

DIRECT SELLING UPDATES BY IDSA

NOVEMBER 2021

YOUTH PROMISE A BRIGHT FUTURE



Nageshwar Shukla



Afreen Memon



Puneet Kumar



Laldampuii



Subham Parashar



Chanakya Mucharla



Akshi Dutta



Shakti Singh Rathore

IN THIS ISSUE

Page 2 - Chairperson's address
Page 3 - Telangana's policy promise
Page 6 - Youth for change

Page 11 - France education
Page 13 - Eye on the globe
Page 14 - Gallery

Youth are driving change & change is driving India's youth



They are the hope for tomorrow. They symbolise the changes we are making. The same people are also going to be the consumers of tomorrow. So, it is crucial to understand how the youth of the country is shaping tomorrow.

Of the 7.4 million professionals engaged in the direct selling industry in the country, it is not surprising that the youth form a sizeable number. Global data suggests that the age bracket of 18-34 accounts for approximately 42 to 45 percent of the direct selling workforce. India scores well on that count against the global data, and the same age group accounts for about 50 percent of the workforce.

It is as clear as daylight that the youth change our industry and take our message to the masses. When over seven million people work in unison for the consumers' good, it is a voice that everyone must hear. Everyone can feel that.

The youth are also being influenced by the industry, allowing them to pursue their dreams. Young professionals from different towns and

cities in the country- places we may not be able to place on the map- are now driving the industry. After some of the professionals we spoke to for the special report, it is clear that only the country's youth could have made it possible. The report suggests that it is a phenomenon driving our entire industry.

When you read through the success stories of these youth, it reinforces the old belief that success can be delayed but has to follow hard work. The silent change, particularly pronounced in the last few years, has another element: the women are equal partners as the youth march ahead.

As the country slowly gets back to normal, with many workplaces considering various forms of running their offices, it points to a brighter future ahead for all of us. We hope that the industry's recent efforts to launch a course for professional development with Shoolini University will add to the opportunities. We do believe, 'when you know better, you do better.'

The first batch at Shoolini University has begun its year-long learning process. So, we reached out to the French DSA to ask about some of the best practices for direct selling professionals as the country goes about its course. Ten years after the curriculum began, it has turned online, and the offering for learning is expanding.

As an industry, we want more youth to join us and lay the foundation of a successful career. The enabling environment from the government is critical for that. Telangana's enabling environment for the industry set the benchmark, and we are thankful to the government for extending the helping hand. It is now the industry's turn to drive growth.

During our festive times, as you all lit the diyas, we wish you all success during the coming months. The winter chill has set in across large parts of India. Let's keep the industry warm and commit ourselves again to the welfare of all our stakeholders.

Telangana giving multi-pronged policy push for direct selling industry

As microentrepreneurs expand their role in the economy, several states are looking to work closely with direct selling companies. Skilling has turned out to be an important policy measure that could help growth of the industry. We reached out to senior IAS officer Jayesh Ranjan, Principal Secretary, Telangana Government about some of the industry-friendly measures.



Q: Telangana was among the first few states to notify the direct selling guidelines. The next desired step would be facilitating a registration mechanism for direct selling entities. When can the industry expect the registration process getting started?

The Department of Consumer Affairs, Govt. of India, has published draft Direct Selling Rules 2021 in June this year for comments and suggestions. These rules will be mandatory for all. Registration of direct selling companies will start soon by the centre and will be looked after by Department for Promotion of Industry and Internal Trade (DPIIT).

Q: What key industry friendly initiatives are being undertaken by the state government to attract investment in the state?

The State Government has taken several steps to attract investments into the state.

- Ease of registration of industrial projects by fast approvals through the online single window self-certification system of TS-iPASS
- Sectoral industrial parks along with infrastructure developed by Telangana State Industrial Infrastructure Corporation (TSIIC) and department support for identification of appropriate land parcels for industrial projects
- Easy availability of skilled manpower through Telangana Academy of Skill and Knowledge (TASK). This unique government initiative trains and provides manpower as per the requirement of industries at its own cost
- State industrial policy provides several subsidies and incentives to entrepreneurs such as, investment subsidy, interest subsidy, power tariff reimbursement, stamp duty reimbursement, seed capital assistance etc.
- Invest `Telangana cell for guidance and handholding support to investors from project conception to establishment by department officials and sector experts

“Mega project with minimum investment of Rs. 200 crores or providing employment over 1000 persons to be considered for tailored benefits”



Jayesh Ranjan, Govt. of Telangana

Q: What role can be played by industry bodies like IDSA in complementing the efforts of the state government?

Industry bodies such as IDSA are important communication channels between government and industry players. They play a pivotal role in bringing the issues faced by industries to the notice of the government for support or resolution. IDSA has also been publishing annual industry overview reports which are very helpful for policy-makers in understanding the potential of direct selling businesses and the support which may be required to fast-track that growth. I would request IDSA to continue the good work and also take lead in organizing awareness programs such as ‘Jaago Grahak Jaago’ to increase consumer awareness about direct selling and highlight the best practices and good examples of direct sellers who are contributing to industrial growth of State by setting up their manufacturing units and providing local employment.

Q: Direct Selling industry is looking at Telangana as a preferred destination not only for generating sales but also for establishing production facilities for manufacturing high quality goods. What support can the industry expect from the government?

The direct sellers looking to set up their units in Telangana will be treated at par with other industries

and will be extended the same benefits as mentioned above. Any mega project which is set up with a minimum investment of Rs. 200 Crores and above or which provides employment to more than 1000 persons will be considered for tailored benefits.

Q: Consumer Protection has always been the most important aspect of all policy frameworks. What steps are being taken by the state government to ensure that the rights of the consumers are protected?

The Department of Consumer Affairs, Food and Civil Supplies, Government of Telangana is playing a vital role in protecting the consumer rights in the state. Measures have been taken to strengthen the consumer redressal mechanism, encouraging the participation of consumer

“Direct sellers looking to set up their units in Telangana will be treated at par with other industries and extended the same benefits”

voluntary organizations in strengthening the consumer movement in Telangana. The department is implementing various schemes on consumer affairs to educate and enlighten the consumers about their rights and responsibilities, restrictive and unfair trade practices in purchasing goods or availing services. The department also ensures speedy and inexpensive redressal of consumer grievances through consumer disputes redressal agencies.

Q: What role microentrepreneurs (like direct sellers) can play in the overall socio-economic development of the state?

Direct selling industry serves as not just an alternative avenue of employment but also a training ground for the underserved sections of society, especially women and the unskilled workforce, who take up Direct selling as a secondary occupation to supplement incomes. It helps channelize the skills of young people in productive work and creates enormous opportunity for them. Direct selling companies train their sales representatives in micro-enterprise, salesmanship and soft skills which helps bring up their self-esteem. Through the reward culture adopted by Direct selling Companies, the motivation level of the Direct Sellers is increased and helps them emerge as confident individuals in society.

Q: What are some of the key steps taken by the government to support the direct selling industry?

Telangana was the third state after Chhattisgarh and Sikkim to adopt the Centre's Model Guidelines for direct selling industry. The 'Telangana Direct Selling Guidelines Order 2017,' was notified by the Consumer Affairs, Food & Civil Supplies Department in December 2017 and provided momentum to the industry thereby resulting in robust performance. Telangana government has always helped the industry by resolving issues and pain points whenever required and is ready to extend all support to direct selling industry to set up manufacturing in the State

Q: Any message for the consumers and the direct selling universe?

It is important that consumers become aware of their rights and be vigilant while purchasing goods or services. They should ensure purchased goods have the required quality certification marks such as ISI, CRS, Hallmark etc. Adequate precautions should be taken to ensure cyber security during online transactions. In case of an untoward incident, consumers can also use the National Consumer Helpline (NCH) for redressal of grievances. Direct sellers should ensure that they operate in a fair manner and follow all government requirements of registration processes, quality certifications etc. India is still nascent in the direct selling industry when compared to global market leaders such as USA, China, Germany, Korea, Japan and others. However, it is one of the fastest growing markets with 28% growth rate in 2020. Direct selling is an important industry also because it provides self-employment and start-up opportunities for many people. We must therefore tap the full potential of this industry by providing adequate regulatory and technology support. Telangana government is dedicated to creating a conducive business environment for the Direct Selling industry and for helping it become a growth engine for the State and the country.



“Telangana government providing manpower as per the requirement of industries at its own cost”

Youth Scripting Their Own, and the **Industry's** Future



Puneet Kumar, with his team members

For nearly all the 7.4 million professionals working in the direct selling industry in India, the village Serkhan may never ring a bell. Many of them, if not all, may not be aware that it is in the state of Mizoram. Serkhan is located in the Kolasib district, less than 30 kilometres from capital Aizawl. According to the 2011 census, 167 families are residing in a pristine village that has 802 people in one corner of India.

This unknown about the village Serkan and one of its residents, Laldampuii, is one of the factors driving the future of direct selling in India. Hailing from this village, Laldampuii has worked hard tirelessly to build a beauty and personal care business for Jeunesse Global India.

“I have visited four countries so far as part of my work,” she said in Mizo in a phone conversation, translated in English by her cousin brother. Laldampuii sounded confident that she would do far better in the coming few years.



Akshi Dutta with her husband, Digvijay

The challenge for Laldampuii has been to drive the demand and use for personal care and beauty products in her state of Mizoram.

When she realised that it was an opportunity worth pursuing, she moved to the state capital Aizawl to pursue her dream.

That was the least among the concerns for Akshi Dutta, yet to turn 30. She has now turned out to be a star performer for Modicare. Along with her husband, as she motivates her team members to push the company's product range to different markets and communities, she has become a role model of sorts for people across ages. With hundreds of active members in her team, there is enough confidence to grow the business and, with her husband as her partner, the couple is going full steam ahead to realise their dreams.

The success of Akshi Dutta and Laldampuii could be an inspiration for millions of others who could share their dreams. The opportunity to build a future for themselves is now in their own hands. Akshi has grown the business in New Delhi, one of the prime markets for products like personal care, nutrition, and wellness sold by direct selling professionals. Laldampuii's success, in comparison, has been achieved in the far eastern part of the country, which may be off the radar. That explains the opportunity for the committed professionals to drive the products to the consumers in every part of the country.

The success achieved by women and men from middle-class families and humble backgrounds makes the story compelling. These youngsters are now leading and inspiring others in their local and extended communities to learn and grow their businesses. This virtuous cycle of growth has taken the count of professionals to over seven million at the end of the financial year in March 2021.

Behavioural change

Like everyone, Delhi-based Puneet Kumar of PM International also had to brave the odds as the pandemic hit the country and a lockdown took over. But his health & nutrition and beauty products business expanded like never before. As



Laldampuii

he worked hard to grow his business over the last six years, he had never imagined that he could get an intense burst of growth despite the pandemic causing hardship all around.

"I purchased a dream car for myself in February-March 2021. That happened at a time when the general public was cautious about buying while I went ahead and confidently made the purchase," Kumar said.

Before the pandemic, people used to take the direct selling industry as just another option for a profession. But as the income and professional work continued during this challenging period, the perception about the industry did undergo a permanent change. With an increased focus across states, the changes happening are pointing to a promising opportunity in the future.



Puneet Kumar

The post-pandemic world has seen a significant shift in the way people perceive of the opportunity. People are far more receptive than they have been in the past. People are more aware than they were in the past, and the experience of several frontline sellers suggests that they need lesser convincing than in the past. Often, it may require an online meeting that could convince new people to join the business.

The change in the mindset among people is also why this is an opportunity for the youth. Since there are multiple opportunities among people who can work conveniently from a place they want, it suits the youngsters and their thinking. People can be innovative and drive the lifestyle that they want.

“If the power of the network can combine with smart social media presence, it could multiply the opportunities, something that the country’s youth can leverage,” Kumar of PM International says, suggesting the unfolding opportunity.

With the post-pandemic world driven by technology, the relationship-driven business has multiplied, thanks to the professionals using the power of technology to reach out to people. A little shy of two years since the pandemic hit India and the global economy, it is now a significant opportunity to grow the business rapidly.

The change in the mindset among people is also why this is an opportunity for the youth. Since there are multiple opportunities among people who can work conveniently from a place they want, it suits the youngsters and their way of thinking. People can be innovative and drive the lifestyle that they want to enjoy for tomorrow.

“If the power of the network can combine with smart social media presence, it could multiply the opportunities, something that the country’s youth can leverage,” Kumar of PM International says, suggesting the unfolding opportunity.

Key skills for success

Like many other people across ages considering making a career in direct selling, several youngsters initially hesitated to engage in the work. The industry has had a challenge of perception, resulting from general chatter among friends and family. Some may be ready to accept casual conversation as the truth. The young minds of the industry we talked to decided to challenge the status quo to build a new future.

“I had come to the industry as a Plan B. But today, this industry is my Plan A, Plan B, Plan C, and more,” Puneet Kumar of PM International says. Having spent six years of working relentlessly in the industry, he had never imagined that it could change his fortunes and future.

“It took me a little while to understand the power of the industry. Once I understood it, there was no looking back,” Dutta of Modicare says. At her age, for the adulation that she gets when she speaks to people, it has to be seen to be believed.

The story of Nageshwar Shukla is somewhat similar and no less a fairy tale. He used to give training in the companies in the industry for a few

“I had come to the industry as a Plan B. But today, this industry is my Plan A, Plan B, Plan C, and more” Puneet Kumar, PM International”



"The youth must believe that they cannot get a better platform than the direct selling industry" Nageshwar Shukla, Enagic India

years and registered as a direct seller only three years ago. When he saw the results of the product sold by Enagic India, it did not require anyone to convince him that he should try and join the team. He bought one of the products, and that is what changed the perception for him, forever.

As he earned his certification from IIIT, Hyderabad, and was among the top students, he wanted to do a business and not try and get a job in the future. He had over 180 instances of various speech competitions and was on course to make it to the industry. Getting mentioned in the media because of his achievements was something he had experienced several times before.

For the first three months, he continued with training people at Enagic. Once he bought the product, he decided to sell the product. In one financial year, he has led a team that has sold nearly 10,000 machines for the company, which changed his fortune. He has never looked back.

"The youth must believe that they cannot get a better platform than the direct selling industry. The industry needs you to deal with people very well so that you can succeed. Communication and patience are essential for the youth to do well in this industry," Shukla says, about the opportunity.

Across all the youth, there has been one consistent trait – they have not shied away from hard work. The passion for being a professional, committed to the benefit of the consumer, drives

them. These youth have demonstrated hard work and other skills necessary to move up the ladder at various stages. Women have had to give up their careers and have joined the direct selling industry in large numbers. The flexibility that a professional has in the industry makes it a compelling option.

Breaking the barriers

Several youngsters have decided to achieve things independently, occasionally going against the family's expectations.

The case of Afreen Memon from Mumbai is one of that kind. She did not think of the industry as more than just a job when she registered as a direct seller in 2014. Coming from a middle-class family, she had nursed many dreams and looked at opportunities to turn them into reality. When she researched the industry and spoke to some people, it convinced her about the opportunity.



That took about two years, but it was well worth the wait. Afreen's family wanted her not to travel to different places, but she stuck to her guns. Seeing her success, the family has also given in.

Chanakya Mucharla, now working with 4Life Trading India, decided that charting his course was the way to go ahead. He was pursuing an MBA degree so that he could build his skills for the future, to have a new life.

“I decided that I will not join the family business, and I have achieved my milestone by following some simple steps by mentors,” Mucharla said.



Chanakya Mucharla

For Shakti Singh Rathore, not getting a government job, as his family members wanted, was the reason to get into the industry. After he completed formal education, he wanted to join the government for his working life. It proved to be a wild goose chase. While he was considering various options, he attended a seminar that highlighted the opportunity for an individual to be a direct selling professional. It was a life-changing moment and, after the hard work he put in, Rathore has never looked back.

“Whatever I wanted in life, I could get. That seminar was the turning point for me, and it helped me make up my mind,” he said.



Shakti Singh Rathore



Shubham Parashar

Shubham Parashar has a team with nearly 150 young entrepreneurs assisting him in driving his business. After completing his engineering, he worked in Bengaluru. After a year of experience with an IT company, he was considering pursuing a post-graduate degree or working on technical up-gradation skills. Around the time and he met a successful Amway leader. That was his calling. As he learned more about the company, its rewards and recognition plan got him fired up. Four years later, at 28, he has an inspiring story.

“I control my paycheck, and I control how fast I grow; I have complete freedom to work on my terms, and needless to mention that we impact millions of lives directly,” Shubham said.

It has been quite a ride for these and thousands of other youngsters like them. Working their way from every nook of the country, the voice of these youngsters may not be loud enough. But the scale at which they are scripting the change has the potential to change India. According to the Indian Direct Selling Association (IDSA) data, the 18-34 age category accounts for 50 percent of the 7.4 million professionals engaged in the industry.

These are stories of the future. Change is happening as speak. It is time for the Indian youth to take charge to make the best of tomorrow.

In France, **online classroom** shows the way for tomorrow's industry professionals

India's first professional course in direct selling has taken off. Time now to make it among the world's best



Learning is critical for the growth of direct selling professionals. First, they need to know how to sell their idea as someone who is presenting before others. Once they have spent a few years, it is time to learn how to manage a team that can drive the business.

France's school for direct selling professionals, called Vente Directe Académie, started in 2010 and has now revamped itself, hoping to keep up with the market's needs. Its focus has been to train professionals looking for jobs in the direct selling industry, professionals working in the industry, ones who are retraining and meeting the needs of the specially-abled professionals.

Its five independent training courses are rigorous and involve 10-12 hours of intensive training for each. Those who have registered for the course can go through it at their own pace, and the classes are different for the direct selling advisors and team leaders. It also provides training for an administrator to manage the system. It functions as a distance

learning platform, allowing professionals from far and wide to complete the training schedule to suit their every day working convenience.

There are practical case studies at the end of each module, and students get assessed for various learnings at the institution. The two-stage evaluation process involves a sequential assessment carried out at the end of each module. It validates the main competencies of the Direct Selling Competency Framework, critical to establishing the fundamentals for the professionals of tomorrow.

This training, always carried out in e-learning format, is available everywhere and at any time and includes all the technical, legal, and commercial aspects of the direct selling profession.

During the current academic session, Shoolini University introduced the first curriculum for direct selling. The option to go through professional training to join the industry gets India ready to be at par with other leading markets in the world.



The French DSA is still looking to expand to new frontiers. "We have set up partnerships with several training organizations to deploy and offer this training to the largest number of people. We have also decided to open the platform to companies that are not members of the French DSA at different fees than for members," it said in a statement to IDSAs.

The French DSA is very active with the classes of Graduate Higher Technicians specialising in Negotiation and Digitisation of Customer Relations. These courses have about 40 hours of teaching in their training programme, on the animation of a Direct Sales network. The French Ministry of Labour recognises its qualifications.

After going through the entire course, each trainee gets a certificate confirming that he has completed all the training modules. This certificate entitles the professional to apply for the FVD professional certifications, opening new avenues.

Learning direct selling in India

India's first professional course in direct selling has found students who believe that they have a future with a bright promise. A small bunch of students is now training for their post-graduate programme in direct selling at the Shoolini University in Himachal Pradesh.

"We have outlined an entire course structure, and it is a six-month classroom course followed by a six-month internship," Dr. Kamal Kant Vashisth, who designed the path-breaking course for the university, had said.

The idea was to undergo academic training to excel when the professional becomes part of the workforce. To make the professional future ready, the best practices from the academic world has been woven into the course.

Eye on the globe

U.S. Direct Selling Expected to Grow 4-7% in 2021

U.S. Direct Selling Association (DSA), the national trade association for companies that offer entrepreneurial opportunities to individuals who sell products and services direct to customers, released the forecast from its 2021. The study predicts a growth of 4% to 7% to a range between \$41.7 billion and \$42.9 billion in U.S. direct selling retail sales. Both online and person-to-person selling has served the industry well last year. It has been helped by flexible work arrangements and the lure of supplemental income is expected to continue to attract people to the independent direct selling sales force. "This growth forecast for direct selling is consistent with DSA research year-to-date, public company reporting, member growth expectations, and broader retail and labour market macroeconomic indicators/forecasts," said Joseph N. Mariano, president of DSA.

Direct Selling Industry Shows Resilience in South Africa

Latest figures released by the Direct Selling Association (DSA) of South Africa reflect that the country's direct sellers, who are entrepreneurs in their own right. The figures were released by DSA Chairperson Rajesh Parshotam at the DSA's annual virtual convention. The total number of individual direct selling resellers was at 870 382, indicating direct selling is well established in the country. "It is very encouraging to see that women are finding direct selling to be an ideal platform to enter the world of entrepreneurship, due to many reasons including the flexibility it affords them. Women are without a doubt the industry drivers for direct selling as both consumers and entrepreneurs," Parshotam said. The DSA is an industry self-regulatory body that currently has 24 multinational and local member companies.

Global Responsibility Report released by Herbalife

Herbalife Nutrition released its inaugural 2020 Global Responsibility Report highlighting its dedication to socially responsible operating practices. The report highlights the company's dedication to enable progress and sustainable growth in communities worldwide and outlines the commitment to operate in a socially responsible manner. The company also announced a pledge to create 50 million positive impacts on the planet and people by 2030, which will mark the company's 50th anniversary. It is also setting its goals to drive environmental stewardship, and dedicated itself to working across its operations and supply chain to reduce and eliminate negative environmental impacts, among other steps.

IFC: Women Driving Direct Selling Businesses in Asia, Africa

According to the International Finance Corporation (IFC), women are starting businesses faster than men across the globe. For example, a 2021 DHL Global Index found that women in Uganda were most entrepreneurial globally. They were followed by their counterparts in Botswana and Ghana. Despite the progress registered by them over the years in starting a business, women face significant challenges including lack of capital, time and skills. Direct selling is a business that offers them the opportunity and it shows – 74.4% of the direct selling representatives are women. In the developing nations of Asia and Africa direct selling has proved to be a resilient model, accelerated by the spread of mobile and e-commerce. Women have found new ways to engage their networks and sell products.

Gallery



Leaders from around the world gathered in Glasgow, UK to talk of ways to have a sustainable future. While the Glasgow Summit was on, India also celebrated the festival of lights, Diwali. Here's wishing a brighter future ahead for everyone.

About IDSA

Incorporated in the year 1996, IDSA is an autonomous, self-regulatory body for the Direct Selling industry in India. The Association acts as an interface between the industry and policy-making bodies of the government facilitating the cause of the Direct Selling industry in India. IDSA strives to create and further an environment conducive to the growth of the Direct Selling industry in India, partnering industry and government alike through advisory and consultative activities.

IDSA MEMBERS



For more information,
please contact us:



INDIAN DIRECT SELLING ASSOCIATION

UB-28, Antriksh Bhawan
22 Kasturba Gandhi Marg
New Delhi - 110001
E-mail: info@idsa.co.in