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An Industry Guide to Consulting Services





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By now, you should have received the first four editions of the new DSA Partner Magazine, which brought you insights and information from industry suppliers on Meetings, Incentives & Recognition, Technology and Field Support. This edition is packed with expert advice focused on Consulting Services.

Meetings, Incentives & Recognition Field Support Health & Beauty Technology **Consulting Services** Operational Strategies

Make plans to attend this year's DSA Annual Meeting, May 31 – June 2, in San Antonio, Texas, to connect with these content contributors, solution-providers and industry peers.

Six Benefits of Attending DSA's Annual Meeting

What do you get when you set aside time to participate in professional education? Everything you need to help you and your company succeed, of course! Receive the following benefits when you participate in this year's Annual Meeting:

1. Expert Knowledge

Go to the experts to gain the information you need. Each workshop you attend will feature presentations by individuals who can provide you with critical information your company needs to stay up-to-date and ahead of the curve, saving your company valuable resources.

2. Birds-Eve View

The industry landscape around you won't stop changing, and your company's success depends on your ability to be one step ahead of the next challenge. Gain an important perspective on the industry trends that will guide your company.

3. You've Got a Friend

Who should you call when you need answers to your most pressing questions? Other industry colleagues and Suppliers, of course! But you won't know who can help best if you don't foster relationships with other members. Make contact with your peers to get "right now" solutions and watch your bottom line go up.

4. Nothing Beats the Inside Scoop

The direct selling industry is known for its incredible sharing environment, and the best way to gain access is by participating in our executive education events. Mingle with the industry's top leaders and learn, direct from the source, solutions that have worked for other companies, saving them time and money. Chances are, the solutions will do the same for you, too!

5. "What a Great Idea!"

You'll hear those words frequently at DSA's Annual Meeting because our presenters always provide cuttingedge information that will improve your company's operations. Get the inspiration for your next great idea at this year's meeting.

6. Get That "To Go!"

Solutions only help when you can recreate them back at the office, but you need to be where you can get them! Meet the people who can introduce you to your next great resource, short-cut or tip and bring home the solutions that will drive your company's bottom line.

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Sales Forecasting Road Map

By Yogi Shankar, Partner, Antuit Navin Sharma, Ph.D., Partner, Antuit

Direct selling is a major force in the global economy with more than 90 million independent sellers driving \$170 billion in global sales annually. Technological, demographic and psychographic shifts continually impact the value proposition for the industry. Additionally, analysis and adaptation to these changes is critical to direct selling. Companies often struggle to find the answers to the changing business conditions because they are frequently asking the wrong questions, based on intuition and past experiences, without the shining light of data-driven insights.

This lack of analytical rigor has led many direct selling companies to go through an up-and-down cycle in their sales and profit growth. Direct selling at its core is a business model driven by the motivation and momentum of the salesforce, and it is essential that companies develop and maintain early warning indicators that perform two key functions. First, these indicators should provide ongoing monitoring of the health of the business. Second, the indicators should forecast the future trends in business. Management needs insights and predictive and prescriptive analytics built on a platform that is agile, adaptable and fast.

There are several key processes that are needed to develop highly accurate short-, medium-, and long-term forecasts.

One of the most important prerequisites for sales forecasting is the approach to model development. There are multiple approaches to generate a sales forecast and they can be broadly classified into three categories:

The first category is heuristic simulations. These simulations are based on business rules and past results; "reasonable" factors to project future behavior are incorporated into the model.

The second category consists of time series forecasts. Time series forecasts utilize past and current data as a basis for extrapolating for the future. The sales forecast will incorporate short- and long-term sales trends along with seasonal variations.

Last – but not least – there is the source of sales model by segment category. This refers to a highly refined approach that first identifies sub-groups of consultants with differing sales behavior and then develops multiple models focusing on the major drivers of the sales process, such as consultant count, activity and average order size.

Analyze Data

Develop Segmentation Model

Develop and Execute Sales Forecast Model

Identify Drivers of Sales Variance

Integrate Learning into Analytical Process

- Create a Data Mart that contains all pertinent current & historical information (Sales, Marketing & Supply Chain). Data Mart will contain both internal and external information including social media sources.
- Leverage data mining techniques that analyze attributes of consultants (Current & Historical Sales, Activity, Average Order Size, Length of Association, Demographic & Psychographic variables, Competitive information, etc.
- Identify clusters of consultant attributes which display consistent and predictable behavior in terms of Activity, Average Order Size etc. Analyze changes of the attributes over time.
- Leverage decision tree/CHAID Analysis & other Analysis
 Techniques to create clusters of consultants and customers that exhibit similar behavior.
- Using predictive models, generate monthly forecast Consultant count, Activity, Average Order Size, Customers & Average Customer Order by segment.
- These models will incorporate internal and external drivers, as well as time series elements of trend & seasonality.
- Generate prioritized segments based on estimated sales potential and sales trends.

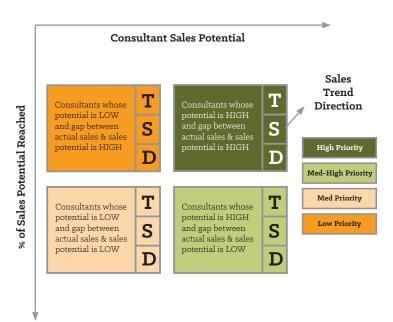
- Analyze model output and identify high impact drivers of sales forecast
- Create reports for diagnosis & action.
- Develop strategies and tactics to address gaps & opportunities.
- Understand reasons for forecast variance and build adjustments into the monthly process.
- Develop a repository of exception items that forecast future reference.



The most effective approach for developing forecasts is the source of sales model by segment. This approach provides insights into the performance and drivers of each segment. In most cases, overall numbers could mask underlying risks and opportunities in each segment.

At the end of the modeling exercise, the sales forecasting model should generate forecasts by prioritized segments. This will provide not only a comprehensive sales forecast for the entire business but also a tactical tool to allow sales operations to focus on key segments of the business.

In conclusion, by using these models, company executives can expect the forecasting process to help them better understand the operational drivers of sales. In particular, company leaders should be able to proactively manage the business, identify specific segments and consultants that require attention, understand specific drivers of sales forecast, help refine inventory planning and assist in ROI analysis for specific sales initiatives.





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NEWS RELEASE

Wakefield Global/Wakefield Talabisco Expand their Range of Services to Direct Selling

April 2, 2015

The principals of Wakefield Global, Inc. and Wakefield Talabisco International, Al Wakefield & Barbara Talabisco, have provided executive search services to consumer companies and the Direct Selling Industry for over 30 years. Prior to forming Wakefield Talabisco International in 1993, Barbara and Al were partners at a major international executive search firm where they worked side by side in assisting some of the largest companies in the U.S. and abroad to build and shape their executive management teams.

As their search practices grew, Al narrowed his focus to direct selling, taking on and successfully filling search assignments for the C-Suite and other senior level positions. Barbara continued to develop her practice and focus her talents on the C-Suite and senior searches for Fortune 500 companies globally.

To better serve direct selling clients and to distinguish between the practices, Wakefield Global, Inc. was created in the year 2010 under Al's focused leadership.

-2-

Today, as direct selling expands to include rapid and diverse areas such as e-commerce, social media, financial services, energy, communications, etc., there is an increasing and significant overlap between direct selling, consumer, financial and technical service companies.

These companies share many of the same strategies, systems, techniques, support and distribution. Executives flow back and forth between these various and diverse industries at a greater rate now more than ever.

In order to provide maximum services to companies in all consumer sectors, Al and Barbara are again pooling both their individual, as well as collective strengths in bringing their databases and support staffs to clients worldwide. In other words, when a client company engages Wakefield Global, Inc. it draws on all the resources of both of these successful leaders. This joint partnership should provide an increased benefit to all our clients in expanding the global scope and reach, as well as depth of sourcing for every search.

This is an exciting time for Wakefield Global/Wakefield Talabisco International and the professional practices which Barbara and Al hold so dear. They will continue to maintain offices in Vermont and New York City. For additional information please contact Al at 802-747-5901 or al@wakefield-global.com and Barbara at 212-661-8600, or Barbara@wtali.com.



A Step-by-step Guide to Defending a Company's Online Reputation

88 Percent of the Top 100 Direct Sellers Show Negative Search Results on the First Page

By Jonathan Gilliam President & Founder, Momentum Factor

Despite the many amazing achievements of the direct selling industry, there remain serious challenges to the business model. From avaricious Wall Street stock manipulators to disgruntled representatives who wrongfully seek a "getrich-quick" approach to business the threats to direct selling brands are pervasive.

With access to search engines and social media in everyone's pocket, these online "meanies" can now reach a vast audience instantly—directly impacting direct selling companies' retention, recruitment and revenue.

Negative search results often become the deciding factor in a new prospect's choice not to join a direct selling company. With just a few negatives on the first page of search results - particularly any from reputable sites - a direct selling company could quickly lose 40 percent of its prospects or more. In this way, online reputation directly affects the field's ability to recruit, which impacts the company's bottom line.

Momentum Factor recently reviewed the search engine results of the top 100 direct selling companies worldwide and found that a staggering 88 percent of those companies had at least one negative link on the first page. Often, the link had the word "scam" or "pyramid" connected to it. Unfortunately, bottom-feeder marketers and online bullies have discovered that such inflammatory words get more clicks and views, thus the negativity contributes to a vicious circle.

Many consequences can result from widespread online negativity toward the direct selling industry. The current connected generation is, at the moment, open to the model, but if current public and online negativity festers online, the opportunity to reach this generation could be lost.

There are fortunately many solutions companies can employ to counteract the influence of the Internet "meanies."

First, companies should commit to combating negativity in the search engines. If a company does not show well in a











Google search, it should commit all necessary resources to fix it. Company leaders should also educate members of the field about best practices for social media and other online marketing. Many representatives do not understand how to properly market their businesses online, and this could pose a risk for the brand. Recognizing this, company leaders should be vigilant in identifying, prioritizing and enforcing online compliance policies. The regulatory environment has taken a hard line over the past year on claims made by independent representatives and it is critical for companies to prevent the use of illegal claims.

Companies should also engage the field on multiple social media platforms and create content their representatives will deem worth sharing. It is also important for companies to highlight and promote their success stories, especially on video. This will help boost the company's social media and secondary sites in the search engine results. Additionally, monitoring blogs, social media and news outlets for both positive and negative company mentions can pay off - and companies should always remember to thank others for sharing their positive stories and reviews.

Conversely, companies should address negative comments if and only if they can be resolved and try to move the conversation offline for resolution. It is important not to feed the trolls rather, if a company can solve one person's problem, stopping that negative review or conversation could save dozens or hundreds of prospects down the road.

Similarly, all levels of the company should make a firm commitment to exceptional customer service. While much of the negativity may be directed at actions taken by field representatives, the customer service department can make the greatest impact on overall reputation. Nevertheless, it is important to consider the big picture and question whether or not policies and practices support long-term objectives.

Once company executives know they are delivering great service and support to their field leaders, the corporate team should encourage these leaders to write online reviews about the company. All too often, leaders complain to corporate management about negative company or product reviews

but, in most cases, the leaders themselves never take the time to write positive reviews.

Ultimately, in order for a company to dramatically improve its reputation, the corporate office needs to do more than influence search engine results. As such, it is important to understand that in order to influence the bottom line, companies must dedicate the resources necessary to making changes. It may prove to be an ongoing battle, but it's one worth fighting.

Jonathan Gilliam is a direct selling industry expert in areas of social media, marketing, reputation management and compliance monitoring. He is President of Momentum Factor, a renowned marketing and digital risk mitigation firm serving Direct Selling companies exclusively. He is the author of Social Selling: How Direct Selling Companies Can Harness the Power of Connectivity—and Change the World, a widely-read industry-focused book on social media. His latest book, Blastoff! Creating Growth in the Modern Direct Selling Company takes a look at how Direct Sellers can drive momentum in our new, digitally connected age.

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Breaking the Mold: Direct Selling Companies Look to Make Their Mark on the Sales Channel

By Lionel Carrasco CEO, Leapfactor

Thanks to cutting-edge technology and revolutionary techniques to measure and track customer satisfaction, companies like Uber, Apple and even Starbucks stand apart from the competition, in part, because of their ability to deliver what their customers want with a quality of service that can't be matched.

In order to reach similar levels of success, companies must achieve the trifecta with their products and services – customization, convenience and quality. They must also develop effective techniques to garner feedback from their consumer base – and demonstrate to loyal customers how their feedback is appreciated. Now more than ever before, customers expect companies to offer products and services that will meet their specific needs. Even more, they demand high levels of service – and they are not afraid to investigate product or company reviews online before deciding where to spend their money.

As such, many in the direct selling industry have found success in thinking outside the box to achieve maximum product quality and customer service. Yet, direct sellers can be creatures of old habits, too, and this can pose a challenge for executives looking to change how they do business. Sometimes, even company leaders fall into the trap of thinking there is little need for change – that what has worked before could still work now.

But, of course, today's most successful direct selling companies realize that is not always the right frame of mind.

In order to compete with 21st-century companies both within and outside the direct sales channel, direct selling companies must recognize if and when there is a need for a full organizational remodel. To do this, direct selling companies need to engage and empower independent representatives and influence how they touch consumers. After all, people are more connected today than ever before, and consumers and sellers alike have access to all the information they could ever need via their mobile devices.

Sometimes, thinking outside the box doesn't mean breaking the bank. One way companies can improve overall experience for their field is by removing all fees — or by unifying all tools for consultants into a single rational bundle. People pay for back-office tools; they also pay to send text messages, access

newsletters, download mobile apps, adopt replicated websites and process orders. All mandatory and optional fees, together, result in a significant amount of expenses for direct selling business owners.

Make the buying experience similar to Square Up. Direct sellers should need only an iPhone or iPad to run their businesses, engage with customers and sell products. Companies should keep this in mind when they reevaluate why some of their processes are complex. Simple technological advancements can make all the difference. For instance, if a company chooses to implement dongles to read credit cards, it could reduce one point in credit card processing fees and apply the savings to fund the technology itself. Company leaders should call to mind companies like HyperWallet, which can disperse commissions in close to real-time worldwide. Then, companies should take this technology a step further to provide direct sellers access to personal and group metrics via their own pocket devices.

Re-design the enrollment and onboarding processes. Companies can make enrollment simple and explain the mechanics of how to earn money in a way that a six-year-old can understand. To start, they should make the process easy to sign and super convenient. They should also make sure that the onboarding experience is pleasant by commanding the process such that the team is trained and prepared to survive their 91st day in the business.

Empower consultants with recipes and tools that just work, as Apple did in their retail stores. Beyond the company website and social network activity, consultants are the real face of a

and social network activity, consultants are the real face of a business. Capitalizing on this, Apple employees know their scripts very well. To start, they are armed with iPods that serve as a true mobile point of sale, helping customers make quick purchases and ensuring that the buying experience is pleasant, even when there are long lines. Apple shoppers can even pick up a box from the shelf and pay for the product with their own iPhone. Despite Apple's success, however, even a company of its caliber contends with the fact that not all salespeople have natural charisma. That is why companies need to provide the members of their field with proven tools and messages that will lead to success.

Companies should also reconsider the need to replicate websites. So many shoppers today buy many of their favorite products on Amazon. But, consumers most often opt for person-to-person contact for the purchases that require more understanding. Asking someone to order an antioxidant subscription via a replicated website is not direct selling. Recognizing this, it is easy to see why replicated websites are sometimes rigid and difficult for potential customers to navigate. For companies looking to provide a great e-commerce experience, many should consider hiring an agency that can build a world-class website with high-end tools. Companies with tight budget constraints should consider e-commerce software, like Magento, which is affordable and offers a mature shopping experience. On the other hand, companies set on keeping their current back-end system should avoid requesting changes that are not critical and that only increase the complexity, cost or ownership, and dependency over time.

Consider "legalizing" cash & carry. In the world of dongles and cameras to capture payments, iPads are all companies need to operate. When sellers take orders the old-fashioned way, the miss opportunities to gain intelligence. For party planners, introducing technology into sales does not mean abandoning the practices that make party plan companies successful; instead, it means accepting the fact that some people prefer to walk away with the product at the time of their purchase.

Design the order experience as if business depends on it.

Consultants should not have to suffer through using complex tools, nor should customers and new enrollees. It was not too long ago when consumers were first introduced to the experience of making a purchase by swiping their credit card via an iPhone or iPad. Nevertheless, the technology is out there. Companies should no longer require representatives to spend three hours at night placing orders after a party - that translates into three hours away from the family or three hours invested into other aspects of the direct selling business.

Consider touching customers directly. It does not matter what terminology a company uses to refer to those who sell their products. All independent representatives begin as

prospects and demand information to engage with the brand. Sometimes, a simple push notification with promotions can make all the difference. Companies should consider generating leads and closing the loop to distribute to orphan enrollees as incentives for high performers.

Dare to jailbreak the back-end. With a few exceptions, the industry does not embrace open systems. Some CEOs neglect the importance of the software and some vendors charge high prices for customization with every change order. Companies should therefore resist change requests and pursue an open system through which they can decouple the front office from your back office. Companies will see the difference and experience the change in their budget.

Best practices – and the wisdom of industry veterans – should be respected and sought-after. But, it is important for companies to keep innovating, especially under the current circumstances in which garage start-ups are unbundling entire industries. Even more, companies like Natura are reinventing direct selling in foreign markets and companies like Yanbal are daring to seek new market dimensions. Mobility and social media have empowered consumers and will continue to drive innovation. Neither of these vectors is a trend anymore. Facebook users access their accounts most often on mobile devices and not on computers, SMS messages have been surpassed by applications like WhatsApp, and payments are no longer processed by financial elephants.

It is time to rethink, study and understand how companies like Uber operate. Additionally, companies need to master social and mobile platforms and learn how to remove or change the barriers to innovation and create amazing user experiences.

The challenge to direct selling is not Uber; however, direct sellers should fear resistance to change. Companies need to take a look at the big names managing to stay on top and consider the shrinking brands that lost their touch. Even more, it is time for companies to look carefully at the organizations that stand at the very center of their industry – the ones that dare to do things differently.



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A Compensation Plan for Success

By Jay Leisner President, Sylvina Consulting

An effective compensation plan is one of the most important ingredients in the recipe for direct selling success, but what makes a compensation plan successful? There are 12 key characteristics to a successful compensation plan.

- 1. Person sales volume requirement: Network marketing companies and party plan companies are in the business of selling products or services to their independent representatives. But, in most countries, companies cannot legally require personal purchases as a prerequisite to earning multilevel compensation. Nevertheless, every compensation plan should have a requirement pertaining to personal sales volume - the sum of a representative's purchases plus the purchases of his or her customers. The corporate office should want representatives to remain as customers even if they are not earning money through the company compensation plan. For this to occur, the company must offer products that people would buy, even if there was no compensation plan in place.
- 2. Selling to customers: Party plan companies understand the importance of selling products and services to people who are not independent representatives; however, many companies also view their independent representatives as their customers. Some companies encourage people to become independent representatives to obtain product discounts that are not available to customers. This differs from the more common practice in which the price of the starter kit or enrollment fee helps to separate representatives from customers. Regardless of the chosen business model, all direct selling companies are in the business of selling products and services. To maximize revenues per representative and pay representatives more money, companies should encourage representatives to sell to customers who are not representatives.
- 3. Introducing the income opportunity to others: To grow, direct selling businesses must continually enroll new representatives. While many people who join a direct selling company will choose not to recruit anyone, companies rely heavily on the representatives who do recruit. To encourage recruiting, the compensation plan needs to make it financially worthwhile. For legal compliance, companies should compensate the enrolling representative and their uplines based on the sales volume generated by a new recruit.

- 4. Building a team: Teams are powerful because they motivate participants to work together. When team-building is encouraged and rewarded, two or more people benefit from the performance of one. Every multilevel compensation plan should be designed with team-building as a requirement for title promotion and increased compensation.
- 5. Training, supporting and nurturing others: To encourage the development of supportive relationships, companies must compensate representatives in ways that reward ongoing efforts to help others.
- **6. Becoming a leader:** Leaders recruit proportionally more people and have a greater influence over others. Every successful compensation plan should include leadership titles and a leadership development program.
- 7. Personally developing leaders: The primary purpose of leaders is to help others become leaders, but, most leaders need to be taught how to do this. It is true that leaders do not always sponsor leaders, and the sponsors of leaders are often not leaders themselves. To be good, a compensation plan must reward leaders for personally developing leaders, regardless of the number of levels between the current leader and the new leader.
- 8. Helping other leaders to develop leaders: A company's compensation plan should reward the teaching of leadership development skills by recognizing leaders for helping downline leaders to cultivate leaders below them.
- 9. Meeting or exceeding minimum activity requirements: Multilevel compensation is a privilege, not a right. To earn the privilege, every independent representative should be required to meet or exceed personal sales volume thresholds. Doing the minimum is good, but exceeding minimum requirements is better for everyone. If a company wants its representatives to exceed minimum activity requirements, the best way to achieve this goal is to include specific incentives to reward productivity in the compensation plan.
- 10.Being promoted to a higher title or rank: For independent representatives, this business is about money; but, it is also about recognition. Promotions to higher titles should be recognized in many ways - one of which is increased compensation. The corporate office may also choose to provide one-time promotion bonuses to reward these achievements.

11. Meeting or exceeding title maintenance requirements:

Every title in a compensation plan should have a set of requirements for promotion and maintenance. Companies can also provide additional compensation when the minimums are exceeded.

12. Staying active and engaged in the business:

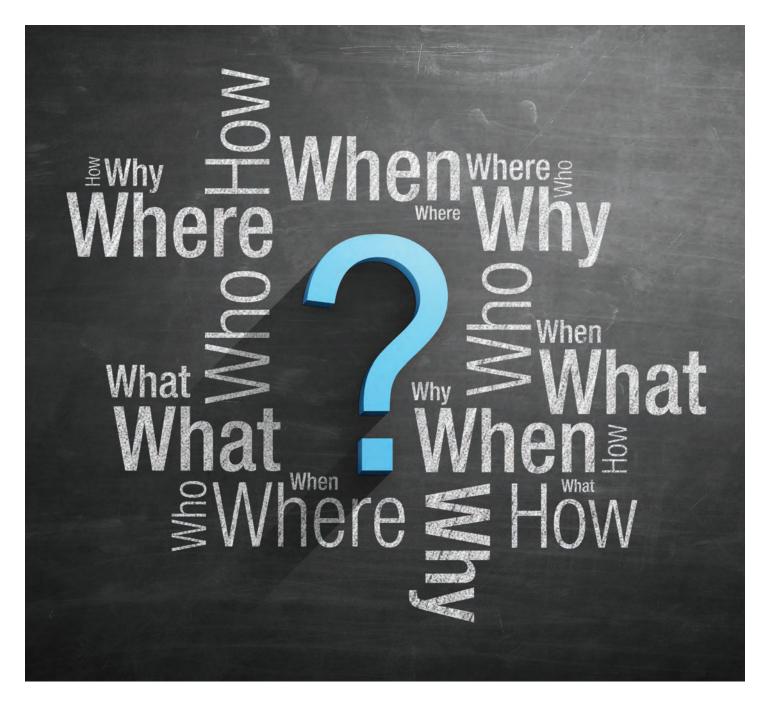
The average direct selling company experiences an annual retention rate of only 20 percent for new representatives. Retention superstars, however, have been known to achieve retention rates as high as 60 percent. Representatives quit for many reasons, but most can be summarized into five categories: product quality and pricing challenges; insufficient support, communication

and education from the company, sponsor and uplines; insufficient training and tools; compensation deficiencies; and unmet expectations.

Companies can improve retention rates by taking steps to improve business in all areas, one of which is compensation plan design.

If your compensation plan does not motivate and reward well each of these 12 behaviors, your business and the businesses of your independent representatives are feeling the impact.

Jay Leisner is President of Sylvina Consulting, a DSA Supplier since 2001.



Consulting Services Partners Directory

Antuit

Company Contact: Yogi Shankar

Booth #: 69

Company Description: We are a Global Analytics and Big Data Solutions Provider with significant domain expertise in Direct Selling. We are experts in helping companies understand the drivers of performance in Sales, Marketing and Supply Chain and the integration of offline (internal) and online (E-commerce and Social Media) data via state of the art data management, analytics and visualization tools.

Dan Jensen Consulting

Company Contact: Dan Jensen

Company Description: Compensation plan design & evaluation services: Having worked with hundreds of direct selling companies, both party plan and MLM, Dan and his team have developed a thorough understanding of best practices and proven principles of successful compensation plans. 100% of their hundreds of clients would recommend them. If you need to update or fine tune your existing compensation plan call Dan at 360-852-8300 (Pacific) or email at dan@dj-consulting.com. www.dj-consulting.com

Leapfactor, Inc.

Company Contact: Marcela Henao

Booth #: 127

Company Description: Leapfactor enables direct selling companies to deploy game-changing mobile apps that empower their sales force to exponentially increase their business activity while onthe-go. By combining state-of-the-art technology and high-end user experience design, the Salesfactor mobile solution becomes the cornerstone for distributors to conduct their business, allowing them to tell the story, present the opportunity, showcase products, take orders, learn the business with multimedia training and monitor business activity. Leapfactor's apps are designed and configured to your company's specific business model and can be easily connected to virtually any back-end system.

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Miller Thomson LLP is one of Canada's largest full-service law firms serving the direct selling industry for more than 25 years and representing many well-known DSA member companies. We advise on the most advantageous forms of doing business in Canada. We have experts who assist with tax and customs, provincial licensing, advisory opinions from the Competition Bureau, Canadianizing your company's compensation plan and P&Ps and ensuring that your products obtain necessary Health Canada approval or licences.

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Momentum Factor

Company Contact: Jonathan Gilliam

Booth #: 12

Company Description: Momentum Factor is a full-service social media and online marketing management firm specializing in the direct selling industry. We exist to help direct sellers leverage and capitalize on sweeping marketplace changes using social media & word of mouth. We are Your Cure for Social Mediocrity. Our Mission? To leverage the power of social media and word-of-mouth marketing to create opportunities for clients, their field reps and the industry as a whole.

Wakefield Global

Company Contact: Al Wakefield

Booth #: 9

Company Description: Wakefield Global (formerly Wakefield Talabisco International - Vermont) is an international executive search firm specializing in the recruitment of middle and senior management on a retainer basis. The principal of the firm, Al Wakefield has more than 30 years of experience in executive search, the great majority of that time serving direct selling companies on a worldwide basis. The firm has worked with both large, small and fast growing smaller companies including startups, and has the largest database of industry candidates in the world. Typical assignments include President; Vice President Sales/Marketing; National Sales Director; Chief Financial Officer; Chief Operating Officer; Head of Logistics; and Country Managing Director. From our offices in the eastern United States we are uniquely situated to serve you and your organization's middle and senior management requirements.

Sylvina Consulting

Company Contact: Jay Lesiner

Company Description: Our direct selling experts have 29 years of experience in launching and improving the businesses of 400+ direct selling, party plan, network marketing, and MLM companies. Compensation plan design and evaluation are two our specialties. We also review and amend business plans, incentive programs, sales force surveys, marketing and training content, and software requirements. Sylvina Consulting offers its consulting services to all direct selling companies, from startups at the concept stage to the largest multinational firms. Contact us today at 503.244.8787 to discuss your needs and to request our free report, "20 Secrets of Successful Direct Selling Companies" and our monthly email newsletter, "Insights for Network Marketing and Party Plan Companies." Contact us today at www.sylvina.com or 503.244.8787 to discuss your needs.

DSA Partner Magazine

An Industry Guide to Health & Beauty



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Beauty, Wellness Trends Echo Consumer Demand for Eco-Friendly, Organic Products

By Alyssa Wolice Freelance Writer

The terms "eco-friendly" and "organic" only recently became a part of common vernacular. Over the past decade, however, companies have responded to consumer demands by developing products and services that are both environmentally sustainable and beneficial to human health.

Nevertheless, few industries have felt compelled to live up to this challenge more than the health, beauty and wellness industries.

According to a 2014 study by Nielson, 55 percent of global online consumers across 60 countries say they are willing to pay more for products and services provided by companies committed to making a positive environmental impact. Additionally, consumer demand has contributed to year-over-year double-digit growth of organic product sales, further demonstrating that today's purchasers are not only environmentally conscious, but also concerned about the use of chemicals and other agents in the products they consume and wear.

"We know for sure that today's consumers are more health conscious," said Kim Anderson, Founder and President of Ava Anderson Non-Toxic. "With the rise of the Internet and social media, information-sharing is immediate, right at a person's fingertips. As a result, consumers are sharing so much more with each other. It has become infinitely easier to do research, review products and make your voice known than at any other time in history. At Ava Anderson, through person-to-person communication at our parties, we are able to even make more people aware by sharing information on harmful chemicals in many conventional products and their links to disease."

Still, many companies that have worked hard to develop products to meet these demands face a common challenge: communicating the benefits to their potential customers and distributors.

"As a direct selling party plan company, we have thousands of opportunities each month at in-home avaHOURS to share information on harmful chemicals to avoid, as well as share the benefits to skin, health and environment of the natural and organic ingredients we choose to formulate with," Anderson said. "By sharing personal stories, generating discussion and answering questions, consultants are able to connect with their customers, build relationships and truly realize they are changing lives with the information they are sharing."

"In all our markets, a big challenge is helping consumers understand if what they are choosing really is organic," said Denise Bonner, Global Head of NYR Organic. "Unlike organic food, in the beauty industry, there are no legal standards about what can and can't be called organic. This means brands can call themselves natural or organic with very little – sometimes no – natural or organic ingredients in their products. This is why we choose to work with organizations such as the Soil Association, BUAV, FairWild and fair trade bodies to independently certify our products so our customers know that what they are buying is ethical and organic."

To do this, NYR Organic devotes a great deal of time and resources toward educating consumers about how to choose the right products to support a healthier lifestyle, Bonner said.

"From the beginning, NYR Organic has advocated inner health for outer beauty, offering customers products for both skin care and well-being, including superfoods and supplements," she said. "Recently, we've seen consumers understanding the relationship between inner and outer health, and well-being is no longer a fad – it's a lifestyle."

Because of this, the company has seen growth in its natural health offering, with customers wanting to take care of themselves from the inside, out. Bonner added.

"With more launches planned to extend our natural health offering, we expect positive growth of this category in 2015, with NYR Organic increasingly recognized as a one-stop shop for overall health and well-being."

"Today's consumers are more informed than in the past and, therefore, it is very important for companies who sell cosmetics to offer effective, high-quality products that are completely safe and toxic-free," added Tina O'Brien, CEO and Operations Manager of PM-International Nutrition and Cosmetics.

But, as consumers today work to become better informed about the origins of the products they purchase, how might direct sellers play a unique role in the education process?

"Direct sellers have direct contact to their customers and. therefore, they have the chance to sell products that are in need of explanation," O'Brien said. "In traditional retail situations, this does not work as well. It also makes a big difference when a product is introduced by a trusted friend or family member. People want to buy from people they know."

"There is no better way to introduce consumers to breakthrough health and wellness products than in the home," said Linda Kaminski, Co-founder and President of L'Bri Pure n' Natural. "When friends get together in the home of a hostess, inherently, there's a relaxed atmosphere. Instead of experiencing high-pressure sales tactics typical of some retail establishments – such as department store cosmetic counters – customers have the opportunity to learn more about their skin and overall health, try products on their own terms and have fun."

In this way, the direct selling salesforce also helps consumers stay on-trend when it comes to health, beauty and wellness products.

Gone are the days when skincare products focus solely on blemishes, said Kaminski, herself a skincare direct seller of nearly 35 years.

"As the baby-boomer population continues to age, products that restore youthfulness have grown in importance," she said. "Addressing this trend, in recent months L'Bri has introduced products specifically formulated for individuals in their later years."

One of the company's most popular products as of late is its Neck Firming Cream, which gives a nod to consumer demand for all-natural products. Its primary ingredient is derived from plant stem cells and supports the skin's ability to regenerate and heal. Additionally, similar products – including L'Bri Intense Eye Repair Cream – also employ natural ingredients to remedy signs of aging.

Not unlike L'Bri, NYR Organic has demonstrated through its product line the benefits of going all-natural to keep on-trend.

"Efficacy is paramount to us and, in today's market, organic products can certainly achieve the same results as conventional cosmetics, meaning that customers can truly experience natural beauty without compromise," Bonner said. "To prove this, we have been committed to clinically testing new products and will continue to do so on more and more products. We use third-party laboratories that work to the most current and rigorous standards in the field of cosmetic trials on human volunteers."

And, for many companies like Ava Anderson Non-Toxic, the products themselves serve as a major "recruiter" for aspiring direct sellers – even if the income opportunity is what seals the deal.

"The majority of our consultants come to us as customers first who are sold on our products and become believers and want to share our mission to reduce the body burden of harmful chemicals for humans and the environment," Anderson said. "Our consultants often tell us that this business opportunity is so fulfilling because they can do well personally, professionally and financially by doing good for individuals, families and the world."

Similarly, NYR Organic – like many of today's most successful direct selling companies in the wellness industry – has experienced great success for this very reason.

"For over five years, NYR Organic consultants have been joining [the company] for a plethora of reasons, including the truly unique experience NYR Organic offers — unlimited earning potential with the chance to become part of a business that truly believes in making a difference," Bonner said. "The NYR Organic philosophy is a simple one — transforming people's lives by educating and empowering them on how to live more healthily through the power of nature. Not only does this offer the chance to build a business that fits around one's life, but also the opportunity to spread the word about ethical, award-winning products and help change the world one blue bottle at a time."

It is this philosophy that has attracted many independent consultants to the brand, she noted.

"In fact, many consultants have been dedicated fans of the award-winning products for years and first discovered the amazing beauty and wellness benefits of using the purest organic ingredients from sampling products at an NYR Organic party."

When it comes down to it, many direct selling companies become successful largely as the result of their ability to make a difference in others' lives.

"We have lots of really powerful stories about consultants able to get out of crushing debt, purchase a home, take parents on a dream vacation, or buy things they always wanted, "Kaminski" said. "These are the material benefits; but, for me, the most heart-warming stories center on the intangibles. A consultant is now more confident and self-assured thanks to her involvement with L'Bri. Another has a happier marriage. A third earned the respect of her children.

"Consultants tell us they won promotions at their nine-to-five jobs by using skills they learned while representing our products," she continued. "I can't imagine a more beautiful way to live."

Alyssa Wolice is a freelance writer for the Direct Selling Association.

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Rhoderika Miranda Director of National Accounts Direct: 808-874-7882 Rhoderika.Miranda@ marriotthotels.com

We Know Perishables: Keep it Fresh, Ship it Fast

By Todd Clay Director of Marketing, IntegraCore

Shipping perishables requires careful preparation, packaging and handling. IntegraCore, with more than 25 years of experience and 1 million packages shipped, understands how to deal with both temperature and time-sensitive goods.

We help companies:

- Cut perishable turn times by up to 70 percent
- Avoid spoilage through strict temperature control
- Reduce distribution costs by as much as 60 percent
- Avoid the headache of managing your own supply chain
- Focus on your core revenue-generating activities

Shipping food, beverages and other perishable items requires careful preparation, packaging and handling. Additionally, complying with government perishable-shipment regulations can be difficult and time consuming.

Here are three tips for ensuring your perishables arrive at their destination on time and unspoiled.

Shipping food and beverage items — whether across the country or across the world — requires careful preparation, packaging and handling. The loss of these items in transit means lost revenue, however by adequately preparing perishable goods for transit, businesses can realize less damage of goods, fewer customer complaints and significant cost savings.

The International Air Transport Association (IATA) defines a shipment as perishable if its contents will deteriorate over a given period of time if exposed to harsh environmental conditions, such as extreme temperatures or humidity. Examples of perishable food items include seafood, dairy, plants, meat, fruits and vegetables. Timing is critical when shipping perishable goods because shelf life is at stake.

With the right shipping, products and careful packaging, your food items will arrive at their destination, at the appropriate temperature, safe and sound, regardless of the harsh weather conditions to which they're subjected. Here are some tips and tricks to help prevent your food and beverage items from arriving spoiled to your customers — and in turn spoiling your reputation.

Plan Ahead

Knowing about and complying with U.S. government perishable-shipment regulations, such as Food and Drug Administration (FDA) requirements, can be difficult and time-consuming. However, by planning ahead and complying with not only U.S. government regulations (but also as regulations abroad), you can ensure that your goods arrive on time and unspoiled. The last thing you want is to have your food and beverage items tied up in Customs. By being prepared to comply with regulations and having an efficient process to pick, pack and ship perishable products, you can reduce turn times by up to 70 prercent.

IntegraCore takes care of all of the U.S. government perishable-shipment regulations and Food and Drug Administration (FDA) requirements so you do not have to. Send us your products and we take care of the rest.

Consider Transit Time

One of the most important factors when shipping perishable items is the transit time. The longer it takes for your perishable shipment to be delivered, the more likely its quality will suffer. Ship food and beverage products via an expedited service (preferably next day), but keep in mind that this can become costly and discourage customers from a purchase. You don't want your goods to spoil en route, but you want to balance speed with cost.

One way to shorten transit time is to store your product in strategic locations near your customers so that transit times are always short. By partnering with a capable logistics provider who already has strategic warehouse locations will have an immediate positive impact. In many cases, you will be able to ship via ground in one day to your customers, thereby reducing your distribution costs by as much as 60 percent

It's All in the Packaging

Packaging your shipment correctly — including shipping containers and packing materials — is essential to keeping the perishables fresh until they're delivered to your customers. Wrap foods securely with foil or plastic wrap and pack as tightly as possible to keep items intact. Protect

jars and bottles (UPS recommends at least two inches of cushioning around fragile items like glass) and make sure they are well sealed.

To keep food or beverage items cold, use dry ice or frozen gel packs. Dry ice stays cold longer but is considered a hazardous material, so make sure to separate it from food with cardboard and/or plastic wrap (and wear gloves and goggles when handling).

Getting your food and beverage goods to your customer as cost-effectively as possible, in the shortest transit time possible, along with proper packaging, will allow you to deliver the best end product to your customers. Work with a shipping and logistics partner who understands how to deal with both temperature and time-sensitive goods and can cut perishable turn times and reduce distribution costs so you can focus on your core revenue-generating activities.

IntegraCore has invested in the infrastructure to provide best in class solutions for your perishable products. Contact us so we can provide you the details on how we can keep it fresh and ship it fast.



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Find Your Solutions

Your company relies on outside vendors and consultants to help conceive, design and implement the projects that make it successful. Finding the right person or company for the job is crucial. During this year's Annual Meeting tradeshow, you'll have access to 135 industry vendors who can help you with everything from overhauling your compensation plan to picking the next incentive trip for your sales leaders. We encourage you to make the most of the tradeshow's open hours throughout the meeting to have conversations with exhibitors about how their companies can help yours grow. Make the most of this time to meet one-on-one with vendors and build the partnerships that will transform your business.

Share Your Experience

Visit the solution-filled exhibit hall with your team and take photos inside the 360-degree photo booth, developed by Iacono Productions. Then, share your photos and tweets of your experience on large screens at either end of the expo floor! Have fun and be a part of this amazing technology!

Exhibit Hall Schedule:

Sunday, May 31

Noon – 4:30 p.m. Hall Open for Learning Opportunities **6:00 p.m – 8:00 p.m.** Blue Jeans Bash Opening Reception

Monday, June 1

7:30 a.m. - 6:00 p.m. Hall Open for Business

Tuesday, June 2

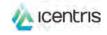
8:00 a.m. - 1:00 p.m. Hall Open for Business

Inside the Pavilions:

Eight industry vendors will be in the center of the exhibit hall inside unique pavilions. Whether you enjoy a special treat during Sunday's Blue Jean Bash or browse through their exhibits during one of the networking functions, you'll want to check out what these pavilions have to offer! Pavilion exhibitors include:







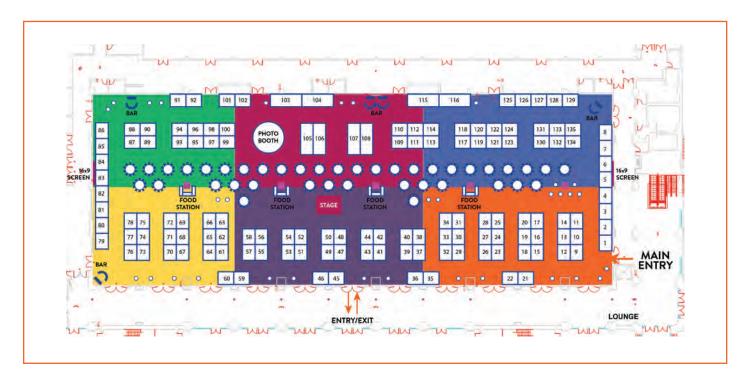












Health & Beauty Partners Directory

Concept Laboratories, Inc.

Company Contact: Josh Foreman

Company Description: Concept Labs takes you all the way from concept to product. For over 20 years, we have turned great ideas into best-selling products, with one industry-changing success after another. Specializing in skin care, personal care, over-the-counter (OTC) pain relief, and household items, we have everything you need to achieve your goals: an on-site laboratory with top-of-theline equipment, expert chemists and staff, a wealth of knowledge and experience, and most importantly, the care and dedication to make sure that every product we manufacture for you is a big hit.

IntegraCore

Company Contact: Todd Clay

Booth #: 107

Company Description: Just Push Start! Our Focus, Your Scale, Your Control. Join us at the DSA 2015 Annual Meeting at booth 107. See you there!

Marriott Resorts Hawaii

Company Contact: Rhoderika Miranda

Booth #: 130

Company Description: Situated on two of the most prestigious oceanfront locations on the Kohala coastline of the Big Island of Hawaii and the South shores of Wailea Maui, just steps from breathtaking beaches and footsteps away to world class restaurants and shops. We invite you to experience the essence of the aloha spirit where our ohana (family) offers personalized attention. Where Mandara Spa pampers body and soul as you relax oceanside with the Pacific Ocean at your fingertips, and our culinary team provides the best locally sourced ingredients each island has to offer. E komo mai... welcome to our home... Visit Booth 130 at DSA Annual Meeting to learn more about our beautiful resorts. Ask about how you may be eligible for one million Marriott Reward Points!

Universal Nutrients

Company Contact: Tony Haddeman

Company Description: Universal Nutrients offers unsurpassed expertise in OTC & Dietary Supplement product development and fulfillment. From our state-of-the-art manufacturing facility, Universal Nutrients produces and distributes highly-marketable products which help you succeed in business, whether those products are derived from your company's proprietary formulation or from our library of scientifically-tested and carefully-crafted formulas. We specialize in Powders, Liquids, Gels and Tablets.







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