

Direct Selling: *A Vibrant Retail Channel in Europe*

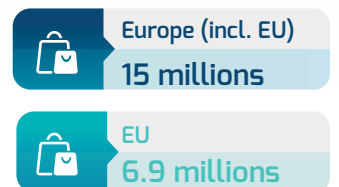
Direct Selling is...

Direct selling is a method of marketing and retailing goods and services directly to the consumers, in their homes or in any other location away from permanent retail premises. It is usually conducted in a face-to-face manner, either where products are demonstrated to an individual, or to a group or where a catalogue is left with the consumer and where the direct seller calls later to collect orders. Unlike direct marketing or mail order, direct selling is based principally on personal contact with the customer.

A key characteristic of direct selling is the role of the independent salesperson in the distribution of products and services. These salespeople affiliate with a direct selling company, but retain the freedom to run a business on their own terms, including how much time and effort to put into building the business.

People involved in direct selling choose to become involved and stay in direct selling for many different reasons. These include being able to buy products they like at a discounted price and the opportunity to earn supplemental income. While some people run successful full-time direct selling businesses, for the majority of people involved in direct selling the revenue earned is not their primary income, but a way to make extra money to fund a holiday, education or just to provide some extra spending money.

People active in direct selling



80% of people active in direct selling are part-timers

Seldia sponsors the Women Entrepreneurship Platform



Ethics in Direct Selling

Seldia attaches great importance to ensuring the highest ethical standards for the direct selling sector in Europe. In this regard, Seldia adopted its first European Codes of Conduct in 1995. The Codes are regularly updated to reflect evolution in the market place, such as the digital evolution, or changes in consumer habits. In April 2018, an updated version of the European Codes of Ethics was adopted to ensure that the relationships between companies, direct sellers and consumers are based on trust and fairness. Each of Seldia's 28 national direct selling associations is required to incorporate the substance of the provisions of these Codes into its national Ethics Codes. All Seldia member companies and any direct selling company which is a member of one of the Seldia's national direct selling associations are required to follow the Seldia Codes of Conduct.

The European Code Administrator: complying with the Alternative Dispute Resolution Directive

The European Code Administrator (ECA) is a body that handles complaints between consumers and direct selling companies, after all other remedies have failed. The ECA includes a committee of four members: three representatives of the direct selling sector and a qualified independent person acting as Chairperson of that committee.

For more information please visit: www.fairselling.eu



The Code is a result of the direct selling industry's continuous commitment to set and maintain high ethical standards and fair consumer practices across 28 EU Member States

Direct Selling Outlook

While direct selling is, like all retail, impacted by the current macro-socio economic downturn, the 2017 sales results show that the industry's retail model is still strong and that direct selling is in a good position to grow its business further in the coming years. European retail sales in direct selling have shown a constant growth over the last years and in 2017 direct selling sales grew by 3% in Europe and in the European Union by 2.4%.

Direct selling growth in 2017



Europe

3,5%

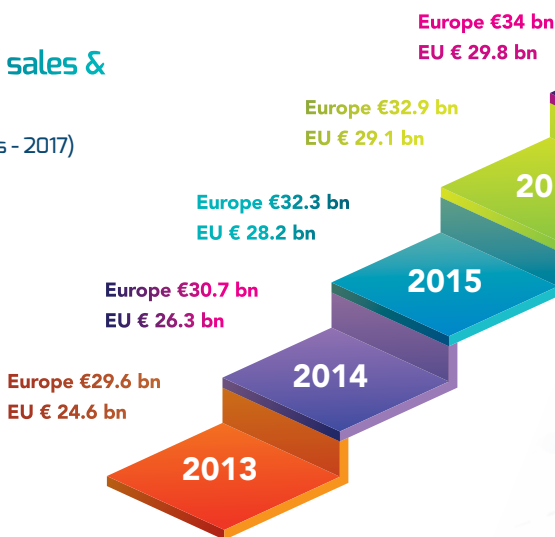


EU

2,4%

European retail sales & increases

2013-2017 (EUR Billions - 2017)



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Sales in 2017



Europe (incl. EU)
34 billion €

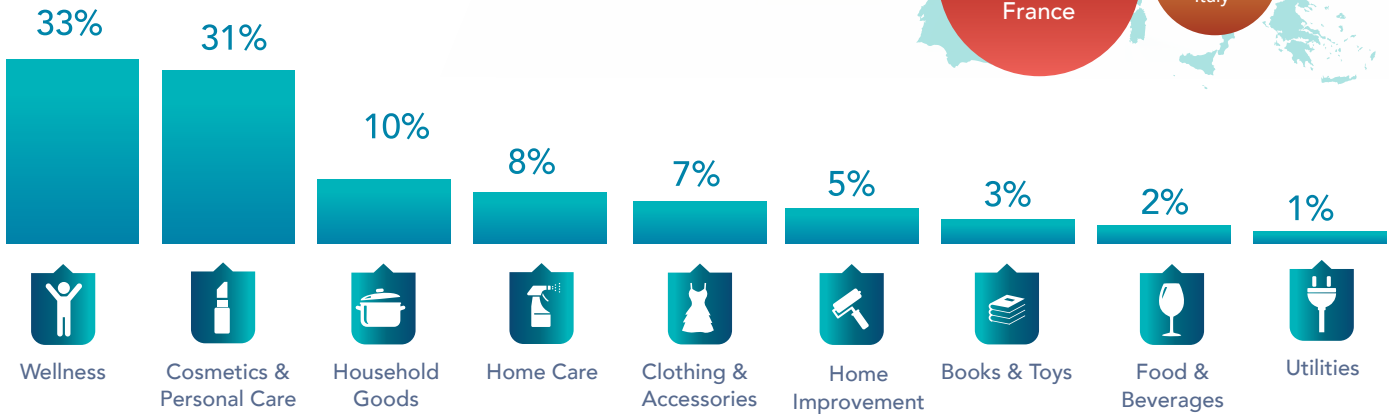


EU
29.8 billion €

Which products are sold via direct selling?

Direct selling is suited to the sale and distribution of almost every category of consumer goods that can be found in traditional retail locations and department stores. Wellness products remain the top category sold in direct selling with 33% of market shares, while cosmetics and personal care products progress with 31% of market shares. Other product ranges enjoy a stable growth, showing that direct selling is perfectly placed to respond to the increasing demand to provide more consumer-oriented products and services.

Breakdown of sales per product categories



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Top 5 markets in EU



About Seldia

Seldia, the European Direct Selling Association, was established in 1968 and represents the Direct Selling industry in Europe. Seldia's mission is to represent and promote, at European level, the interests of national Direct Selling Associations and of their members engaged in direct selling, and to ensure that the EU and national policy makers in Europe are aware of the industry's benefits and advantages, as well as its contribution to national economies. Seldia membership includes 28 national Direct Selling Associations and 19 Corporate Member companies. Seldia is a member of EuroCommerce, the European Services Forum and the World Federation of Direct Selling Associations (WFDSA).

Seldia is member of



19
Corporate
Members

28
National
Direct Selling
Associations

seldia The European
Direct Selling Association

Seldia, the European Direct Selling Association aisbl
Avenue de Tervueren 14
1040 Brussels, Belgium

tel: +32 (0)2 736 10 14
fax: +32 (0)2 736 34 97
EU Transparency register: 1710335466-15.

seldia@seldia.eu
www.seldia.eu