level Female - 484

- "... in full-time employment ... I had a baby ... sort of employed on maternity leave
- ... something to do that you could do in your own time ...
- ... something to keep me occupied, plus the fact I also like the products.

I didn't plan on making millions out of it. On the other hand, it was probably going to be something that (if) I could get enough people interested, it would probably keep me ticking over.'

#### Multi-Level Female - 503

'We weren't really looking. I was something that my husband was going to look for a new ... post, but we didn't know where we were going, or what we were going to be doing and then the plan was laid before us. It was a case of, 'Hang on a minute, why not try something like this', not instead but do it part-time. Then maybe in five years' time, it might actually be the main source of income, but he did catch us at a time when we were anticipating some form of change, even within our own profession. I suppose you would call us 'looking for another opportunity', so the timing was right, although I didn't enjoy the first contact.

... I could see I could use the skills that I have in marketing 'health' to market something else, if I believed in it. So, we were caught at the right time to consider something else.'

#### Multi-Level Female - 515

'I was in regular employment as a nurse. ... partly to deal with frustrations that I was experiencing at work and, I think really, because my neighbour offered me an opportunity ... I just find the products very, very, good.

I think the economic necessity really.

... a neighbour came and offered ... I think it was the business opportunity, initially.'

#### Multi-Level Female - 532

'I'm a teacher of English ... for myself, it is not profitable at all and ... (I do direct selling) as a service for the community.

I'm doing it only for the ladies of the Embassy.

... it's no good, I'm not a selling type of woman, I don't have it in my blood ... but ... I do know the product.'

## Multi-Level Female - 542

'... they do give you a bit of flexibility with regards selling so I thought, 'Well, I'll jump on that bandwagon as well!', so that all my (company) customers know that I do (second company) and (third company) and, if they want anything, then they just tell me.

... I'm actually quite good at selling, but I prefer to sell what I actually believe in and what I actually like ...

I can do what I like, when I like, no one rules me ...

I make the extra money.'

#### Multi-Level Female - 585

'... because someone showed me the opportunity and I could see the concept - the concept was brilliant. The product excited me. It's fun.

... it is another route to make money. I mean everyone is trying to find another way to make money. Jobs are not what they were.

... no jobs are permanent, you don't know when you will be made redundant.'

#### Multi-Level Female - 630

'Well, I'm married. I've got two children and my husband's in the Forces and we end up with quite a few bills and it was just making ends meet was a bit difficult.

... something I could do from home, that would fit in with the children and (company) seemed to be the thing.

... but it works in with the children. When the children are off school then I get the holiday off, but obviously I don't get paid for that. It's from 9.30 until 2.30, so that I'm home for the children going to school and coming home.

I'm just doing it as a way of making some extra money to help pay for the bills.

... as a way of getting the products at wholesale.

... the concept of having my own business would be nice.'

#### Multi-Level Female - 639

'I'm a District Councillor ... before that I was a teacher, specialised in teaching people with physical learning disabilities.

... I wanted something I could trust and also a product that I could recommend and possibly, I thought, 'Why not sell it to people?' It's the product I'd been using. I have been using (it) already and I've been buying it for my daughters and recommending it to other people, so that's how I got involved with it.

... it wasn't a case of looking for a new career ...

... it's a way of buying (the) products a lot cheaper and more conveniently than I was doing previously.

... I've done teaching for many, many years, both privately and publicly and I actually just wanted to do other things and I didn't want to be tied down to anything in particular.

Why I'm doing this is because I don't feel it's a huge commitment and I can pick it up and put it down whenever I like.

... I do like having time that I can call my own and being able to be flexible, rather than having to fit in with (others) ...

I make my calls when it is convenient to me and it all seems to flow much more naturally. So, I can do lots and lots of things, rather than just one thing.

... I've left teaching, which was one way of flogging myself to death, and I actually am not doing things for money. I'm doing things for interest and I think it's a very different motivation.

... I'm not dismissive about people that need the money and earn it in this way.

... I think it's one way of them developing their skills because, if you start off in a small way, you certainly have to develop all sorts of different skills. You have to keep your accounts up to date and you have to be quite sharp and quite planned and quite organised. I think all these skills are very useful skills which are then marketable ...

... there's still a lack of general initiative and I think that people need opportunities to develop initiative.'

## Multi-Level Female - 646

'Well, basically, I was unemployed ...

I was divorced three years ago and had children, so it's a bit difficult to get full-time employment. So I was just looking for something small that I could just make, you know, part-time money to replace earning full-time.

I couldn't work full-time with the children.

... something that I could earn just a minimum amount of money really, just working from home. I wasn't looking for anything big, but if it did work out that way, you know ...'

#### Multi-Level Female - 648

'Sure, well, I am actually still working full-time, as well as doing (company) ...

... my actual job is actually as a Conference Co-ordinator, organising large conferences and events and that sort of thing.

... then last year, I got married and we moved ... so, of course, I was in a place with no friends whatsoever, so really for the social side.

... an event organised at my place of work ... I won a full facial treatment ... I fell in love with the products ... it's just gone from there.

It was a totally new field to me ... the nice idea behind it ... my actual aim eventually is ... in the next year, or two, we'll be starting a family and, when we do, it would be nice for me to already have something small that I can build on and, you know, generate my own small business from home, so the kids wouldn't be a problem.

... definitely more the social side.

Convenience more than anything ...

... the fact that I could work when I wanted ... the flexibility.

... you mould work around yourself, rather that fitting in around your job ... which I should think, if you've got a family, is a very useful thing.'

#### Multi-Level Female - 649

'I was working as a Practice Manager at a doctor's surgery ... I was working full-time ... wasn't happy working there because I wanted to give more time to my baby ... I'd just gone on this diet to lose the weight and I was reading about it and I spoke to the guy I used to buy from, my distributor, and he said, 'Why don't you give it a try?'. So, I thought, 'OK'. I've been used to working for a long time. So it's a bit boring sitting at home, just changing nappies ...

It was something because I could work from home, in my own pace and in my own time. Let's put it like that.

... it's not a very main part that I went into it just to earn the money. No, I would not say that, no. Because it just came along and suited me ... OK, I like to earn my 'pocket money' ... just something constructive to do and to help people along.'

## Single-Level Male - 015

(High-Price Ticket)

'My background is actually in education and I decided last year that I was going to try something different ... so I thought that I would try to use some of my presentational skills and communication skills in a different area, that is direct selling.

So I looked around at what opportunities were available in that and came across a few ... and as (company) were actually offering a comprehensive training package as well, I thought that would be ideal for me. A complete change of career direction, yes.

... I regarded it as a new challenge, actually. Again, something completely different.'

If one becomes institutionalised, after some time working for .... whether it's one company, or whether it's in one particular field, and I thought it was a completely different area to get into, actually given the potential that direct selling has in terms of income potential.

## Single-Level Male - 033

(High-Price Ticket)

'I was unemployed for a while ...

... looking for any form of money-making opportunity...

... when they showed me the product, I was impressed with it, so that was the reason I decided to give it a go.'

## Single-Level Male - 044

(High-Price Ticket)

'Economically, I was unemployed ...

I'd gone through a divorce and it was sort of the aftermath of that ... I was sort of bombed out financially.'

## Single-Level Male - 054

(High-Price Ticket)

'I had just finished a law degree ... I was looking for something where I could be more pro-active than law - just sort of waiting more for people to come into you... it's more to get some experience to go into 'business to business' sales ... mainly to probably get the experience and see if I can get the sales ... (and to see) if I was any good at that sort of thing.

The presentations you do at meetings, or what have you, are very similar to presenting a case in law. So, a lot of skills you use are sort of picked up from studying law ...

## Single-Level Male - 055

(High-Price Ticket)

'I got made redundant from (bus) inspector and then I had to go back driving ... I could have stayed with the company, but I thought I would take redundancy, because it obviously reduced the mortgage...

I am an outward-going person, friendly sort of character and everything because, having been a inspector, you have got to be able to put yourself across to people and talk to people and convey to people how they can travel about the different facilities and make it clear and understanding for them ...

... then came back after Christmas ... with a job seekers allowance ... wrote to different companies ... they've turned round and said, 'Thank you very much ... we've decided not to proceed ...', it knocks you back when all the time people aren't giving you a chance of an interview to go for a job.

... my wife and I go to the Ideal Home Exhibition every year. ... we came round to the (company) stand, we met the lovely sort of friendly people ... they display the demonstrator product and we were just totally ... 'gobsmacked', just, totally, sort of, amazed at what this product actually did.'

## Single-Level Male - 076

(High-Price Ticket)

"... I spent fourteen years in the Police force first of all and then decided that was enough, because it was changing rapidly for the worse ... I was getting more and more disenchanted with (it) because nobody wanted you. You didn't get praised for anything. In fact, the more work you did, the more mistakes you might make, and the more trouble you got into.

So, there was a lack of appreciation, so all the while I was married I stayed there because it was a safe job and so on. But, once the marriage finished, which was due to the job really, as well, then it gave me the opportunity to look around because I didn't have those responsibilities. So that's why I did it.'

## Single-Level Male - 094

(High-Price Ticket)

'Not lots of other things, toying around with starting up business again for myself.

... I had bills that needed paying over a long period of time, which I had got in trouble with, and there was no way I would have been able to take a factory job at £150 a week and be able to survive and keep my house.

At that time ... um ... in a lot of money trouble, out of work, looking like no prospects at all ... I'm happier knowing that, if I work harder, I can earn a bit more. I had to have a job where, if I needed more money, I could just get out and just do a bit more hours - more money.'

## Single-Level Male - 110

(Low-Price Ticket)

"... sat around doing nothing, you know, and I thought I'd try it.

... the package was too good to miss ...'

## Single-Level Male - 137

(Low-Price Ticket)

'Last year, I was unemployed.

... any job.'

## Single-Level Male - 140

(Low-Price Ticket)

'I started (company) early October ... I was working part-time at Savacentre as a coat checker.

I was, at that time, not long separated from my family, my wife, four kids. I was living here at the time, as I left the matrimonial home, and that's basically it, really.

... at the moment, I'm unemployed now. I just wanted to occupy my time mainly.

... the thing that appealed to me most was ... that I was going to be involved with the public outside ... to meet more people.

I've wanted my own business since I was about eighteen.'

## Single-Level Male - 141

(High-Price Ticket)

'Well, I was like many of the other two million plus unemployed, made redundant ... so, for five years, I was unemployed.

I came across an ad in the local paper for (company) and thought 'Well, at least there's something there, I can bring in a bit of cash and do something.

- ... I understand more or less what my responsibilities are going to be, what my activities are going to be, and I use that then to determine, to help determine if it's something I really think I can make some money out of.
- ... after college ... I got into regular industry and was always salaried in that, you know, in a regular job.
- ... in all the jobs I've done, the sales side of things is important to me.
- ... so sales have always been a part of motivating factor in my business life.'

## Single-Level Male - 351

(High-Price Ticket)

'I was in the army.

I was just interested in getting into sales.

... it was mainly the prospects of, like, a good career, you know what I mean ...'

## Single-Level Male - 377

(High-Price Ticket)

'And internationally ... but we stopped it ... because ... needed an import licence system before you can get, so this was really becoming a big problem for me carrying out all the editorial, advertising, sales and all that ... I did that for a few months ... then there were difficulties in getting the money ... to pay the bills ...

At that time I just needed a job, yeah, self-employed, or not, didn't really matter because I'd been used to self-employed situations before, most of my career ...

"... I need the money and, um, that was a good motivating factor as well, because, um, when you need money, you just have to work ..."

## Single-Level Male - 546

(Low-Price Ticket)

'I worked for a company before. We had a fall-out, we parted company. We went for unfair dismissal in the end.

'I was looking for a part-time job, really to fit in with what I was doing ...'

## Single-Level Male - 613

(Low-Price Ticket)

'I was retired. ... just something to occupy my mind. I'm not one for sitting about.

... to keep myself occupied. If you sit around, you get stagnant.'

## Single-Level Male - 643

(Low-Price Ticket)

'We moved from London ... to get away from all the smoke and the stress basically, what we were looking for was a better lifestyle.

I mean, I was in courier work ... which is quite stressful anyway. I had an accident which sort of put me off the road for a while, and we really decided to call it a day and just move here for a bit of peace and quiet, basically.

'... Madam (sic) needed some work and this came up and so she carried on with that.

"... we needed to live basically ... it's a case of grabbing whatever was available at the time ..."

'... it also gave me a purpose in life ...'

## Single-Level Female - 025

'I'd spent about fifteen years in the petro-chemical industry and my previous contract had expired.

I've done sales a couple of times, or something like that, but I've never actually been involved in direct selling at all.

... it was something that appealed to me, because of the fact that it wasn't 9 to 5.

It was different hours and that kind of thing. The bottom line was because I saw the product and I was impressed with the product and that's why. You know, it has to be the real thing.

... it wasn't just because I wanted a job. It was that particular job that appealed to me. The whole thing about that ... the kind of working hours. I could do my work when I wanted to.

It wasn't like I just needed the job so I'll take this one. It was the whole thing. Yes, I like the product.

You know I like the fact it was self-employed and I liked the fact, the whole thing about the hours, that really you could basically do it when you wanted to.'

## Single-Level Female - 062

'I was just a housewife ... it was trying to find something that fitted in with my family.

It wasn't a major career move, or anything like that.'

## Single-Level Female - 127

'I am a housewife, or I was a housewife, and I've got children at school, so I was looking for something that I could fit in around the children because I wanted to be, you know, a mother when they came home from school. So I didn't want a job that would make me work outside schools other that when I felt that I, you know, I had somebody else, my husband, for instance, at home to look after the children. So, I didn't want anything that would commit me that I didn't want to be committed to, if you see what I mean.

I am actually employed as a Financial Advisor but I didn't carry on doing that because the hours would be limiting.

... I didn't want to just be sitting around at home twiddling my thumbs! You know, I wanted to be doing something.

I mean, just meeting people and getting out and about and getting exercise and so on, and obviously getting some money as well.

... it was as much to have something to do as for the money

## Single-Level Female - 134

"... we needed some more money, so with Christmas just coming up and birthdays and things like that, so we needed the extra money."

... we just needed some extra money really, because I've got a lot of nieces and nephews ...

Well, it would just be the extra money.'

#### Single-Level Female - 147

'I wanted to finish teaching ... I wanted something that was going to involve ... marketing and teaching.

... because I wanted the flexibility. I was also tired of being stuck in one place. I wanted the flexibility of more choice of hours and where and when I worked, and the flexibility to move around. ... because it's not giving that extra quality to the person, because education is a priority with me, therefore I was never entirely satisfied. The fact that I was getting money from it wasn't enough, I needed something else. So, therefore, with (company) I can see that people are actually benefiting from it, as well as me benefiting financially. ... plus it was a very good mix for a practical marketing training experience, very good indeed, because of the different methods being used ... It depends what people are in it for, because some people are in it quite specifically to meet people. A lot of them say 'to make new friends', this sort of thing, which isn't an element that interested me.'

## Single-Level Female - 148

'Financially, pretty tight.

I was looking for money and I saw the advert in the book and there was also a little bit of paper saying that they wanted somebody to do the area ...either full-time, or quite a few hours part-time.'

### Single-Level Female - 167

'I weren't doing anything.

I need the money!

"... it would give me something to do."

### Single-Level Female - 168

'I wasn't actually working, because I'm a mother.

My husband was working and so, obviously, you know, I was living off his money and I decided to do it as a bit. My daughter was about eighteen months and I decided to do it as a bit of extra money basically.'

'I'd just had a baby ... and I'd ... sort of finished my job and everything and ... sort of ... was looking for just a little part-time thing ... just to ... you know ... tide me over until I could get back to proper work, really. It was basically just to get a little bit of money ... but get a little bit of independence like ... away from the baby just for an hour or two, and the hours could revolve around her as well.'

A local newspaper advertised sort of part-time work, if you like, and I just answered it and that was the best one that I ... I rang up a few and that was the best one.'

### Single-Level Female - 264

'24 years self-employed.

Because, it is complicated, I was actually going through a divorce and the settlement would be that I sold out to my husband the businesses and obviously always having been in the selling line, I was impressed by the product and thought I would give it a try.

It suited me for having been self-employed you can do the hours that you choose to do. If you go out to work for someone else then you are dictated to by your hours and I thought, 'Well, this suits me, suits my way of life.' Evening work didn't worry me, working at week-ends, I have always done, so that didn't worry me.

... there are many aspects of it that I thought were very interesting, as long as the product stood up to what it professed to be and I was very, very interested in it and also I thought, monetary-wise, it sounds very good. I did have reservations, however.'

### Single-Level Female - 319

'I used to work at Asda, I worked there for five years.

I was on maternity leave with my little boy ...

... to give myself a break as well from the kids and the money was a bit extra ...

... (money) wasn't the main reason.'

### Single-Level Female - 513

"... before I started (company), I was unemployed.

... it was basically just to live ... I'd been told that I wasn't allowed to work, like, normal jobs, because I had to go into hospital ... so they said ... now try to find something else to occupy you and (company) was ideal, really. ... a lot of my friends would like to go to (company) parties, but they're never invited ... my circle of friends didn't get invited to them and they kept going on about (company) and how they thought it would be great fun, you know, as well as getting any bits they wanted ... so I started it up.'

## Single-Level Female - 555

'... one of the reasons why we did it because we've only just moved up here and you know I didn't know anybody and you get to know people through it as well, don't you?

Well, we were just desperate for cash really and it was just, you know, in the paper and so I 'phoned it up, but I mean I'd done a lot of selling and that before anyway.

... I would have done anything really. We were absolutely desperate for money.

Quick money, yes. Just to tide us over.

... the truth was, you know, I'd have licked stamps to be honest with you. I'd have done anything and it was just because we were in such difficulty you know. It certainly isn't something that I'd want to do again.

'Before that I wasn't working, I've got two young children you see. Five years previous to that I worked at W.H. Smith wholesale.

I just wanted something to do myself. I felt like a robot, you know. I'm a mum and that was the end of it, and I wanted something to find me ... I'm not too bothered about the money.

... it gives me a little bit more money and it takes a bit more pressure off me. I know it sounds silly, but it means I haven't got to do so much.'

## Single-Level Female - 611

'Right, well a while ago I was actually training to be a quantity surveyor and I didn't like that, so I left it and then I just wasn't doing anything really and I thought I'd give (company) a try.

... I mean when I just started doing it, I was just looking for something to sort of fill in until I decided what I wanted to do as a career ...'

### Single-Level Female - 615

'Well, give it a try. The children are that little bit older now and they go off doing their things ... a little bit of income, if I've got a daughter going to university, it might be quite useful.'

### Single-Level Female - 628

'As part of my (university) course, I'd been studying in Spain for six months and so I wasn't working whilst I was in Spain and financially it was crippling. So, when I got back I had to get myself a job quite quickly. When I first got back there was an advert on our University board for a part-time (job) ...I phoned the number and I spoke to this man ... he was going to get this lady to 'phone me ... she 'phoned me and we had a chat and I explained my situation to her. I said that I'm only in it for the money. I was honest with her and said that I am a student and, at the end of the day, university's going to come first, because I am in my final year and she said, yes, she understands that, and I told her I was looking for part-time work as well and she was fine ...

I think most of the (university) lecturers expect us to have part-time jobs, otherwise we can't get through.

## Single-Level Female - 631

"... two years before I joined, I became very, very poorly actually. We had three deaths in the family within a year and it just took its toll. I actually did have a full-time job and I was ... on and off.

... in the end because the doctors couldn't give a firm date when I was to go back to work, they actually had to terminate my employment.

... the doctors recommended that I didn't go back full-time and they wouldn't take me back part-time ... that's why I was sort of looking for something that wasn't full-time ...I didn't have an income.

... the hours are so flexible, so that's why I did it in the end ...'

## Single-Level Female - 636

'Housewife. Before that I used to sell. I used to do, like, cashier in Safeway and Tesco.

... to get out, to meet people and broaden my horizons bit. Maybe get a bit more money, so I could afford to give the children a better education and stuff.

... it was more for social reasons ... just basically being able to get out, meet more people, generally socialise.'

'I was a housewife.

It was for the money. It was also for getting out and meeting people.'

Appendix I

Quotations from 't1' Interviews regarding

'Expectations'

'... the expectations weren't sky high, therefore, I had a reality of what it was going to be like.

... experience tells you that it takes a little while to get to the gold at the end of the rainbow.

#### Multi-Level Male - 018

"... I knew that if I did very little, I could expect very little and I knew if I did a lot I could expect ...

### Multi-Level Male - 041

'Well, I didn't expect to make a lot, but then this chap ... showed me his commission for one particular month and I was thinking, 'This is just one month's commission, what about the rest and that was huge amount ...'

#### Multi-Level Male - 096

'My expectation was that it brings me closer to people.

Yes, I was expecting about £1,000, £2,000 a month, that's what I was expecting - just a projection, yes. That's what I was expecting.

... they said you may even think you'll get £10,000 a month ... so that's what they told me.'

... planning on living well from it, so that was my expectation.'

#### **Multi-Level Male - 412**

'I have very real doubts that it will build very far in this area because there are quite a lot of (company) people around the area anyway. So there are too many about.'

'... if I get anything from it, great. It's something to do. It's something to look down the road at and think, Oh, I'm doing this now. I've got something to do that day.'

### Multi-Level Male - 471

'We haven't been disappointed.'

#### Multi-Level Male - 510

"... I wasn't expecting miracles. I suppose the plan implies that you can do it, you know, you could become financially independent in, I don't know, two to five years. Personally, I didn't think I could do it that quick."

#### Multi-Level Male - 522

'Probably the optimism that we had was the fact that if it's good enough for a successful solicitor and his wife to be involved and devote their time to, then it's certainly good enough for me to have a go.

... we realised that that many people have devoted their whole life to it and have given up particularly important positions because they could see this had much more potential financially for them.'

#### Multi-Level Male - 581

"... only to use the products myself.

... it is not to be sneezed at, but I think that there is a naiveté about the people involved in that they are wanting to ... they see it as a quick and easy way to fame and fortune, which is not always delivered, because they don't work hard enough at it, I think.'

"... I thought it was going to be a little easier than it really is, but you have to like really put a lot of effort and time in it and, you know, if you haven't got the funds available to join the scheme as they plan, you don't really make that much money according to the time put in."

#### Multi-Level Male - 598

'... I knew it wasn't a get-rich quick scheme and I knew it would take a long time.'

### Multi-Level Male - 599

'Obviously, I mean, the main expectation in anything that you're going into, like that, is that you want to be rich. I mean, you know, the expectation is that somehow it's just going to, sort of, you're going to open your door one day and, suddenly, there's a million pounds. Of course, the realisation comes about that. What it is. You can work as leisurely or as hard as you want and you can expand it to what ever level you require it to be, or wish it to be. I mean, you know, it's not going to be instant, which is good.

... the initial expectation was that we would be able to earn a good living and that was it ...'

### Multi-Level Male - 621

'I'm not quite sure really. I just thought it was very interesting and it was something new and there were some new ideas there that I'd never, not seen in that particular form.

## Multi-Level Male - 640

'I thought it might be an easy way of getting together a good income out of it for the next year and then decide on where I'd go from there. My expectation level out of it has grown. Mixing with more positive people in a more positive environment, I would say the association was probably the best thing I've had out of it so far.

#### Multi-Level Female - 023

'So really, I mean, there was so many positives and not really that many negatives so I thought, well, actually, on balance, it sound that I should really go for this, so that's what I am doing.'

### Multi-Level Female - 172

'I thought I was getting into something big, I don't know, might make good use of my spare time because I was part-timer at a time and I thought I could make some extra money, you know, increase my income, and so on, and be flexible and I thought if this worked very well then I would even leave my other job and do it full-time.'

#### Multi-Level Female - 186

'Money! Well, it's money, but then satisfaction in the same time that people will actually listen to me, going round knocking the doors, even in the rain I've done it. I done it in the rain. So my expectations were make a bit of profit ...'

#### Multi-Level Female - 250

'I wasn't fed (expectations) at all. Now, I think what I've done is that I've fallen into the trap the other way and ended up saying to myself, 'It doesn't happen over-night.', and I've actually under-performed as a result ...

... at times, I go into self-doubt as to whether I need to be more money-driven in order to make it worth more for me, simply than enjoying what I'm doing.'

#### Multi-Level Female - 261

"... when I got involved with (company), I had a fiveyear game plan and what I wanted to actually achieve, where I wanted to go, the earnings, I mean, I was very much on track ...

'It's amazing how people's expectations are so different ...

... some people are so, so hard. I mean if I do a sale and don't make ... you know, I don't sell, I sell under £200, or in fact £250, you know I think, 'God, what a waste of the last few hours.'

#### Multi-Level Female - 326

'I wasn't thinking in terms of buying and selling, or making money out of it. When I told people if they buy it, then if I ordered six and they bought five, the difference would pay for my extra ...'

#### Multi-Level Female - 403

'I thought it would take off much quicker than it has, I'm really finding it quite difficult because I'm not .... I can't push my product onto other people if I think they're not interested ...'

#### Multi-Level Female - 405

'Well, I want it to be my career, really for the rest of my life, that's what I intend to do ...'

#### Multi-Level Female - 503

'I felt it had huge potential. I was concerned about approaching friends because I didn't want them to end up feeling the same way as I felt when I had been approached by my friend ... and I was concerned about losing friends ...

I thought there would be a lot of hard work. I certainly wasn't misled in any form. ... I envisaged I would do it parallel to doing a full-time job for a considerable time.'

### Multi-Level Female - 515

'... because you know my neighbour informed me so well, I don't think I had great expectations...

... you know, I felt it was a good business opportunity and that it was well organised and that, in a way, it was more than just, you know, inviting you with an opportunity to start your own business. I mean, it's quite well developed. I think from a personal development point of view, it's very good.'

### Multi-Level Female - 585

'Oh, I definitely see it could happen. I mean it's a case of me making time to make it happen ...'

### Multi-Level Female - 630

"... I thought it could get bigger. I mean I have met people that have actually got involved in (company) as well and they're actually earning quite substantial amounts now. But the only thing is that they're unattached. They don't have any children. They can go out and do it all day long, but in my situation I have the kids, so I couldn't go and do it every day ...

### Multi-Level Female - 646

'... because you hear of the few at the top that make the money, that's always your expectation, really.

I knew what to expect. The expectations were what they said. They didn't promise anything big over a short period of time, you know.'

#### Multi-Level Female - 649

"... I mean I'm finding it great. Helpful, in the sense I'm working in my own time, from home, at my own pace. So I take it as I go along."

### Single-Level Male - 015

(High-Price Ticket)

'Quite high expectations. I felt that having received the training that I would be fairly well versed to actually promote the product on an individual basis, or on a domestic basis, and I felt that the structure of the remuneration was quite satisfactory, but that was without knowing how difficult it was to sell the thing.

I think that it would have been better to have more realistic information, shall I say.'

## Single-Level Male - 033

(High-Price Ticket)

'I knew basically what was expected. I'd done commission-only work before in a different field but I knew basically what to expect and when they showed me the product, I was impressed with it. So that was the reason I decided to give it a go.'

## Single-Level Male - 044

(High-Price Ticket)

'My expectations were that I could get back materially that that (sic) I'd lost over the past four years.'

### Single-Level Male - 049

(High-Price Ticket)

'I based my assumptions on what I was told basically. Yes, actually that was quite true.

... from then I really had high expectations of it all.

### Single-Level Male - 054

(High-Price Ticket)

'I didn't really have any clear expectations about it.

Just give it my best shot and see how it went for a while.'

### Single-Level Male - 055

(High-Price Ticket)

'Obviously the fact that they said that you can earn quite a high income, if you are successful at this and I thought that, having been in management and then going back into like a management post, white collar, getting out of the sort of busmen's uniform and dressing up in my own smart casual clothes, or smart suits, I felt I was a different sort of person with a more positive attitude. The personality, I suppose, maybe slightly changed because of you feel you are going into a sort of office environment where there is positive vibes all the time, whereas on the buses, you get people that are down all the time.

## Single-Level Male - 094

(High-Price Ticket)

'My expectations were more what actually happened to start with. I still put that down to product knowledge ...'

## Single-Level Male - 110

(Low-Price Ticket)

'... I knew it wouldn't be a highly financially, a great financial gain but, as I say, it fulfilled for me the motivation I had early on - meeting people and filling the time.'

### Single-Level Male - 140

(Low-Price Ticket)

'Well, the most important thing that I thought I would get out of it was meeting more people ...'

### Single-Level Male - 351

(High-Price Ticket)

'I didn't know what to expect, you know, really, being in the Forces. I didn't know anything else outside, I was more optimistic than anything.'

## Single-Level Male - 546

(Low-Price Ticket)

'I don't really know, quite honestly.'

## Single-Level Male - 643

(Low-Price Ticket)

"... it did cross my mind ... that it would become a full-time job, in order to supplement our income obviously. It also gave me a purpose in life ..."

## Single-Level Female - 025

'More time to myself which was kind of the major factor ... that would be my main expectation.'

### Single-Level Female - 062

'... I don't think it was a major career move. I wouldn't put it like that. It was really just a, something that wasn't too much aggravation that I could do really around the family for extra money. That was it, really.'

## Single-Level Female - 127

'Very low at the time, as it happens. I mean, you know, I thought it was just something for me to do a few hours a week and I'll earn a little bit of money and I wasn't really expecting a great deal of it, at the time ...

'Well, I, this was the ... I was thinking in terms of a nice run up to Christmas. I was thinking in terms of, you know, something like, I don't know, £40 or £50 a week, sort of thing.

... you, sort of, only look at what is happening now because I'd love a full-time job ...'

## Single-Level Female - 167

'... I don't know, like. They said that there was high earnings and you could earn a lot of money and that. That's about it really.'

## Single-Level Female - 168

'I was thinking that I was going to get quite a bit but, obviously, I realised then that you've got to build on where you go to sell your (company) goods.'

## Single-Level Female - 177

'Well, because I hadn't done it before and didn't know all the stuff, I thought, 'Well, I'll give it a try and see what happens.', but it got quite a good response. Do you know what I mean?'

### Single-Level Female - 513

'Hoping things would go a bit better for the start, but I don't really know, I, um, of course, I was hoping for money.'

### Single-Level Female - 523

'Um ... pretty much what they told me, really.'

### Single-Level Female - 611

'Basically ... what I got actually.'

'I suppose apprehensive to start with, when you are going round putting catalogues into doors.'

## Single-Level Female - 628

"... she said my expected earnings would be higher ...

I didn't really view it as a permanent sort of thing ... until the time I finish university ...

## Single-Level Female - 636

'I don't know. Just basically being able to get out, meet other people, generally socialise.'

## Single-Level Female - 656

'Um, I felt a bit nervous to start with. I didn't think that I was going to be able to do it, because it was all the information coming into my head and I thought, 'Oh God, I'm never going to do this.', but once I got into it. It was all right.' Appendix J

Quotations from 't1' Interviews regarding

'Image'

'Generally negative ... pyramid selling is the initial conception.

... they have this rather negative attitude towards pyramid selling.

I think the vast majority of people are reacting to hearsay. Many of them don't have personal experience, some do, some bitter personal experience of course. Still got a garage full of Golden Products and thing of that nature. You know, twenty years on, so I can understand them being mildly sceptical.

... again, suspicion, scepticism and, yeah, generally view it with a degree of caution ...

... the fact that it's done part-time predominantly means that it's a part-time business and treated accordingly.

### Multi-Level Male - 041

"... it's still not well accepted here. I think people think, "Well, I can buy this from the shop, the shopping centre and everything is there, so why should I buy it from a catalogue?

... if people get over the idea that direct selling is not just hassling your friends to buy things that they don't need, you know, rather as a way of introducing things that might be useful to them.'

### Multi-Level Male - 096

'Some comments I have had are that some feel that company, they want to incorporate the whole profit within themselves, so they want to take everything into their own pocket ... so products become expensive...

'I'm sure direct selling is the pits in most people's perceptions.'

#### Multi-Level Male - 420

'Oh, don't do that!

... some people think that you're all double-glazing salesmen with your foot in the door (laughs) ...'

#### Multi-Level Male - 425

'... the qualities that you need to do it is (sic) tenacity, diligence, I would see as probably more congruent with females than what there would be with men ...

... it's just this thing about 'pin money', which seems to be more associated with females at the end of the social demography scale than males.

The image of direct selling is 90% of the people believe you are a hustler.

... some people it was like, 'Ugh!'

... like when I speak to people like about (company) it's like 'it's a big con that, innit?

We have to justify ourselves why we have done that and why somebody else is making more money than us. And when we can't justify that fact that we are a loser, because we are lazy, or because we are this, we have to find some other way to justify it. Another way to justify it, which is traditional British, is to slag it off. Bring it down to your level and then excuse it away. And once you know that, it's part of the playing fields.'

### Multi-Level Male - 471

'Nothing positive at the moment.'

'... the relations didn't want to know at all. 'No, you're mad, it's being a salesman. You can't be a salesman. Because that's not the person I am in their eyes. Friends are very, very negative. They don't believe you get anything for nothing ...

I think people's idea is that there is a few people at the top raking in all the money and anybody below them, they are just like sort of go-betweens and might earn a little bit out of it, but not a lot. They all think there is a gang of people at the top who are raking it in.'

#### Multi-Level Male - 522

'... it was very mixed.

... very few people know an awful lot about it, people remember Tupperware...

The ones we thought would go for it 'pooh-poohed' the idea and thought we were crazy to get involved.

... there's a stigma attached to a few other companies ...

#### Multi-Level Male - 581

Interest, I mean it was no more than that. It certainly wasn't any inappropriate mockery, or anything like that ...

I think direct selling is tarred with the 'pyramid' brush. I think it's still misunderstood. I think that people also have unrealistic expectations of earning, you know ...

... there is a naiveté about the people involved in that they are wanting to .... they see it as a quick and easy way to fame and fortune which is not always delivered, because they don't work hard enough at it, I think.'

#### Multi-Level Male - 583

'I didn't tell them I was going to be a (company) distributor, I just told them that I'm doing this health programme ...

Direct selling, in general, is something I would not myself personally go and get involved with, as such. (Company) because it's nutrition and it's proven ... it's a good product ... I take it ...'

#### Multi-Level Male - 598

'Rather nondescript I suppose.

... most people see it as a form of retailing more than anything else, direct retailing.'

Direct selling, in general, I think you get a lot of cowboys out there. And a lot of direct sales people do give direct selling a bad name.'

#### Multi-Level Male - 599

'... wouldn't have said chilled, I would have said more cold. You know, I mean, no interest at all, really. But, I mean, we told people about it and they sort of looked at us dubiously and thought, 'Oh, right, poor mugs.'

'... that's what they think, you know, get rich scheme.

I mean direct selling I think is, in this country, I think it's still quite dubious.'

### Multi-Level Male - 621

'... quite mixed, the full range really. Some just didn't want to know and others were really quite intriqued.

... it was a kind of a form of resentment of any, any, selling.'

#### Multi-Level Male - 640

"... met a lot of people who would agree the (company) products were very good and then there was the odd few that would say, 'I heard it was a 'con'.' So, it was mixed, really ...'

### Multi-Level Female - 023

'(Neighbours, Family) ... they've been terribly enthusiastic.

I don't think it's got a terribly good image for the most part. The moment you say 'direct selling', they say, Oh, here we go.'

I think most people feel they are going to be conned in some way or another.

I mean actually, a year or so ago, a lady approached me about another direct selling company, (company), and I must admit I felt the same way and I don't know why, because I knew nothing about it. Nothing really about direct selling at the time, or how it worked, or anything, but I found myself turning my nose up a bit, and I don't really know why.

My image of direct selling is, very much, it depends on what the product is.'

#### Multi-Level Female - 048

'My image of direct selling is very much, it depends on what the product is.

### Multi-Level Female - 172

'I'm afraid it wasn't very encouraging.

... the idea of door-to-door selling, you know, wasn't very encouraging.

The people I know are not really keen on it.

### Multi-Level Female - 186

'Most of them wasn't interested ...'

#### Multi-Level Female - 250

'I had an hour's ear-bashing from a good friend who told me I was gone 'loopedly-loop' ... and that it's all brain-washing and I'd really lost my marbles.

Generally, I think it is fairly negative attitude out there.

They see it as a 'hype' industry. I don't. They all know somebody who didn't make it and therefore assume that the industry doesn't work.

The fear that you are going to try and drag them on board.

People shouldn't be losing big money in a network business and they are the ones that can really cause the problems.

It doesn't help that the Albanians keep going into bankruptcy due to network marketing!"

#### Multi-Level Female - 261

"... a lot of my friends don't want to know.

In fact, initially, when I ... left my job, everyone said I was mad, including my mother. So, I had a lot of pressure, you know, socially and family.

Ignorance about the business, ignorance.

I mean they just don't understand and it's the same things that come up. 'It's pyramid selling - it's illegal you know. You shouldn't be doing it, (name).

People are scared of it.

... they still think it's illegal. They think there's something dodgy, there's something ... it's just it's not a traditional business ...

... for a start, I suppose in a lot of the universities now, they're teaching ... well, they're not, they should be, you know about network marketing, because it's a great way to move a product.

... they associate it with being pushy, hard sale, asking for lots of money up front, having to buy lots of stock that doesn't sell, that ends up in your garage, things like that

It's a lot of ignorance. People are very, very nervous of it.

I think they're embarrassed to say, 'Oh, I'm involved in a network marketing company.'

... they're all saying, 'God, you know, I know someone that's involved in (company) and it's terrible...', and this and that and all the rest of it, and yet it is the biggest company ...

This is me, this is my business.'

#### Multi-Level Female - 326

'I think it has a bad image.'

Some of them think it's a 'rip-off' ...

They were against the system. ... other experiences and they thought a lot of people who are in this are always pushy.

... something has to be done about the image ... maybe education, maybe talking about it in the media, because people tend to go with what they see, or what they hear, maybe in the media ...'

... also the companies should get a little bit more involved, whatever they are doing, getting involved in society.'

### Multi-Level Female - 403

'A blank mostly!'

#### Multi-Level Female - 405

'Not very good. I think it's all the rumours and things that they've heard about direct selling companies ...

I don't think it's very good probably because of the bad publicity and everything that it's had in the past. I don't think a lot of people think very highly of it because it's not a regular ... you know, it doesn't pay a regular income, basically. I don't think a lot of people think a lot of it.

... it's not a very good image ... I think it doesn't portray a very good image.

I think a lot of it has to do with the media, I think it has to come from the media and the papers and the magazines and, you know, a lot of people read and see television, so I think it's through the media. I think if they had a positive view of it, I don't think it has in the past, then it would help.

The other thing is it's seen as, it's this 'jolly' for mums and ladies, this sort of business, rather than men. Men see it as 'not their thing'. They don't look at it very positively. Basically, they'd do it as a kind of career, if they haven't got a choice.'

#### Multi-Level Female - 484

' ... some had heard of it before and were ... didn't want to become involved with it.

#### Multi-Level Female - 503

'I could do this because I felt I had quite a degree of credibility with my friends and that they would respect what I was doing and also know that I wasn't a 'bull-shitter'.

I didn't feel that I could do this with new friends, until I knew them reasonably well ... But people did talk an awful lot about pyramid selling and I felt I needed more skills to be able to answer those queries, so that people weren't put off before they knew the whole picture.

#### Multi-Level Female - 515

'Well, to be honest, I haven't really told that many people, but the people I have, it's been quite negative to be honest.'

#### Multi-Level Female - 532

'It is one of the best ways to sell it, I mean to present it.'

#### Multi-Level Female - 542

'Well mainly, 'Oh, good, I like their stuff.'

... I think generally people are happy that they know that I do it ...

... they quite enjoy sitting back in their armchair, choosing what they want while they're sitting there and then getting people like me running around ...

... it's a much more peaceful way of life when you know that you can do it from your own home ...

### Multi-Level Female - 585

'They think I'm potty. They think I'm being 'conned'.

The whole concept of network marketing, they don't understand it, I gather families are like that ... this is what everyone in the network business says that they expect trouble from the family, negative reactions from the family. Until they see you earning lots of money, they don't believe that ...

My mother was always, 'Isn't this pyramid selling and isn't it all work and don't you have to do all the work for someone else to earn the money?' ... that sort of thing and that's the concept they have of it ...'

#### Multi-Level Female - 616

'A lot of people when I first started said, 'Oh, that's pyramid selling, it's a scam.'

... my father was a Supreme Court Judge and when I first showed him (company) he said, 'That's pyramid, it's illegal.' They don't understand that everything is a pyramid. Schools are pyramids and the headmaster (is the apex). My brother gave me a lot of stick. He's a lawyer as well and he ... said to me ... 'Oh, what a load of rubbish. My business partner ... got into that and he says he's going to make a lot of money and quit the law.'

There is an incredible difference of social status. You will see titled people there, you know, like Lady (name), who is a good friend of mine, and then you'll see people who look like Somali refugees.'

#### Multi-Level Female - 630

'People are a bit sceptical. When you approach someone, they're a bit, 'I don't really want to know about it, unless it's in a shop.'

#### Multi-Level Female - 639

'A lot of interest, enthusiasm so it is becoming bigger than I expected.

I've always felt I would prefer to go to a shop and have a wide selection, but I don't know whether I'm typical. I think an awful lot of women tend to quite like direct selling products because it's definitely a women's thing, isn't it?

... if the product is good, than I think that's fine and it's quite nice not to be paying for the overheads and everything.

... there will be more direct selling because I think more and more people are beginning to feel, like me, that shopping is now not as pleasurable as it used to be, but it's quite stressful. ... I have reservations about direct selling because I don't like it to be high-pressured thing.'

### Multi-Level Female - 646

'... you do think you're going to make it. You do meet these people who're earning several thousands ... a month and you start to think, 'Well, I can do that.' And then when you don't reach it, you start to think, 'It's a bit of a 'con'.' But I think once you start to look around and you start to enjoy what you're doing. It becomes a way of life anyway, you know, once you meet the people, you meet friends and whatever, it's like a club, really.

The general opinion, I think a lot of people think they haven't got time for it. If a direct selling person was to knock on their door, or 'phone them, it would be a case of 'stop hassling me' ...

... yes, nobody likes the hard sell anymore.'

#### Multi-Level Female - 649

'I don't think people are negative at all about it, because it's had so many companies now. They've had ... all these companies going round but I don't think there's a very negative attitude towards direct selling.'

## Single-Level Male - 015

(High-Price Ticket)

'It seems to be quite negative actually ... high pressure selling ... the amount of time that was being taken up by people coming into their homes and the expectation that they felt was upon them to actually make a purchase.

#### Single-Level Male - 044

(High-Price Ticket)

'... you appeared lower than a social leper ... they thought you were part-Martian.

I don't think the general public do respect anyone that's in direct sales ...

They probably think, 'Well, you've really reached rock-bottom if you're going to attempt one of those jobs.'

# Single-Level Male - 049

(High-Price Ticket)

'I think it's getting a little bit better.

It used to be direct selling was basically people ringing up unsolicited with windows and things like that ... people didn't have a very high regard for it.'

# Single-Level Male - 053

(High-Price Ticket)

"... without being in it and knowing more about the actual career itself, people tend to be a bit frightened of self-employment, or commission-only sort of jobs ..."

# Single-Level Male - 055

(High-Price Ticket)

'I myself quite like direct selling because if it means cutting out a middle man and saving money, then yes, I'm for it.'

## Single-Level Male - 076

(High-Price Ticket)

'Not good. In fact, I didn't let people know what I was doing for several weeks.

... some companies still do not have a very good reputation and they are the butt of jokes ...'

### Single-Level Male - 092

(High-Price Ticket)

'I was also aware that several years ago (company) salesmen were the butt of many jokes and that it obviously hadn't quite worked out the public relations angle too well, so I was wary of informing anyone.

... the image the public has of direct selling now is really one of an unintelligent activity indulged in by people who perhaps can't find themselves a proper profession.

# Single-Level Male - 110

(Low-Price Ticket)

'I don't get any hassle.'

### Single-Level Male - 140

(Low-Price Ticket)

'Well, since I've been doing it, I've found there's a lot of weird people out there. I've been sworn at. I've been kicked at ... I've been banned from blocks of flats ... because certain residents don't want (catalogues).

## Single-Level Male - 141

(High-Price Ticket)

"... that's where there's a lot of problems. The perception is, because I get it all the time, I get maybe half-a-dozen 'phone calls a week flogging me double glazing, pebble dashing, garage doors, all kinds of stuff, kitchens, you know, and I think the problem that direct marketing (sic) companies have got is that they're competing against this perception ...

If I ask somebody what a pyramid company is, what a direct selling, what a direct marketing is, very few people would separate them. To them, to the consumer, the end is they're being contacted by someone, whether by post, by 'phone, or by knocking on the door, offering them the opportunity to look at services and to them ... it's all the same.'

## Single-Level Male - 377

(High-Price Ticket)

'... I think they have a problem with sales people knocking on doors ...'

## Single-Level Male - 546

(Low-Price Ticket)

'What do you want to do that for?'

## Single-Level Male - 613

(Low-Price Ticket)

'Some people are suspicious, put it that way.'

### Single-Level Male - 643

(Low-Price Ticket)

'... didn't really discuss it with anybody.

The image that I've come across from customers is quite positive, 75% ... positive anyway.'

### Single-Level Female - 025

'They weren't like negative ...'

## Single-Level Female - 062

'I think it's better than it used to be.'

## Single-Level Female - 127

'Quite positive.'

"... it could probably do with improving because it depends on the company. Many are not as professional as they should be in the first place ...

There's the suggestion very often, perhaps especially certain of the companies, where people are actually making money without actually doing very much themselves ...

... there's almost this parasitic image in some cases ...

... for Britain it's still not something that people are terribly at ease with, a lot of people still see it as very American in some respects ...

I actually do still get that. 'It's American, isn't it?' You need to say, 'No!' It's something that's developing but certainly the in-home selling is in that wake, people are still a little bit suspicious and in some cases people say, 'No, I don't really want somebody to come into my house, if that's their main outlet for it.'

# Single-Level Female - 148

'God, you must be desperate.

Most of them don't like it.'

### Single-Level Female - 264

'They have strong views and as much as they love me to death, they were not prepared to allow me to do even a demonstration.

I feel there is a very, very big reservation about direct selling, I am not impressed by it.

I think it's too pushy. It's whipping up euphoria. It's like going out to America.'

'... it was sort of, 'Oh, brilliant, great.', you know.

... they think it's some sort of pornographic party, which I think is quite funny ...'

### Single-Level Female - 523

'They were all right about it.'

## Single-Level Female - 555

'What a rip-off!

My parents like didn't want me to do it, not really. They said, 'Oh, you're just wasting your time. You're never going to make any money from it.'

## Single-Level Female - 610

"... they say that direct selling is probably the worst thing to get involved with. They said it would dry up, no one would want to buy anything, everything is too dear ...

... they just thought I was stupid and they said, 'It's going to cost you a lot of money in the long run.'

### Single-Level Female - 611

'... I think they were a bit amused actually ...

'A lot of people actually like you coming round to the door, it saves them the trouble of going out.'

### Single-Level Female - 615

"... don't suppose I actually have told many people ..."

### Single-Level Female - 628

'I suppose it was mixed really.'

'I still think it's stuck with this stigma of network marketing and pyramid selling.

... just stems back to the fact that so many people were ripped off by it in the early '80s and now people associate direct selling with being ripped off in some way.

(Company) I don't think has really got so much of that image. It's for women and women aren't so sceptical about it ...

# Single-Level Female - 636

'A lot of them think, 'Hang about, what's the catch? Is it going to be a bit more expensive. Am I going to have to pay more?'

## Single-Level Female - 656

'I don't think a lot of people are very interested to be quite honest. It depends really on what they are selling, I think. Appendix K

Quotations from 't1' Interviews regarding

'Product'

'It had, I thought, a product worth investing time in.'

#### Multi-Level Male - 018

'... the product isn't necessarily so important, but I suppose it makes sense to choose a product where there is a requirement, hopefully a daily requirement ...

... there's a lot to be said for products that are related to health generating, whether it be, you know, magnets or bedding, or you know, any device that is purported and can be shown to enhance your health, and there's a lot of interest there but, again, people are very sceptical.

#### Multi-Level Male - 027

'Consumable. You do need a soap, even if you don't wash your face ...'

## Multi-Level Male - 041

'It's more a consumable, in the sense that it is more renewable, which means that you buy it and use it up, you buy it again. This (company) stuff is more like you buy it and you keep it for a while.

# Multi-Level Male - 129

'The whole concept is that you use the products and selling the products will be by the next person.'

#### Multi-Level Male - 420

'It wasn't money. Um, the way the company came across was the products were brilliant and that's it... the guarantee of quality of the products, which is very good as I found out, I mean, they've got guarantees on their products which you wouldn't get with some other companies, as far as I know ...

"... if the product range wasn't important to me ... it's not so much the product range as can I see the units being shifted ... what I am saying is I don't have a fetish for, like, microwave stuff, or this, or like I'm really into industrial fluids or whatever. It was that I could see a lot of people buying the product and that was the attraction.

... this start of say 600 products under a 'tenner', there was a belief that there would be people out there who would buy the stuff. There was also getting them converted onto our product range. It was repeatable, people would keep coming back and buying the stuff once they get hooked on a particular line of cleaning products, or whatever. And, as I said, this is the range. I mean, when I went through it, I thought it would be virtually impossible for somebody honestly to sit down and look through that catalogue and say they didn't want anything.'

#### Multi-Level Male - 471

'I wouldn't attempt to be selling anything that wasn't a good product that I didn't believe in. Hence, I ... had to try it first. I wouldn't go out there trying to flog it if I thought, deep down, it's a load of old rubbish. So, yes, it does matter what we're selling.

## Multi-Level Male - 510

'I don't think I have really tried to sell anybody any products. I have sold more products through just being asked to get them ... the product is important. The fact that it is a product that you turnover yourself all the time, anyway. It's got to be something to work. It's got to be something that you can use yourself and other people use in a similar way to you, that business volume is generated. It must be a product that is consumable.'

"... everything that we've used so far has been equally as good, and often better, that what's on the market.

We weren't particularly interested in selling them the product. I mean, anyone that we knew, the first bite of the apple was to try and get them to be interested as distributors. If they weren't introduced as distributors then we went to them as a retailer.

... the most important thing is that it's got to be a product which is of interest to 90% of the population - not 10% of the population.

#### Multi-Level Male - 581

'It was particularly the product; that's what was of interest to me.'

#### Multi-Level Male - 583

'... the product was important ... I wouldn't go for like (company), or something.

#### Multi-Level Male - 599

'... it was the product ... it was the health-care side, you know ... basically getting healthier and fitter ...

... yeah, it was definitely that product range that got us. It wasn't purely a business venture.

... we've already decided that we'll probably going to be with the products for the rest of our lives anyway, because we do get benefits from the products ... if we're going to be buying the products then, at some level, we're going to be doing the business.'

"... the product range is important. Important that I feel comfortable about being associated with it."

#### Multi-Level Male - 640

"... obviously the product has got to be very good, at least a large number of the products have got to be good to be able to sell them."

#### Multi-Level Female - 023

"... it's difficult for you to get switched on by washing-up liquid, or a car cleaner.

... more than half the battle with (company) is the fact that you can believe in your product. Well, I wear it all the time ...

People said, 'Where did you get your jewellery from?' ... immediately you've got a sale, before you've opened your mouth.'

#### Multi-Level Female - 039

'I think because the product's good, most people have actually heard of (company) now. It's getting quite popular and I think I don't hear anything negative, only positive ... Often with (other company) ... and stuff like that, people are very bored because it's been going for so long and it's so predictable.'

#### Multi-Level Female - 048

'Then I saw the product and although not all of it was to my personal taste, I was impressed enough with the quality to think, 'Right, let's go ahead.' It's a much more civilised and much nicer product to sell for a start ...

... with something like jewellery, which is not consumable, there's a limit to the amount of items ... any one customer will buy from you, and therefore you're not going to get repeat business.'

'Impressive ...'

#### Multi-Level Female - 186

"... most of it was household ... different items which naturally you think people do want ...

#### Multi-Level Female - 250

'If I didn't believe in the product I just wouldn't be there because the months that don't go as well as you'd expect them ... I'm 100% confident in the product.

I suppose I do take the product line more often than I take the business opportunity line and again, I think that just concerns my own rejection basis, isn't it? ... that you're less likely to get rejected on the products ...'

## Multi-Level Female - 261

'Well, the product's great. I mean, I couldn't get involved with anything without absolutely loving the product ...

... so the product, number one, is terribly important.

I loved the product. I wear it. I can sell it.

... but we're not consumable, so there's only so many pairs of earrings you can have.'

#### Multi-Level Female - 326

'I like the product.'

"... the books. I really didn't think I would get very far with the business opportunity. I've only tried to sell the books.

... it's the books.'

#### Multi-Level Female - 405

'Well, purely because I can relate ... to the products ...

... the products are very important, yes.'

## Multi-Level Female - 484

"... if I was going to do something like this, I wanted to get involved with a consumable product, rather than a one-off buy ... (because) once you've done your friends and family, you run out of options. Whereas, with something consumable, if they like the stuff, they're going to come back and want to use it again. You're always going to have a customer.

## Multi-Level Female - 503

"... the big downfall I feel is the quality of some of the ... products ... they're not half as good as the stuff I can get in the supermarket.

... I feel I would have been far more committed if I was committed to the products, if I really thought they were the best available.'

## Multi-Level Female - 515

' ... I just find the products very, very good.

... the products were definitely important to me.

"... some of the products are so good and you have such a feeling of elation and happiness when you look at them ...

#### Multi-Level Female - 542

'The product ... I mean I'm actually quite good at selling, but I prefer to sell what I actually believe in and what I actually like ...

#### Multi-Level Female - 585

'(Another company) look at the business side of it much more than the product side of it. I mean ... you've got to have a product and I think they'd realised that the product is less than riveting and they concentrate more (on the business side).

#### Multi-Level Female - 616

"... that's what got me, I just fell in love with the product line.

... you've got to use the products. You've got to be a product of the products. How can you possibly share it with somebody else, if you don't do it yourself.

If someone does not use the products and fall in love with the products, they don't usually stick around.

#### Multi-Level Female - 639

"... if it's presented in a glossy catalogue and it all looks beautiful and then the one you actually receive doesn't match up with the picture, then ... the product will fall by the wayside and ... once people have been disappointed, then they ill go away from direct selling. I think the product's got to be good ..."

'the product's the most important thing.

... if it had been jewellery, no, it wouldn't have really interested me at all.'

#### Multi-Level Female - 648

'It's the product, yes.'

## Single-Level Male - 044

(High-Price Ticket)

"... believed in the product actually, I believe in myself.

The product is important.

... it's the product more than the opportunity.'

# Single-Level Male - 049

(High-Price Ticket)

'... yes, very, very impressed.

... basically the product was what sold it. I know that sounds a bit silly, but the product ... it was such a good product ...

It all depends on the product, really. As with all sales, you've got to have faith in your own product. Like, when you think of it, if you haven't faith in it, how can you try and sell something. If you can't sell it to yourself, you can't sell it to anybody else, can you?

# Single-Level Male - 055

(High-Price Ticket)

"... we were just totally, I use the word 'gob-smacked', just totally sort of amazed at what this product actually did.

"... this product was so good, so I wrote to the company ... and they came back and said, 'Yes, you've passed the first stage, we will arrange an interview for you.

... yes, the product was very important to me ...

# Single-Level Male - 076

(High-Price Ticket)

'Well, it was a well-known product.'

# Single-Level Male - 092

(High-Price Ticket)

- '... feel the product was the crucial thing, very much so.
- '... the quality of the products and I therefore assumed the quality of the company ...'

# Single-Level Male - 094

(High-Price Ticket)

'The product ... very important.'

# Single-Level Male - 110

(Low-Price Ticket)

"... not very important to me really ...

Obviously, I don't want anything too heavy because I've got to lug it ... round ...'

## Single-Level Male - 141

(High-Price Ticket)

'I liked the products.'

# Single-Level Male - 377

(High-Price Ticket)

"... when I realised the product I was selling was really first class that motivated me more and more ..."

## Single-Level Male - 546

(Low-Price Ticket)

'... they're always a good product ... compared with the shops, really.'

## Single-Level Male - 643

(Low-Price Ticket)

"... the product range is extremely important."

# Single-Level Female - 025

'The bottom line was because I saw the product and I was impressed with the product and that's why, you know, it has to be the real thing.

I'm not going to sell something I don't believe in. I know that definitely, for sure, I have to believe in it.'

# Single-Level Female - 062

'I've got to believe in the products that I'm selling. If I don't think they're good quality ... I wouldn't do it.

I've got to feel confident about the things that I'm selling. It's no good me going out thinking, 'Oh, it's crap, you know. Excuse me.' I wouldn't have been able to have done that because I'm selling myself and if people think I'm not selling nice things then they won't come back. So, I feel it's got to be a good quality item really.'

## Single-Level Female -127

'Oh, important, yes. I mean I didn't want to be doing something that, you know, that I didn't believe in ... that I didn't think was going to be viable, you know. So, having a big product range was very important.'

## Single-Level Female - 148

"... the products are very important."

## Single-Level Female - 264

"... there were many aspects of it that I thought were very interesting, as long as the product stood up to what it professed to be and I was very, very interested in it. And also, I thought monetary-wise it sounds very good.

The product at the time that I joined I thought was very good. I still think it's very, very good. Having demonstrated it and I actually see many, many faults within it and I can't justify the price anymore.'

# Single-Level Female - 513

'There's a lot of people who'd like to use, like to buy things like the vibrators and everything else, all the little things and the outfits. ... before there was a lot of (company) ... nothing like that was going on. It was all a very taboo subject.

... because it's different from doing just skin-care or whatever, because you can go out and buy that anywhere in the shops. But with (company), ... for some people, it's a delicate subject and it's nice to do it in someone's home ...'

# Single-Level Female - 610

'I wouldn't say very important. The range I am dealing with sells itself so I am quite happy to go along.

They have got a very nice variety here, so you don't have to do a lot.'

# Single-Level Female - 611

"... there's always something for every person you put the catalogue through the door to. There's obviously going to be something that could appeal to them."

# Single Level Female - 615

"... obviously it is important if you are going to sell it to somebody, that you've got the product that you want to use as well.

... wouldn't want to go selling something to other people that I wouldn't use myself.'

# Single-Level Female - 631

'... very important, because if you've only got sort of ... if you were just selling jewellery, I think that's very limited, whereas we've got household goods, collectable items, kitchen items, all sorts of stuff. So, it's very, very easy to sell, very easy.

... if there's more variation, then people ... but different things so, yes, ... that's very important.'

# Single-Level Female - 636

"... don't think I'd be so willing to sell it if I hadn't actually liked the stuff myself. I think you have to like the product yourself to be able to sell it.

# Appendix L

'Aide-Memoire' for 'Follow-Up' Calls and 't2' Interviews

# **Interview Notes**

Name: Company: Study Number: Date:
Good morning. This is Stewart Brodie from the University of Westminster. Some months ago, you very kindly completed a questionnaire from the University on direct selling and later, you may remember, you spoke to me about your activity. This is just a courtesy call to ask a couple of questions.
Simply, are you still involved with (company)? Yes / No
(If 'Yes') - Many thanks - Wish you continued success - May make another courtesy call in a month, or so, just to see how things are.
END call.
(If 'No') - I'm interested to hear that. What happened?
Was there a change in your own personal circumstances? Yes / No
If 'Yes', what?
Effectively, why did you stop this direct selling activity? (Prompts: achieved goal, up-line, company, product, money)
Looking back, did you gain anything from your experience? Yes / No
Financial gain?
Achievement of short-term goal?
Social skills gain?
How long was it you were involved with (company)?
Overall, was it a positive / negative experience?
Any other thoughts about your time with (company)?

Perhaps, one thing that will remind you of your time with (company):

'Sound Bites'

Appendix M

**Quotations from 't2' Interviews** 

'Now left the country ... student ... just part of portfolio.'

#### Multi-Level Male - 069

'Lack of time ...

Too busy to talk ...'

#### Multi-Level Male - 096

'Something better came along - not direct selling.

Overall, it was a positive experience.'

#### Multi-Level Male - 581

'If the question is, 'I am actively promoting the product, the answer is 'no' ...

'my circumstances are that I quite simply do not have the time to put into it.'

## Multi-Level Female - 039

'No financial gain ... but still a positive experience.'

#### Multi-Level Female - 172

"... being your own boss ... I quite liked that as well, yeah. Especially when you have a family you think, 'I can fit it around my family life.'

I found that people's attitudes, some people understand, they were very, very nice and very understanding. But some people, you know, like I've said, they really make you feel like you're infringing on their time and their house and you know.

"... first there were no ... roads allocated, no areas allocated. You could just go and put the catalogues anywhere and then, you know, I put my catalogues down, go back to retrieve them and see somebody else's catalogues from the same company there. And the order was for that person not me. So, I was infringing and they were infringing on my territory.

I was disappointed that having worked so much and bought my catalogues ... that somebody else had been there and I wasn't told ...

... it was just a combination. It was maybe my luck, the territory, the time of the year, because some people were doing well from the company, so I think I was unlucky maybe. I don't know.

... you think you've a part-time job, like I said, to fit around your family life, but then the catalogues which you couldn't get back during the week, you think, 'Oh, on the week-end I'll have to go and chase them, once the people are at home.' So, in fact, my week-ends were wasted chasing people because that was he only time they were at home.

... hardly any at all ... think I took forty odd pounds, which wasn't good at all.

I found that people's attitudes... some people understood. They were very, very nice and very understanding. But some people, you know, like I've said, they really make you feel like you're infringing on their time and their house ...

When I started it all looked so rosy and then, you know, it is disappointing that ... I don't think it is one of their (company's) shortcomings really. I can't put the blame on them.

... like I said, maybe I was unlucky, you know ... because of where I lived, maybe because I was stepping over somebody else's toes and so on, it doesn't mean it's no good.'

'... consider doing some direct selling ever again? Possibly, yeah. If it was an area where I knew that can, not just give me profit, take orders from me, you know, that kind of thing, which I enjoy doing ...

I enjoy speaking to people. It's a good boost, because it's, like, if you've got X amount of friends, but you'd want other people as well to talk to. And then, another way of going out at night is quite enjoyable as well ...

... the advantage of direct selling is good when they want your help and when they order. And I suppose the disadvantage is walking ... when it's raining or wind and your books are flying here and that kind of thing ... but you overcome them when you know that you're going to get to a door that somebody is going to speak to you.

I think you can make money.

Be careful of your sponsor. It's not the company itself.

- ... direct selling, you get your ups and downs you know, obviously ... might even get abuse now and again but, I mean, all right, if somebody said to me, 'What do you think of (company)? I would say 'go ahead' ...
- "... stopped doing it now, I've had quite a few problems with ... my sponsor ... it's nothing to do with the company.

Well, you do have disadvantages ... quite a few I think ... Being refused, but obviously you have to overcome the objections. All the steps you have to take to get people to listen to you. Advantages are, I mean most of the time, I mean when you are getting orders, no matter what the orders are. People are interested in listening to you ...

'Have hit brick wall as (I'm) uncomfortable promoting company or products with people I only vaguely know ... hope to pick it up again in next 3 - 9 months.'

# Single Level Male - 015

(High-Price Ticket)

"... I decided that the orders just were not coming in so I would re-direct my energies in another field.

I was particularly impressed with the amount and quality of training given.'

# Single Level Male - 033

(High-Price Ticket)

"... I had been unemployed for 18 months and I was disappointed to find that I could only last two weeks of the first month and found myself incapable of being able to work."

# Single-Level Male - 044

(High-Price Ticket)

'Well, it was bad management ...

I felt the management was extremely amateur and, I know it sounds sexist, it was run by two women that were arguing amongst themselves in the office and it wasn't for me ...

# Single-Level Male - 049

(High-Price Ticket)

'I also had a few family problems, an auntie died and things like that, so generally within a three week time expanse, things weren't going too well. I felt it going down and I was a little bit depressed and everything and I didn't have the support I needed to help me back up. And when it was offered, it was a little bit too little, too late.

The other thing is because of the nature of the product. It's a physical demonstration, so it's not only mentally exhausting, it's physically exhausting, as well.'

# Single-Level Male - 053

(High-Price Ticket)

"... I wasn't happy with the machine and I think that came across ... then people ... know you're not comfortable with it and obviously they're not going to buy it ... with the result ... I wasn't earning enough money basically."

# Single-Level Male - 054

(High-Price Ticket)

'Mainly the hours ... being mostly ... evenings and week-ends. It was that I'd rather be working during the day and have the evenings and week-ends free.'

# Single-Level Male - 055

(High-Price Ticket)

'Yes, I would like an opportunity still to go into sales but I find my experience with (company) has been very good ... I wondered if a lot of other companies are going to match up with them...'

# Single-Level Male - 092

(High-Price Ticket)

'I thought the training was very good and very professional. The offices were nice. The product was beautiful. The people I met were intelligent, professional people, that made me feel good.

Certainly the expectations that were suggested to me as definitely being possible were not met. My expectations which were perhaps half that, were not met and I felt my own feeling was that, 'Yes, this is a good product. People will want to buy it even though it's a lot of money', so my expectations weren't met at all and that's where it really started to bother me. Not when the company's expectations weren't met but when I realised that even my expectations weren't being met.

I've learned two things. One is that I've gained an understanding of how direct sales work at home and how much pressure is on the salesman to come away with a sale ...

It's a pressure from outside which I think the salesman then internalises and takes on as his own.

... ever think of getting involved with a direct selling company again? Definitely not. No, definitely not. That's the other lesson that I learnt. At least I can say to myself, 'Well, it was on my mind for a long time. I've tried it. I've done it and now I know it's not for me.

I think the main disposable in direct selling very much seems to me to be the sales agents.

I was the disposable and I think that is the case in direct sales. There is very little commitment from the company to the individual.

I mean the absurd claims.

... very tempting if you've been unemployed for a while, you think nobody could earn £500 a week but then you think, 'maybe you can, I might just give it a go' and it's that little question that just hooks you in ...'

## Single-Level Male - 092

(High-Price Ticket)

'I think that most salespeople stay because they enjoy the amount of unpredictability involved. However, in direct selling, perhaps this element of unpredictability is too high.'

# Single-Level Male - 110

(Low-Price Ticket)

'A better offer ... joining Anglian double-glazing ... full-time.

I'm a better salesman ... positive experience.'

# Single-Level Male - 141

(High-Price Ticket)

'Things are never quite as they are presented.'

# Single-Level Male - 351

(High-Price Ticket)

'Not really. Not for me, anyway no ...

It was positive at the start ... I realised once I'd started to do it ... I just didn't have what it took really. So, for me, it was at the end, it was negative, but I can see how it could be good for some people.'

## Single Level Male - 643

(Low-Price Ticket)

"... we've decided to call it a day ... and go somewhere where we can both get a salaried position on a five-day week basis.

Direct selling is not for the faint of heart. It requires determination and commitment to products and company, a belief in which is also essential. The job itself involves long hours, long treks, repetition, heat, cold, wet. It requires patience and sometimes a tough hide and diplomacy to deal with the general public. Why do we do it?

# Single-Level Female - 025

'My heart wasn't in it.

There was this TV programme ... and I had quite a few comments ... most people didn't like it ... it had an adverse effect...

... basically I'd lost heart, I guess that was it ...

I just started to see more and more that shrewdness is a very important attribute of any person involved in direct selling and I don't have that.'

... would not get involved in direct selling again.'

## Single-Level Female - 062

'Nothing wrong with the products, just fed-up with late nights.'

# Single-Level Female - 127

'Just taking a break for two or three months.'

# Single-Level Female - 134

"... we were going to carry on but with the little" un and I mean it was getting cold at nights, taking her out. It was getting ridiculous, so in the end we had to give it up."

# Single-Level Female - 148

'I found that there was so much running around for you to do. It costs money just to sort of run around after it - going back to collect money from people because people weren't there at your convenience.

Time that it takes and the dislike the people have of it. I just don't like the rejection that people give you on the doorstep.

... this is a very dangerous job ... the very fact that you don't know what is behind that closed door. It can be a drug's schizophrenic, vicious verbal abuse, knife attack, dog biting you.

# Single-Level Female - 167

'Got a full-time job.'

## Single-Level Female - 168

"... I had managed to get another job, cleaning in the evenings, for a couple of hours, and (company) did take up a lot of my time.

... sometimes, if it was raining, my daughter would, you know, moan, because, you know, she'd cry because she was going out, you know, at half-past six because they say it is the best time to go out and yet, really, you know, it did take up a lot of my time.

... then I got this other job and I realised that I couldn't do both so, you know, that's when I decided to stop the (company).

happy to go back to (company) ... yes, because I know what I was doing.'

## Single-Level Female - 264

'Very negative ... gained anything ... Yes - never to touch direct selling!

I think it should be made very, very clear right from the very start that people have to build on all their contacts that they have in life and actually take note of that questionnaire that they fill in at the point of interview. Because it isn't an interview, they will employ (sic) everyone and anyone. What they want to know is how many people you know in the area and that's all they need to do is tap in on that.

They are not bothered that they lose you, or not, and I think that again is a very bad aspect. They should actually have tried to keep various people who were very, very good, had they actually run a proper business and actually give respect to people ...

... staff ... of my company that I used to own, have been with us for 15 years and they actually are respected, thought something of, there is none of that within direct selling. You are a number; you are a cog; you have to take all the money ... repercussions and there is nothing coming from the company.

There is also quite a few lies I feel that you are told ...

If they actually gave some help, they might have a very good industry.'

# Single-Level Female - 523

'Gone to a full-time job ... positive experience.'

## Single-Level Female - 555

'Because people are so rude, aren't they?

I mean a lot of people were ordering stuff and then when it came round to actually paying for it, it was a different story ...

The money that you got at the end of the day, there was just no point in doing it.'

## Single-Level Female - 628

'I've actually taken a break from it. I didn't want to stop it but I ... started an employed job during the evenings ... once I get settled down and everything gets organised, I'll give it another go, I think.

It's extra, do you know what I mean? It's a little bit extra in my pocket and I haven't got any money to go out, so I may as well get out earning money rather than spending it.

Appendix N

'Push' Comments from Single-Level Interviewees

# 'Push' Comments from Single-Level Interviewees

# Single-Level Male - 044

'So, I was bombed out financially.'

# Single-Level Male - 094

'At that time, um, in a lot of financial trouble, out of work, looking like no prospects at all.

# Single-Level Male - 137

'Any job!'

# Single-Level Male - 377

"... I needed money and, um, that was a good motivating factor as well, because, um, when you need money, you just have to work ..."

# Single-Level Male - 643

"... we needed to live basically ... it's a case of grabbing whatever was available at the time ..."

# Single-Level Female - 134

"... we needed some more money, so with Christmas just coming up and birthdays and things like that, so we needed the extra money."

## Single-Level Female - 148

'I was looking for some money ...'

# Single-Level Female - 167

'I need the money!'

# Single-Level Female - 513

"... it was basically to live ..."

# Single-Level Female - 555

"... I would have done anything really. We were absolutely desperate for money.

... the truth was, you know, I'd have licked stamps to be honest with you. I'd have done anything and it was just because we were in such difficulty you know.' Appendix O

'Pull' Comments from Multi-Level Interviewees

# 'Pull' Comments by Multi-Level Interviewees

## Multi-Level Male - 018

"... the concept of having, or being in, control ..."

## Multi-Level Male - 027

'... (joined) just as a favour to a lady.'

#### Multi-Level Male - 041

"... I was unhappy for a few years because I was putting in a lot of work and not getting much recognition ..."

#### Multi-Level Male - 096

'I like to meet people ... I'm able to be free, to move around, to do things in my own way. I am a person who takes my own decisions.'

## Multi-Level Male - 129

'... at my age, my (family) responsibilities are over ... I don't need money.'

# Multi-Level Male - 420

'Um, money? Not really, not really.

My motivational force was to try and get my confidence back. Do something. You know, get the brain working, again.'

## Multi-Level Male - 522

'... fortunately I'm in a position that I wasn't a desperate situation.'

"... only to use the products myself."

#### Multi-Level Male - 599

'I was looking for an opportunity to work from home, with my wife preferably. You know, freeing us up really from bosses and actually having a say ... in our future ...

... it also offered us the opportunity to lose some weight as well, but that was a massive bonus!

... we were looking to work together just because I was fed up of us working apart ...'

## Multi-Level Male - 621

'I just thought it was very interesting ... the whole concept.'

#### Multi-Level Female - 023

"... I saw it as a challenge more than anything else ..."

#### Multi-Level Female - 039

'I just liked the product.'

## Multi-Level Female - 048

'... I was basically looking for something to do ... in hours that I am free.'

## Multi-Level Female - 186

"... then satisfaction in the same time that people will actually listen to me ..."

"... having your own business, working your own hours, the satisfaction of working with a team ... doing good, bringing benefits all round, and the fact that the people that you work with, you helped them to grow.

#### Multi-Level Female - 261

'The positives were that I was obviously my own boss, was in charge of what I was doing, taking full responsibility of whether I make it a success.

#### Multi-Level Female - 326

'I wasn't looking for a business. I wanted the products because I was only interested in the products and I told them I wasn't interested in the marketing ... I was really excited. I wanted to tell everybody, so I bought some. I told everybody who would listen and that was it.'

#### Multi-Level Female - 403

"... to be involved in something, to get out of the house, or to get in contact with other people really."

#### Multi-Level Female - 405

"... purely because I can relate to ... the products ...

I will give up my part-time 'safe-money' job and I want to devote my talents to my own (company) business.

# Multi-Level Female - 484

"... something to keep me occupied, plus the fact I also like the products."

"... partly to deal with frustrations that I was experiencing at work and, I think really, because my neighbour offered me an opportunity ...

## Multi-Level Female - 585

'The product excited me. It's fun.'

## Multi-Level Female - 648

'... definitely more the social side ... the fact that I could work when I wanted ... the flexibility.

# Multi-Level Female - 649

"... it's a bit boring sitting at home, just changing nappies."

Appendix P

Comments from 'Stayers'

# Comments from 'Stayers'

#### Multi-Level Male - 018

"... I knew that if I did very little, I could expect very little ..."

## Multi-Level Male - 041

"... I didn't expect to make a lot ..."

## Multi-Level Male - 412

'I have very real doubts that it will build very far in this area...'

## Multi-Level Male - 420

'... I'm doing this now, I've got something to do that day...'

# Multi-Level Male - 471

'We haven't been disappointed.'

#### Multi-Level Male - 510

'... I wasn't expecting miracles.'

#### Multi-Level Male - 522

'Probably the optimism that we had ...'

## Multi-Level Male - 581

"... only to use the product myself.

... (others) see it as a quick and easy way to fame and fortune, which is not always delivered because they don't work hard enough at it, I think.

No, I think the companies make it very clear that this is not an instant solution ...'

#### Multi-Level Male - 598

'... I knew it wasn't a get rich quick scheme and I knew it would take a long time.'

#### Multi-Level Male - 599

'I mean, you know, it's not going to be instant, which was good.'

#### Multi-Level Male - 621

'I just thought it was very interesting and it was something new and there were some new ideas there that I had ... not seen in that particular form.

I just, you know, went along, to see what it .. how it developed.'

#### Multi-Level Male - 640

'My expectation level out of it has grown. Mixing with more positive people in a more positive environment, I would say the association was probably the best thing I've had out of it, so far.'

#### Multi-Level Female - 023

"... what have I got to lose, well nothing ...

... let's see what it is all about, find out a little bit more information and just go from there.

So really I mean there was (sic) so many positives and not really that many negatives so I thought, actually, on balance, it sounds that I should really go for this, so that's what I am doing ...'

#### Multi-Level Female - 250

'I wasn't fed (potential expectations) at all. Other companies that I quoted had figures ... they weren't my expectations. Now I think what I've done is that ... I've ended up by saying to myself 'it doesn't happen over-night' and I've actually under-performed as a result ...

... at times I go into self-doubt as to whether I need to be more money driven in order to make it worth more for me simply than enjoying what I'm doing.

... people ... the bigger the dream ... it doesn't happen fast enough then they jump board and say 'well, it's just a load of rubbish' ... and I accept that any month it doesn't happen for me, the only reason that it doesn't happen is because I didn't make it happen.

#### Multi-Level Female - 261

"... their expectations are too high.

'It's amazing how people's expectations are so different ...'

### Multi-Level Female - 326

'I wasn't thinking in terms of buying and selling, or making money out of it ...'

# Multi-Level Female - 405

"... I want it to be my career really for the rest of my life ..."

## Multi-Level Female - 515

"... well, I don't think I had great expectations ..."

#### **Multi-Level Female - 585**

'Oh, I definitely see it could happen. I mean it's a case of me making the time to make it happen and so far I haven't been able to.'

#### Multi-Level Female - 616

"... some people have unreal expectations."

#### Multi-Level Female - 648

"... totally new field to me ... the nice idea behind it ... in the next year or two ... nice for me to already have something small that I could then build on ..."

#### Multi-Level Female - 649

'I mean I'm finding it great. Helpful in the sense I'm working in my own time form home, at my own pace. So I take it as I go along.'

### Single-Level Male - 094

'My expectations were more what actually happened ...'

# Single-Level Male - 110

'I knew it wouldn't be a ... great financial gain but ... it fulfilled for me the motivation I had ... meeting people ... filling the time.'

## Single-Level Male - 137

"... we thought it was quite successful and everything."

## Single-Level Male - 351

'I didn't know what to expect, you know, really ... I was more optimistic than anything.'

# Single-Level Female - 127

'... I thought it was just something for me to do for a few hours a week and I'll earn a little bit of money and I wasn't really expecting a great deal of it at the time ...'

# Single-Level Female - 177

'I thought, 'well, I'll give it a try and see what happens' but it got quite a good response ...'

## Single-Level Female - 319

'I just thought it would last for maybe six months ... and then everything would dry up ...'

# Single-Level Female - 513

"... hoping things would go a bit better from the start ..."

# Single-Level Female - 610

"... thought I would do it for three months and now I have been doing it ... I actually quite like it mainly because I can do it as and when I want."

# Single-Level Female - 611

'Basically, what I got actually. It actually ended up being a lot better that I thought it was.'

# Single-Level Female - 631

"... it's sort of getting out of the house as well because I've been so poorly for a long time and just meeting new people and things really ..."

# Single-Level Female - 636

'... just basically being able to get out, meet more people, generally socialise.'

# Single-Level Female - 656

'... I felt a bit nervous to start with. I didn't think that I was going to be able to do it because it was all the information coming into my head and I thought, 'Oh, God, I'm never going to do this', but once I got into it, it was all right.' Appendix Q

**Comments from 'Leavers'** 

# Comments from 'Leavers'

# Multi-Level Female - 186

".. it's not a job, it's just something extra, you know."

# Single-Level Female - 062

'I've got ... other things that are more important.'

# Single-Level Female - 264

'... perhaps it was naiveté.'

# Single-Level Male - 141

'I couldn't make anything happen.'

Appendix R

Notes on Tabulations of Data from Questionnaire Responses

# Notes on Tabulations of Data from Responses to Questionnaires using Le Sphinx PLUS 2 software

It should be noted that all 'means' and 'standard deviations' were calculated **ignoring non-responses**. Additionally, for some **90%** of the tabulations and results quoted in this research, the standard deviations were **1.0 or less** and, typically, were within the range 0.6 to 0.8.

Appendix S

**Complete Index Tree for Coding Qualitative Data** 

# **Complete Index Tree for Coding Qualitative Data**

(1)	Base data
(1 1)	Base data/Type
(1 1 1)	Base data/Type/Multi-Level
(1 1 2)	Base data/Type/Single-Level
(1 2)	Base data/Gender
(1 2 1)	Base data/Gender/Male
(1 2 1)	Base data/Gender/Male  Base data/Gender/Female
(1 3)	Base data/Push-Pull
(1 3 1)	Base data/Push-Pull/'Push'
(1 3 1)	Base data/Push-Pull/'Pull'
(1 4)	Base data/Company
(1 4 1)	Base data/Company/Amway
(1 4 1)	Base data/Company/Ann Summers
(1 4 2)	Base data/Company/Avon
(1 4 4)	Base data/Company/Betterware
(1 4 4)	Base data/Company/Cabouchon
(1 4 6)	Base data/Company/Pippa Dee
(1 4 7)	Base data/Company/Studio Dee
/	
(1 4 8)	Base data/Company/Dorling Kindersley
(1 4 9)	Base data/Company/Horbelife
(1 4 10)	Base data/Company/Herbalife
(1 4 11)	Base data/Company/Kirby
	Base data/Company/Mary Koy Company
(1 4 13)	Base data/Company/Mary Kay Cosmetics
	Base data/Company/NSP
(1 4 15)	Base data/Company/NSA
(1 4 16)	Base data/Company/Nu-Skin
(1 4 17)	Base data/Company/Nutri-Metics
(1 4 18)	Base data/Company/Oriflame
(1 4 19)	Base data/Company/Princess House
(1 4 20)	Base data/Company/Tupperware
(1 4 21)	Base data/Company/Jorgania
	Base data/Company/World Book
(1 4 23)	Base data/Company/World Book Base data/Company/The Learning Journey
(1 4 24)	Base data/Company/The Learning Journey  Base data/Economic status
(1 5 1)	Base data/Economic status/Active
(1 5 2)	Base data/Economic status/Inactive
(1 5 3)	Base data/Economic status/Other
(1 6)	Base data/Prior self-employment
(1 6 1)	Base data/Prior self-employment/Yes
(1 6 2)	Base data/Prior self-employment/No
(17)	Base data/Other jobs
(1 7 1)	Base data/Other jobs/Yes
(1 7 2)	Base data/Other jobs/No

(4.0)	Page data/Prime activity
(1 8)	Base data/Prime activity
(1 8 1)	Base data/Prime activity/Direct selling
(1 8 2)	Base data/Prime activity/Other
(1 9)	Base data/Hours per week
(1 9 1)	Base data/Hours per week/Less than 5 hours
(1 9 2)	Base data/Hours per week/5 - 9 hours
(1 9 3)	Base data/Hours per week/10 - 19 hours
(1 9 4)	Base data/Hours per week/20 - 29 hours
(1 9 5)	Base data/Hours per week/30 - 39 hours
(1 9 6)	Base data/Hours per week/40 - 49 hours
(1 9 7)	Base data/Hours per week/50 hours, or more
(1 10)	Base data/Importance of activity
(1 10 1)	Base data/Importance of activity/Not at all important
(1 10 2)	Base data/Importance of activity/Unimportant
(1 10 3)	Base data/Importance of activity/Neutral
(1 10 4)	Base data/Importance of activity/Important
(1 10 5)	Base data/Importance of activity/Extremely important
(1 11)	Base data/Seek another activity
(1 11 1)	Base data/Seek another activity/Definitely
(1 11 2)	Base data/Seek another activity/Probably
(1 11 3)	Base data/Seek another activity/Not sure
(1 11 4)	Base data/Seek another activity/Probably not
(1 11 5)	Base data/Seek another activity/Definitely not
(1 12)	Base data/Intention to quit/Never thought
(1 12 1)	Base data/Intention to quit
(1 12 2)	Base data/Intention to quit/Seldom think
(1 12 3)	Base data/Intention to quit/Sometimes think
(1 12 4)	Base data/Intention to quit/Frequently think
(1 12 5)	Base data/Intention to quit/About ready
(1 12 6)	Base data/Intention to quit/No longer active
(1 12 7)	Base data/Intention to quit/About ready
(1 13)	Base data/Age
(1 13 1)	Base data/Age/Under 18
(1 13 2)	Base data/Age/18 - 24
(1 13 3)	Base data/Age/25 - 29
(1 13 4)	Base data/Age/30 - 34
(1 13 5)	Base data/Age/35 - 44
(1 13 6)	Base data/Age/45 - 54
(1 13 7)	Base data/Age/55 - 64
(1 13 8)	Base data/Age/65 or older
(1 14)	Base data/Education
(1 14 1)	Base data/Education/No qualifications
(1 14 2)	Base data/Education/CSE
(1 14 3)	Base data/Education/GCSE
(1 14 4)	Base data/Education/'A' level
(1 14 5)	Base data/Education/Higher education
(1 14 6)	Base data/Education/Degree
(1 14 7)	Base data/Education/Post-graduate degree
	1 =

(1 15)	Base data/Other Direct Selling Organisation
(1 15 1)	Base data/Other Direct Selling Organisation/Yes
(1 15 1)	Base data/Other Direct Selling Organisation/No
(1 16)	Base data/Another activity
(1 16 1)	Base data/Another activity/Another direct selling activity
(1 16 2)	Base data/Another activity/A different type of selling activity
(1 16 3)	Base data/Another activity/An activity which did not involve selling
(1 17)	Base data/Reasons for joining
(1 18)	Base data/Reasons for quitting
(1 19)	Base data/Other comments
(1 20)	Base data/Still active after nine months
(1 20 1)	Base data/Still active after nine months/Yes
(1 20 2)	Base data/Still active after nine months/No - Quit!
(2)	Concepts
(2 1)	Concepts/Pre-'t1'
(2 1 1)	Concepts/Pre-'t1'/Circumstances
(2 1 2)	Concepts/Pre-'t1'/Motivations
(2 1 2 1)	Concepts/Pre-'t1'/Motivations/'Push'
(2 1 2 2)	Concepts/Pre-'t1'/Motivations/'Pull'
(2 2)	Concepts/'t1' (Time of entry)
(2 2 1)	Concepts/'t1' (Time of entry)/Introduction into Direct Selling Organisation
(2 2 2)	Concepts/'t1' (Time of entry)/Expectations
(2 2 3)	Concepts/'t1' (Time of entry)/Reactions
(2 2 4)	Concepts/'t1' (Time of entry)/Training
(2 3)	Concepts/Active life
(2 3 1)	Concepts/Active life/Image
(2 3 2)	Concepts/Active life/Product
(2 3 3)	Concepts/Active life/Job satisfaction
(2 3 4)	Concepts/Active life/Organisational commitment
(2 3 5)	Concepts/Active life/Comments
(2 3 5 1)	Concepts/Active life/Comments/Positive
(2 3 5 2)	Concepts/Active life/Comments/Negative
(2 4)	Concepts/'t2' (Time of exiting)
(2 4 1)	Concepts/'t2' (Time of exiting)/Changes in circumstances
(2 4 2)	Concepts/'t2' (Time of exiting)/Reasons for quitting
(2 4 3)	Concepts/'t2' (Time of exiting)/Comments
(2 4 3 1)	Concepts/'t2' (Time of exiting)/Comments/Positive
(2 4 3 2)	Concepts/'t2' (Time of exiting)/Comments/Negative
(3)	Sound Bites!