

DSA (Direct Seller Association) FAQs

- **Who is involved in direct selling?**

An estimated 16.8 million people are involved in direct selling in the U.S., and more than 96 million worldwide. About 75 percent of U.S. direct sellers are women. The vast majority are independent business people - they are micro-entrepreneurs whose purpose is to sell the product and/or services of the company they voluntarily choose to represent - not employees of the company. Approximately 90 percent of all direct sellers operate their businesses part-time.

- **Are U.S. direct sales increasing?**

Direct selling is a robust industry. U.S. sales totaled about \$32.67 billion in 2013, with 72 percent of the American public having purchased goods or services through direct selling. Worldwide sales are also strong with more than \$178 billion in sales.

- **What products and services are marketed through direct selling?**

Virtually every consumer product or service can be purchased through direct selling. People who purchase through direct selling cite personal service, convenience and sociability as the top reasons for shopping through direct selling.

- **What is the difference between direct selling and direct marketing?**

Direct selling is selling a product or service in either a person-to-person or party plan method. Direct marketing is catalog and telephone sales.

- **What is the difference between direct selling and multilevel marketing?**

Direct selling encompasses a variety of distribution methods; multilevel marketing is one type of distribution and compensation method. In a multilevel distribution model products are distributed from one level of distributor to another and compensation is based not only on one's own product sales, but on the product sales of one's downline. Several states, including Georgia, Idaho, Louisiana, Massachusetts, Montana, Nebraska, Oklahoma, South Dakota, Texas, Washington and Wyoming, statutorily define multilevel distribution companies.

- **How does compensation in a multilevel distribution company work?**

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- **How many direct selling companies are there?**

It is difficult to estimate the number of direct selling companies operating at any given time. This is a result of several factors. First, most states do not require direct selling companies to register as such. Therefore, no exhaustive list exists. Second, as with any business, many direct selling companies do not thrive in the direct selling market and have a relatively short life span. In fact, many companies may even come and go before they could even be "counted." However, DSA estimates that the sales made by its members account for more than 80 percent of all direct sales in the United States and there are approximately 1,400 companies in business in the U.S. at any given time.

- **Who can become a DSA member?**

DSA is a corporate membership organization. [Direct selling companies](#) are admitted to the association following a minimum one-year pending period during which time the company's business plan is reviewed to verify compliance with all provisions of DSA's Code of Ethics. At present, only companies with direct selling operations in the U.S. are eligible for membership. Companies considering beginning direct sales or companies operating only in foreign countries may consider [subscriber status](#) or [Global Associate Membership](#), respectively. DSA does not have a membership category for representatives/distributors of direct sales companies.