

DSEF Research, In Progress 2016-2017

1. U.S. Direct Selling Socio-Economic Impact Study

Purpose: In July, DSEF in partnership with DSA, launched a Socio-Economic Impact Study (SEIS) of Direct Selling in the United States that will measure and report on the economic and social impacts of direct selling operations, nationally and in a select number of states.

Partner: Dr. Robert Peterson, Associate Dean for Research, John T. Stuart III Centennial Chair in Business Administration and Charles Hurwitz Fellow at the IC² Institute, University of Texas at Austin.

Timeframe: To be completed by January 2016.

2. Join Stay Leave: A Study of the Salesforce

Purpose: This study analyzes the responses 13,000 salespeople who participated in DSA's National Salesforce survey to identify the individual motivations for joining, staying or leaving direct sales over the lifecycle of a distributor. Insights will be shared on the process of discovery, during which the direct seller determines whether direct sales is the right opportunity for them (impacting their decision to stay or leave).

Partners: Principle investigators are Dr. Anne T. Coughlan, Polk Brothers Chair in Retailing, Professor of Marketing, Kellogg School of Management, Northwestern University, and Dr. Manfred Krafft, Director of the Institute of Marketing at the University of Muenster, Germany and Editor of the *Journal of Personal Selling*. Research assistant, Julian Allendorf, doctoral candidate at the University of Muenster, Germany.

Timeframe: Academic paper presented to the DSEF Board of Directors on September 20. DSEF will publicize to external audiences once the paper has been peer-reviewed and published in a leading academic journal.

Follow-on study: Based on new data from the 2016 National Salesforce Study (NSF), Drs. Coughlan and Krafft will analyze and compare individual responses between the 2016 and 2014 NSF studies. This smaller study, "The Dynamics of Join, Stay, Leave," will explore changes over time in the life cycle of direct selling distributors.

3. DSEF International Grant: An Understanding of Women Entrepreneurs in Direct Selling and Social Media/Digital Marketing

Purpose: DSEF is in the process of forming partnerships with the DSA of South Africa and the DSAs of Lithuania, Latvia and Estonia and their member companies to participate in and co-fund “Emerging and Frontier Markets: An Understanding of Women Entrepreneurs and Social Media/Digital Marketing. In today’s changing marketplace, people are more interested than ever in independent work, entrepreneurship and finding fulfilling career opportunities. United by a common mission to educate key audiences about direct selling – as a legitimate go-to-market business strategy and a pathway to micro-entrepreneurship – DSEF and the national DSAs can tell the story of how entrepreneurship can make a profound difference in people’s lives.

Partners:

Principle investigators are: Dr. Victoria Crittenden, Professor and Chair, Marketing Division, Babson College and Dr. William Crittenden, Professor of International Business and Strategy, D’Amore-McKim School of Business, Northeastern University.

Local academic partners are: Dr. Sigitas Urbonavicius, Marketing, Business Administration and Social Psychology at Vilnius University, Lithuania and Editor-in-Chief of the *Organizations and Markets in Emerging Economies* journal and Dr. Amaleya Goneos-Malka, PhD in Marketing Management from University of Pretoria, South Africa and currently Head of Digital for Wealth at Standard Bank, the largest bank in Africa. Dr. Goneos-Malka also produces and hosts a weekly gender-based radio program called *Womanity – Women-in-Urity*, broadcasted across Africa. Our research may be highlighted on the show to inform discussions on empowerment of women.

Timeframe: Pending approval by DSAs of South Africa and Baltic States. Pre-launch in South Africa tentatively scheduled for November 2016.

4. Student Attitudes and Knowledge of Direct Selling: A Survey of the Top 125 Sales Programs at U.S. Universities

Purpose: This research will survey students in 125 university sales programs across the United States about their knowledge and perceptions of direct selling. Objectives of the study include comparing students’ attitudes and knowledge of direct selling against their attitudes toward traditional selling careers and against a profile of student traits.

Partner: Dr. Larry Chonko, Thomas McMahon Professor in Business Ethics at the University of Texas at Arlington.

Timeframe: Expected release date: Fall 2016.

DSEF Research Pending

1. High Flyers

Purpose: The study would identify the intrinsic and extrinsic success drivers in the entrepreneurial field, such as the personal traits and skill-level of distributors as well as the level of training provided by uplines and companies.

Partner: Principle investigators are Dr. Anne T. Coughlan, Polk Brothers Chair in Retailing, Professor of Marketing, Kellogg School of Management, Northwestern University, and Dr. Manfred Krafft, Director of the Institute of Marketing at the University of Muenster, Germany and Editor of the *Journal of Personal Selling*. Research assistant, Julian Allendorf, doctoral candidate at the University of Muenster, Germany.

Timeframe: Estimated launch, November 2016

2. Research Proposal – Understanding the Cultural and Economic Drivers of the Direct Selling Entrepreneurship Opportunity

Purpose: This study will identify which conditions are necessary for an individual to embrace and be successful in direct selling, and that these conditions may be predictors of direct selling attractiveness for individuals and certain demographic groups, e.g. U.S. Hispanics. Research suggests that certain cultural characteristics, when combined with limited economic opportunity, begin to clarify those that are the most receptive to the direct selling business model. Thus, group normative culture coupled with limited economic opportunity in traditional occupations may be predictors of direct selling attractiveness for individuals and groups. Not only must an individual be attracted to the direct selling opportunity, but their natural social groups (networks) must be receptive as well. Refining and testing these proposed conditions may allow us to actually identify and target high potential groups for direct selling. Managerial implications - by better understanding the cultural and economic drivers, direct selling organizations can tailor their resources to nurture and support the special needs of these high potential groups.

Partner: Dr. Charles Ragland, Executive Director, Center for Global Sales Leadership, Kelley School of Business, Indiana University, Bloomington.

3. Research Proposal - Satisfaction Rates of Direct Selling Independent Contractors Compared to Franchising Entrepreneurs

Purpose: The purpose of the research project is to compare satisfaction levels (and related perceptions of work and personal outcomes) of two sets of business entrepreneurs: independent direct selling contractors and franchisees. This goal relates directly to the DSEF 2016-2017 research priority #4: *Survey of Satisfaction Rates among Independent Contractors in Direct Selling Compared to Employees in Other Comparable Industries*.

Partners: Principle investigators: Dr. Dianne H.B. Welsh, Hayes Distinguished Professor of Entrepreneurship and Director, Entrepreneurship Cross-Disciplinary Program, Bryan School of Business and Economics, University of North Carolina – Greensboro.

4. Research Proposal - Social and Service Motivations of Direct Sellers

Purpose: The proposed study, “Investigating the Integrative Justice Model (IJM) as Framework for Addressing Challenges and Motivations in a Direct Selling Context,” focuses on using qualitative business statistics and qualitative customer feedback as a foundation for strategic planning, product development and marketing strategies. The IJM is a framework for market engagement with vulnerable consumers and fair engagement practices, based on ethical management principles, corporate social responsibility, stakeholder theory and value co-creation with consumers. The research objectives include investigating the most prominent business challenges faced by direct sellers, the social and service motivations of direct sellers and using the IJM framework to identify and resolve business challenges in a way that facilitates the development of a sustainable direct selling enterprise.

Partner: Dr. Tina Facca-Meiss, Director of Nonprofit Administration and Associate Professor of Marketing, Boler School of Business, John Carroll University.

5. The Role of Technology/Social Media in Direct Selling

Purpose: Dr. Larry Chonko has submitted a research proposal that will provide his students the opportunity to produce an industry white paper on current and possible future uses of technology, using data produced from the DSA Web Presence and Social Media Survey. Our industry will serve as a test case for students on how to partner with an industry organization or company. Potential actionable items from this research project include advancing student knowledge and perceptions of direct selling and the potential for spurring additional, publishable academic research by diving deeper into the data.

Partner: Dr. Larry Chonko, Thomas McMahon Professor in Business Ethics at the University of Texas at Arlington.