

Indian Direct Selling Industry Overview



Industry Overview

The Indian economy was liberalized in 1991, creating an advantageous environment for International Direct Selling Companies to enter the Indian market.



Historical Transformational **Phases of Indian Direct Selling Industry**



1st Phase - Mid 1990's Global Direct Selling Companies enter India

2nd Phase - Late 1990's to Early 2000's Emergence of Indian Home Grown Direct Selling Companies

This phase saw home grown Direct Selling Entities starting their business operations

Industry Overview

The Direct Selling Industry trains over **5 million people** annually.

Equips them with

In field market knowledge



Good communication Skills



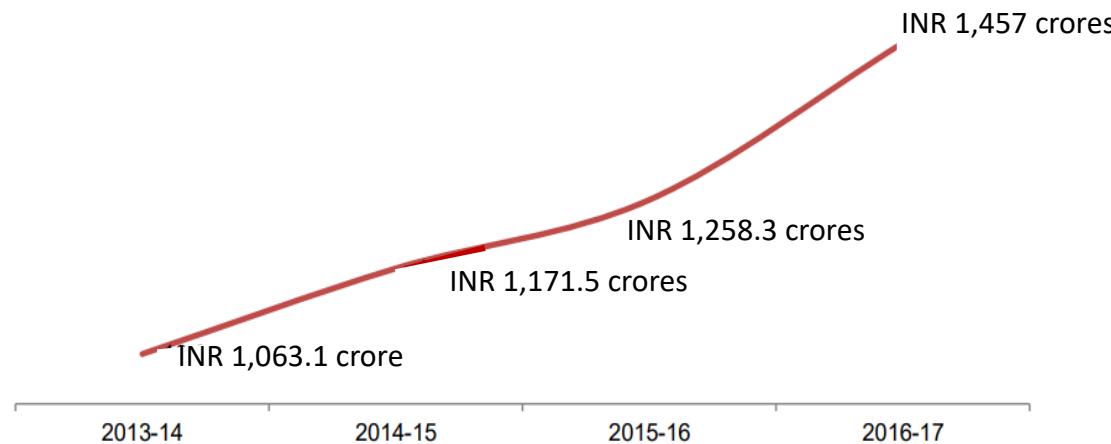
Boosts Confidence



The Indian Direct Selling Industry grew at a CAGR of 13% from 2017-18 to 2021-22

Direct Selling's Contribution to the Indian Economy

Contribution to exchequer



Start-Up India - The industry has given a boost to start-ups in logistics, manufacturing, procurement, branding and , human resource consultants

Make in India- About 70% of the products are manufactured and procured from domestic market promoting MSME

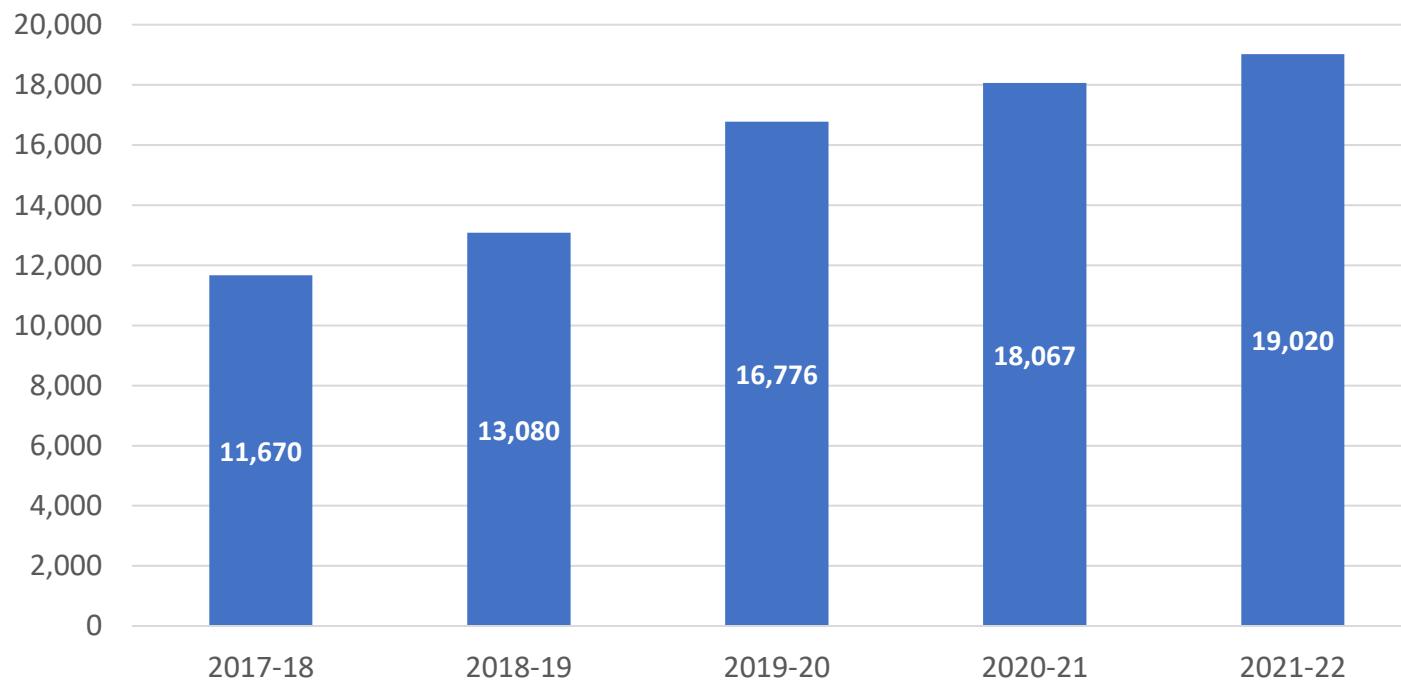
Financial Inclusion- The sales incentive payments between direct sellers and direct selling entities is completely transparent. As all are digital payments into the bank accounts of Direct Sellers.

Travel Industry

- Direct selling entities plan international trips to promote travel tourism.
- Direct sellers having a large network conduct back to back meetings which requires them to travel consistently.

Growth Curve: Indian Direct Selling Industry

DIRECT SELLING DEMOCRATIZES SELF-EMPLOYMENT

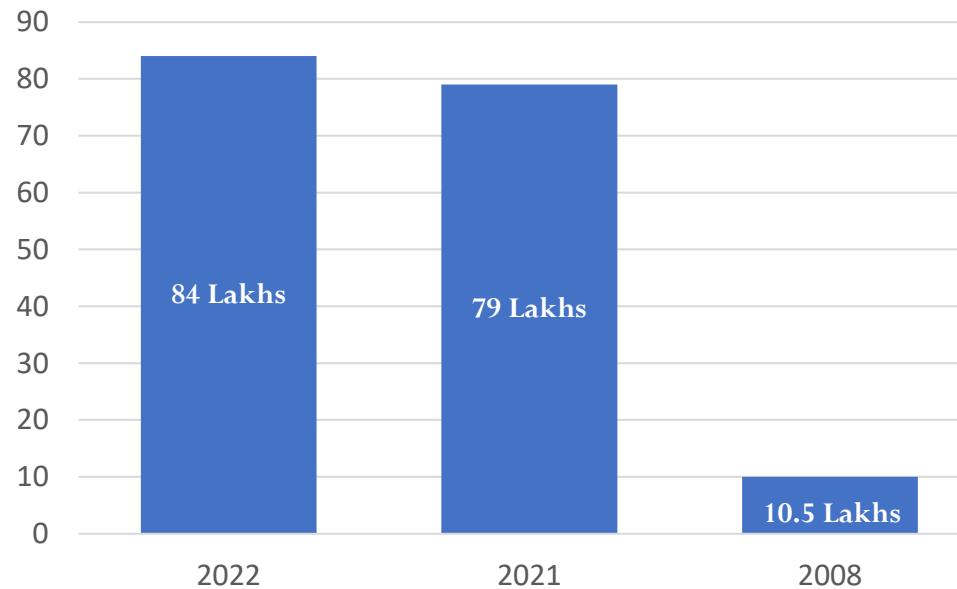


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Direct Selling Industry is expanding to rural India, providing self-employment entrepreneurial opportunities.

Growth Curve: Indian Direct Selling Industry

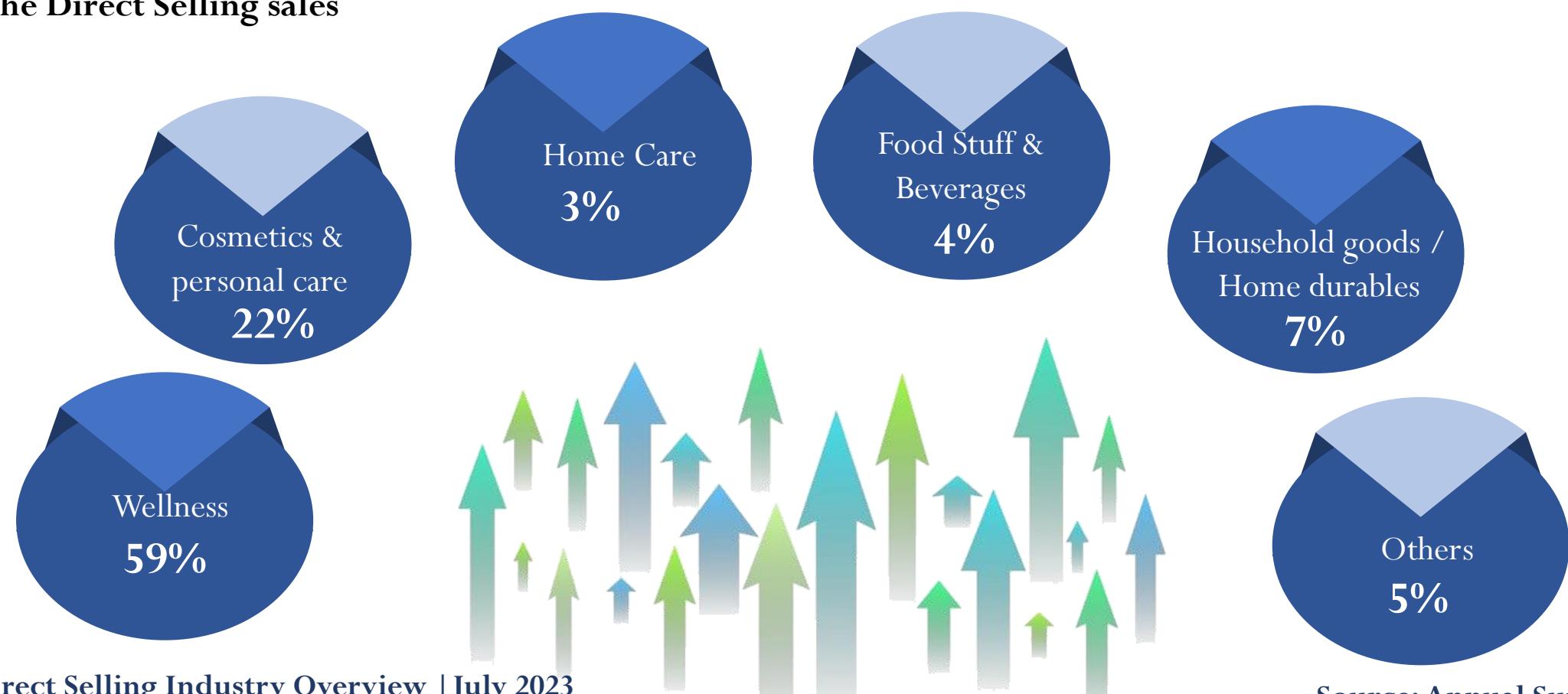
DIRECT SELLING DEMOCRATIZES SELF-EMPLOYMENT



Since 2008, the number of Direct Sellers associated with the Indian Direct Selling Industry has increased from 1.5 million in 2008 to 7.9 million in 2021

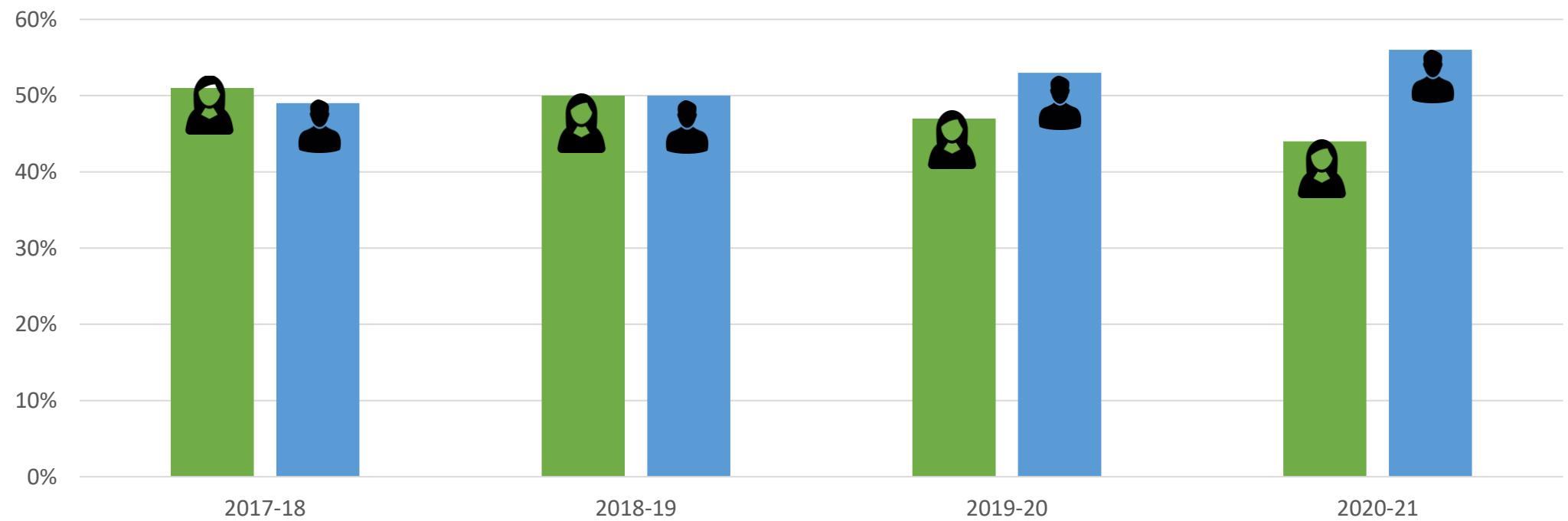
Indian Direct Selling Sales: Product Categories (2021-22)

Wellness contributed to more than half of the total Indian Direct Selling sales. This was followed by Cosmetics and Personal care which contributed to nearly one-fourth of the sales in 2021-22. The two categories combined contributed ~81% of the Direct Selling sales



Gender split of Active Direct Sellers in India

Males surpassed females in terms of the absolute number of Active Direct Sellers. Females who have dominated the Direct Selling industry in India over the years accounted for a 44% share of the total 84 lakhs Active Direct Sellers in India. There has been a noticeable increase in the number of men participating in Direct Selling over the last 4 years



Region- wise Contribution

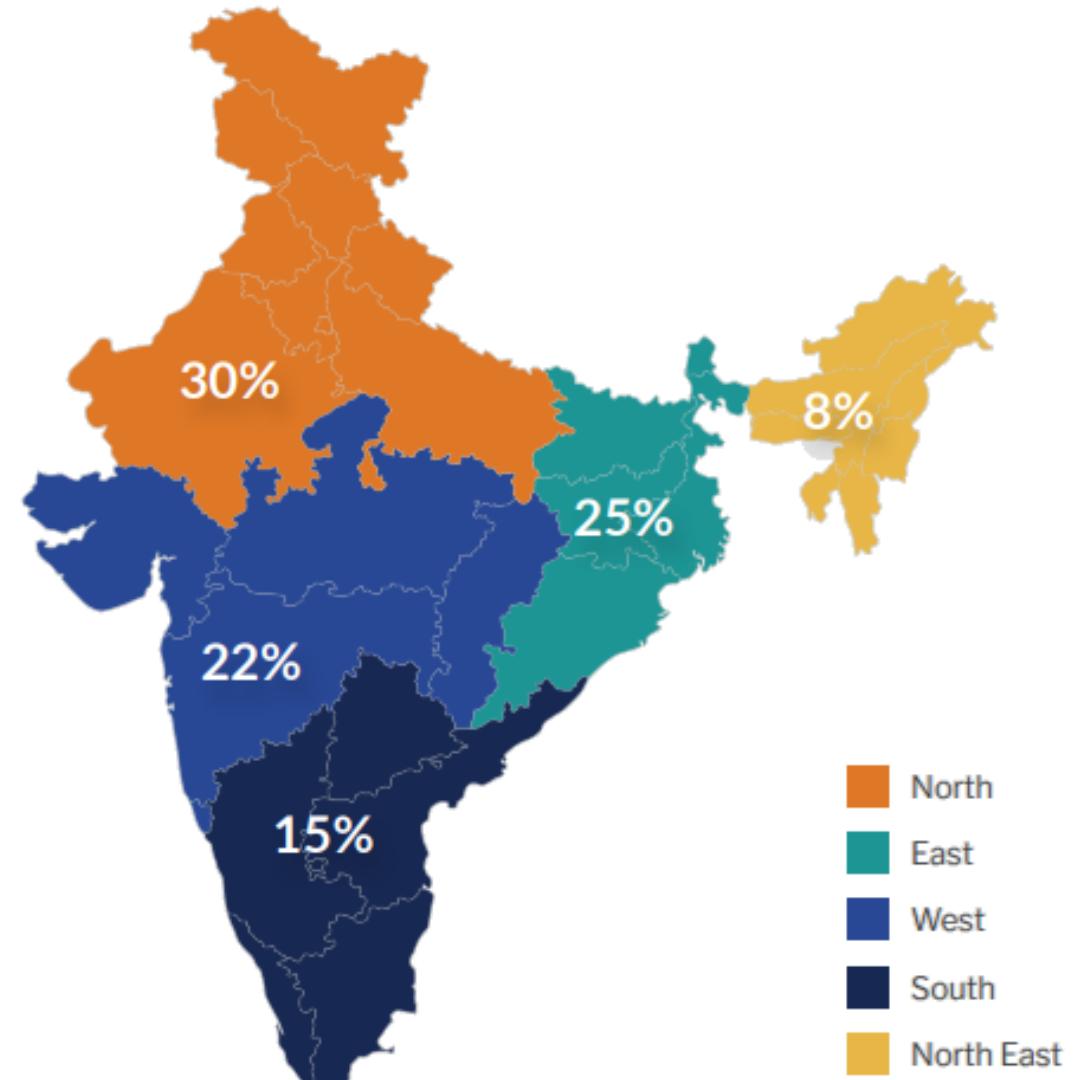
 The biggest contributor has been the northern region of the country has contributed 30%

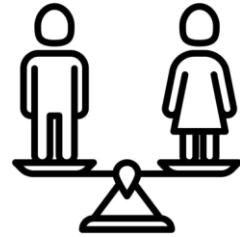
 The Eastern region was the second biggest contributor to the gross sales of Direct Selling products with a share of 25% in 2021-22.

 The Western region share of 22% of the Direct Selling market in 2021-22

 The Southern region share of 15% of the Direct Selling market in 2021-22

 The North- eastern region share of 22% of the Direct Selling market in 2021-22





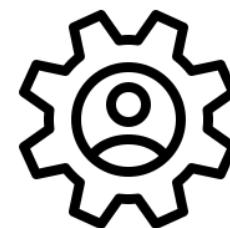
Direct Selling Industry provides equal opportunities to all



Personal growth is hard wired into the opportunity



Recruiting is essential for Successful Direct Selling



Self-Regulation is Important to the Future of the Direct Selling



Customers are at the heart of Direct Selling



Direct Sellers do not have to make Large Investments in Inventory

Socio Economic Impact

Indian Direct Selling Industry has developed a product offering tailored to Indian consumers' tastes and preferences.



WOMEN

- ❑ Women benefit from flexi timings in the direct selling industry, allowing them to balance & earn money for themselves & their families
- ❑ Gaining Confidence
- ❑ Personality Development



YOUTH

- ❑ Direct Selling is a viable business model to create 8 million jobs in India.
- ❑ Youth can gain self-employment skills through the Direct Selling Industry

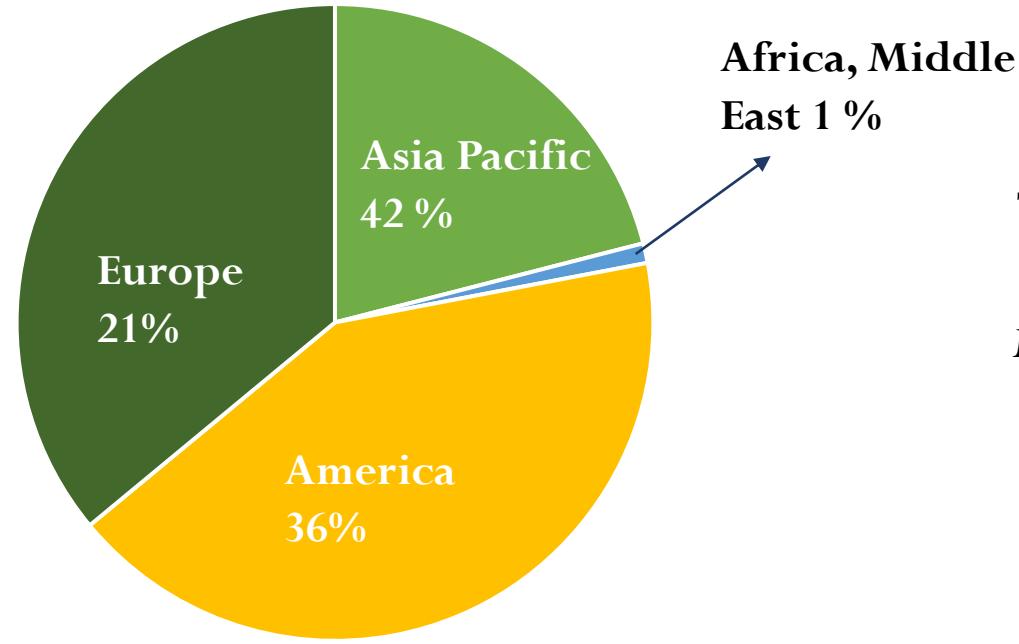


COMMUNITY

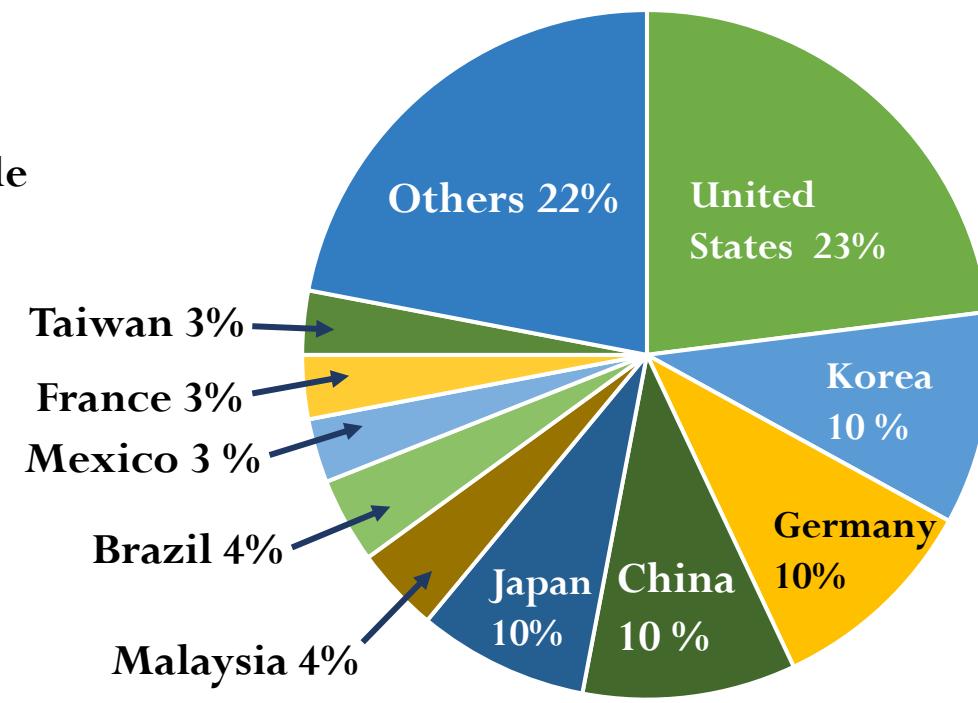
- ❑ Indian Direct Selling Companies have embraced Atmanirbhar Bharat Policy
- ❑ The Indian Direct Selling Industry has developed resilient business practices that can be adopted in other developing countries.

Global Direct Selling - 2021 Retail Sales

Top 10 Global Markets



■ Europe ■ Africa/ Middle East ■ Asia Pacific ■ America



■ United States ■ Korea ■ Germany ■ China
■ Japan ■ Malaysia ■ Brazil ■ Mexico
■ France ■ Taiwan ■ Others



Thank you for your time