

Traditional Retailers Recognize Advantages of Direct Selling

With annual direct selling sales nearing \$30 billion in 2004, many traditional retailers have launched direct selling arms to reach new markets and customers.

They join many companies – both big and small – that seek to capitalize on the many advantages of direct selling:

- Research shows that time-starved shoppers, particularly women, see direct selling as a way to avoid crowded stores where they often cannot find someone to help them.
- Research also shows that younger shoppers, particular those in their thirties, are attracted to direct selling because they can customize their shopping experiences, deal with knowledgeable representatives, and have fun in the process.
- Direct selling can be more profitable because overhead costs are low and direct selling representatives work on commission.
- Products tend to sell better when they are presented by knowledgeable sellers who only succeed when they provide a personal touch and excellent customer service.
- Annual sales growth for direct selling companies has averaged 7.1 percent annually since 1994, compared to average annual growth of 5.4 percent for total U.S. retail sales.

For more information on the benefits of direct selling, visit the DSA Web site at www.dsa.org.

Select Traditional Retailers With Direct Selling Divisions

- Aerosoles
- Berkshire Hathaway
- Bertelsmann
- The Body Shop
- Citigroup
- Hallmark Cards
- Jockey
- Jones Apparel Group
- Lillian Vernon
- Reader's Digest
- Sara Lee
- Time Warner
- Unilever
- Vanity Fair
- Virgin Companies



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