

# COUNTRY RESIDENT OPINION RESEARCH REGARDING THE DIRECT SELLING

*ESTONIA*

customer



LIETUVOS TIESIOGINĖS PREKYBOS ASOCIACIJA  
LITHUANIAN DIRECT SELLING ASSOCIATION

contractor

spinter research

**ESOMAR**  
WORLD RESEARCH



July 2021

A hand holding a glowing lightbulb next to a magnifying glass on a chalkboard background. The magnifying glass is positioned over a faint, hand-drawn smiley face on the chalkboard. The lightbulb is illuminated, casting a soft glow. The overall scene is set against a dark, textured chalkboard background.

# METHODOLOGY

# RESEARCH METHODOLOGY

- TIMING. 2021 06 25 – 07 16.
- OBJECTIVE. Find out the country residents' opinion regarding the direct selling.
- TARGET GROUP. Residents of Estonia aged 18-75 y. o.
- SURVEY METHOD. CAWI interview, using a standardized questionnaire, which is agreed upon with the Customer. During CAWI, respondents are invited by email to fill an online questionnaire.
- SAMPLE SIZE. 1008 respondents in Estonia.
- LOCATION. Estonia.
- METHOD. Quota sampling was used in this research, by gender, age and location criteria. This sampling method ensures representative data: all TG representatives have equal possibilities to participate in the survey.
- DATA ANALYSIS. Data analysis was performed using SPSS/PC statistical program. Report presents general distribution (percentages) of the answers, and distribution by social-demographical characteristics (see Appendixes).

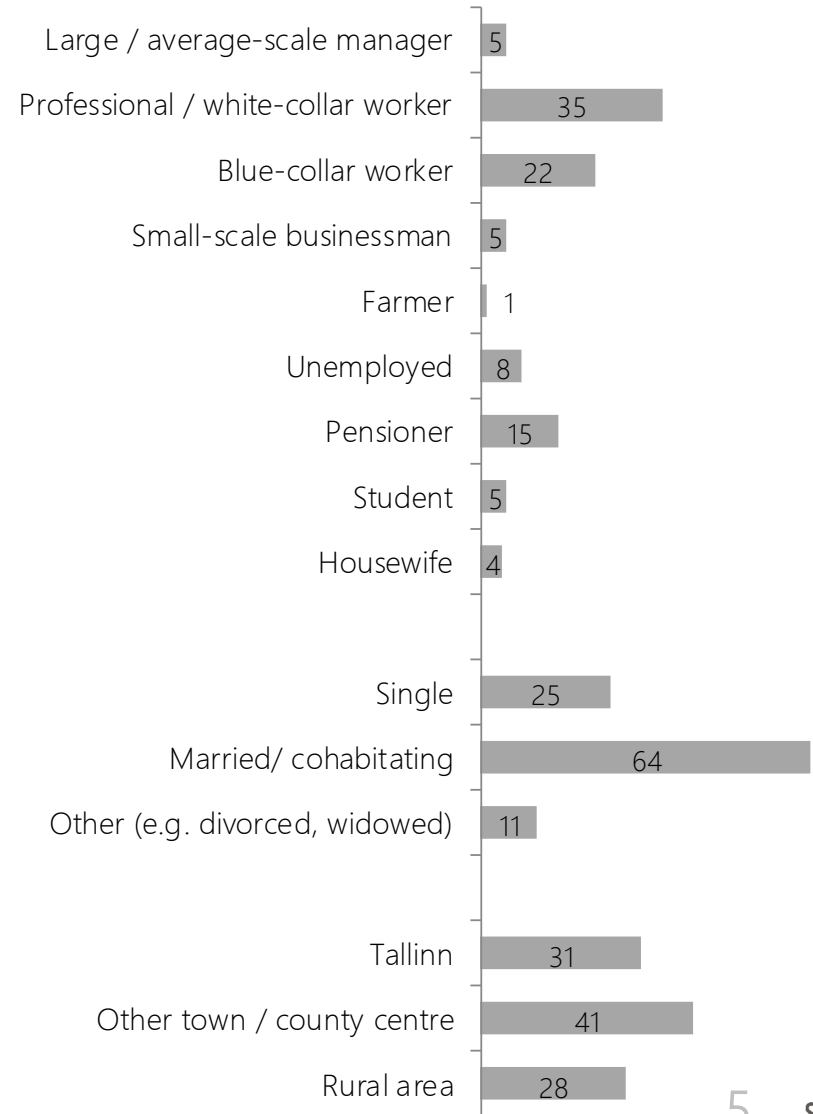
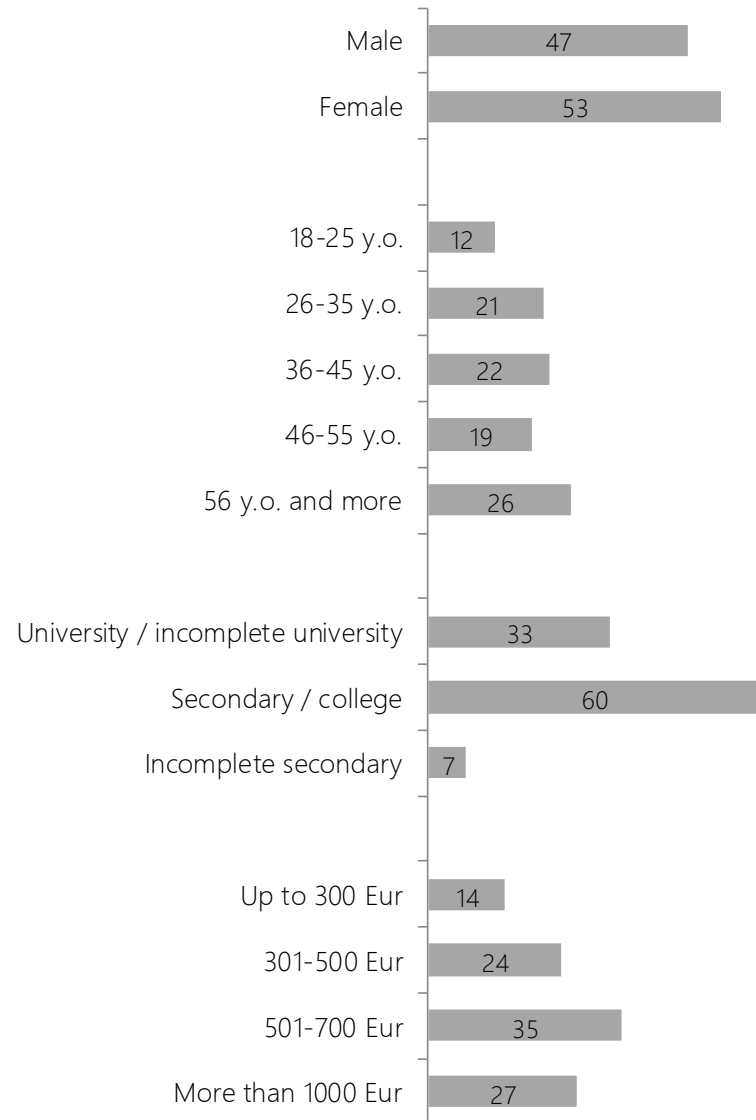
# STATISTICAL ERROR

It is impossible to entirely avoid the sampling error in any quantitative research that uses sampling; therefore, it is necessary to take it into consideration while interpreting the data. E.g., after surveying 1008 respondents, if we find out that 51,9 percent of respondents purchased a product through direct selling, there is 95 percent probability that the real value is between 48,8 percent and 55,0 percent.

The precision of the estimation is directly associated with the number of analyzed cases. The table below is helpful in estimating the statistical error.

N=	%=	3/97	5/95	10/90	15/85	20/80	25/75	30/70	40/60	50/50
10		10,6	13,5	18,6	22,1	24,8	26,8	28,4	30,4	31,0
30		6,1	7,8	10,7	12,8	14,3	15,5	16,4	17,5	17,9
50		4,7	6,0	8,3	9,9	11,1	12,0	12,7	13,6	13,9
75		3,9	4,9	6,8	8,1	9,1	9,8	10,4	11,1	11,3
100		3,3	4,3	5,9	7,0	7,8	8,5	9,0	9,6	9,8
150		2,7	3,5	4,8	5,7	6,4	6,9	7,3	7,8	8,0
200		2,4	3,0	4,2	4,9	5,5	6,0	6,4	6,8	6,9
300		1,9	2,5	3,4	4,0	4,5	4,9	5,2	5,5	5,7
400		1,7	2,1	2,9	3,5	3,9	4,2	4,5	4,8	4,9
500		1,5	1,9	2,6	3,1	3,5	3,8	4,0	4,3	4,4
600		1,4	1,7	2,4	2,9	3,2	3,5	3,7	3,9	4,0
700		1,3	1,6	2,2	2,6	3,0	3,2	3,4	3,6	3,7
800		1,2	1,5	2,1	2,5	2,8	3,0	3,2	3,4	3,5
1000		1,1	1,4	1,9	2,2	2,5	2,7	2,8	3,0	3,1
1500		0,9	1,1	1,5	1,8	2,1	2,2	2,4	2,5	2,6
2000		0,8	1,0	1,3	1,6	1,8	1,9	2,0	2,1	2,2
2500		0,7	0,9	1,2	1,4	1,6	1,7	1,8	1,9	2,0

# RESPONDENTS' SOCIO-DEMOGRAPHIC CHARACTERISTICS





# RESULTS



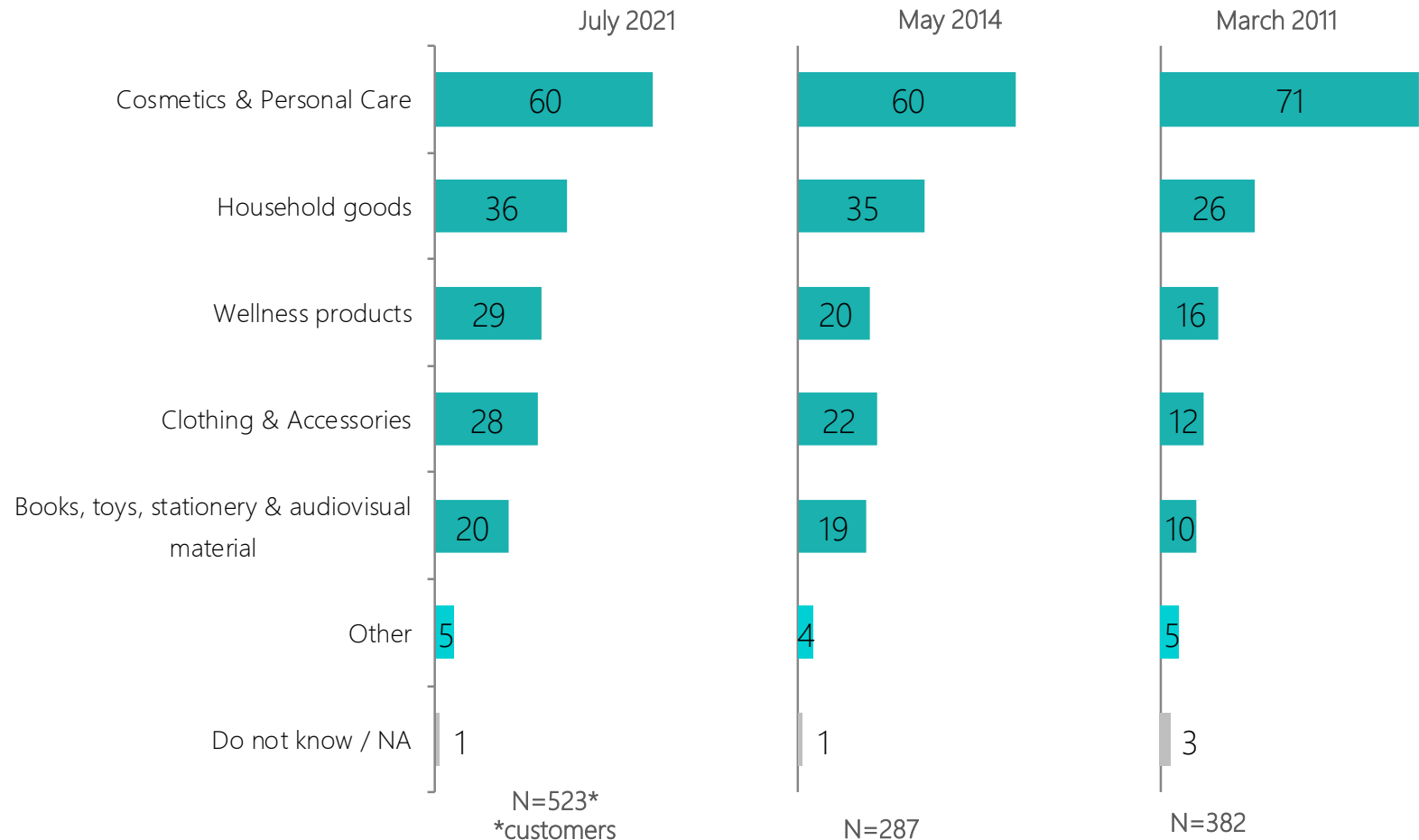
# EXPERIENCE WITH DIRECT SELLING (%)

Have you ever purchased a product through direct selling as a type of shopping - bought it from a representative / distributor of direct selling company?



# PURCHASED PRODUCT CATEGORY (%)

Which category of products have you purchased?



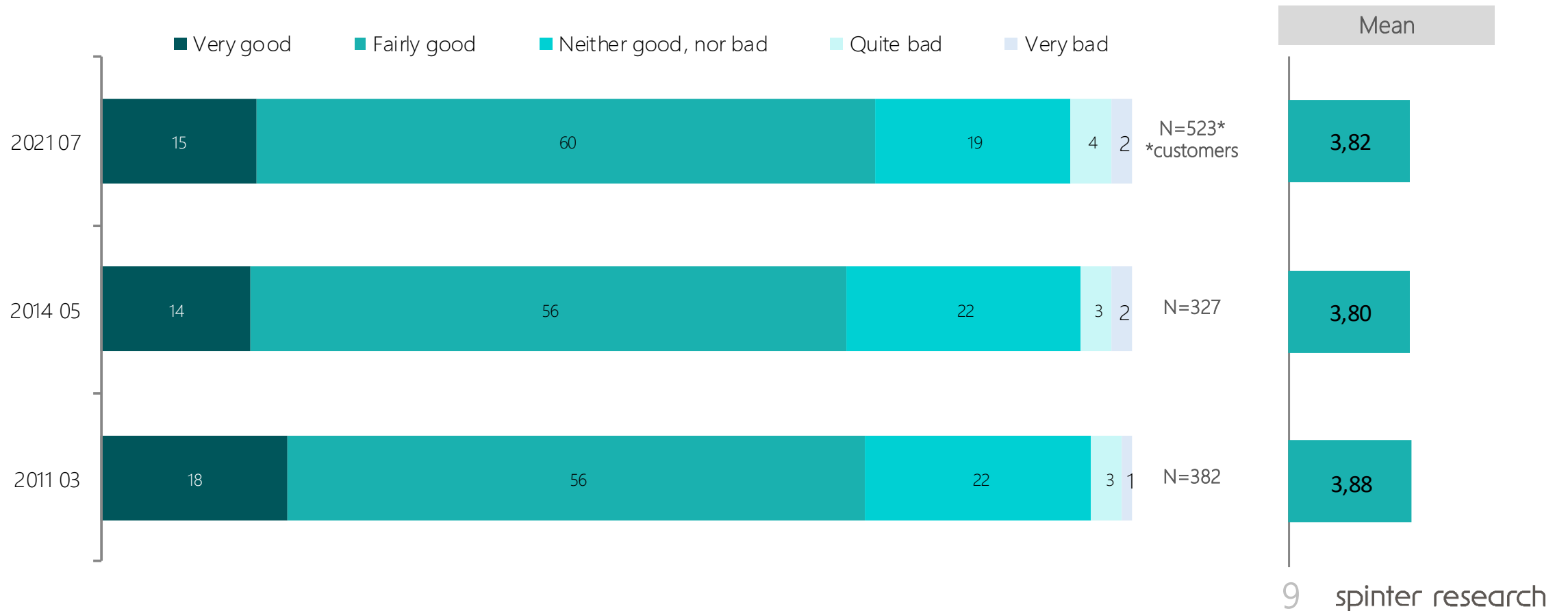
\*Multiple answer option; sum exceeds 100%

Cosmetics & personal care was more often mentioned by women and 501-700 EUR income group.



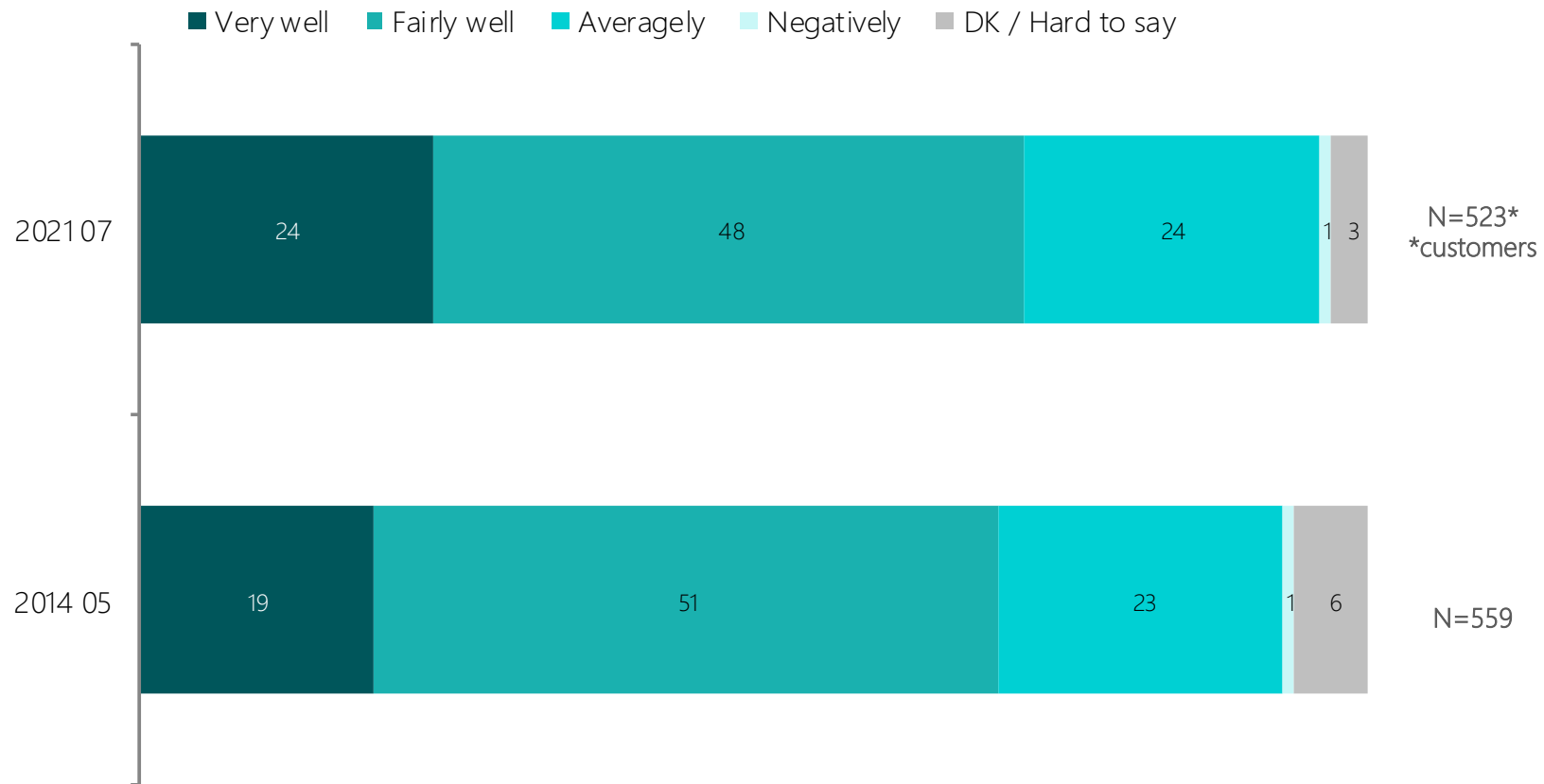
# OPINION ABOUT PURCHASED PRODUCTS (%)

*What is your opinion about purchased products?*



# EVALUATION OF DIRECT SELLING CONSULTANTS (%)

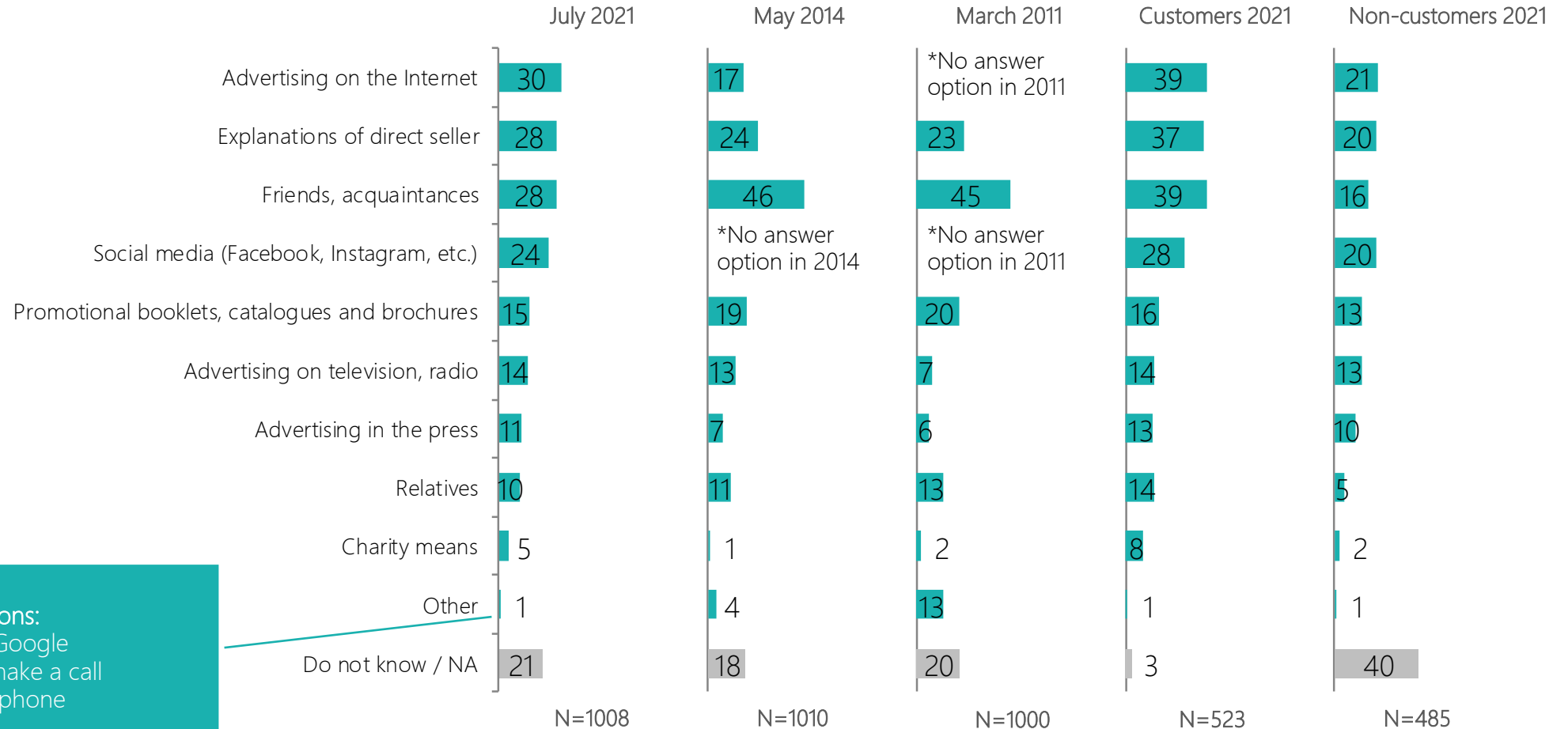
*How you would evaluate the level of professionalism of the distributor / consultant with whom you deal?*



# INFORMATION CHANNELS (%)

Advertising on the internet was more often mentioned by women and customers.

How, from what sources do you get information about direct selling companies and their products?



Mentions:

- I use Google
- I would make a call
- On a phone

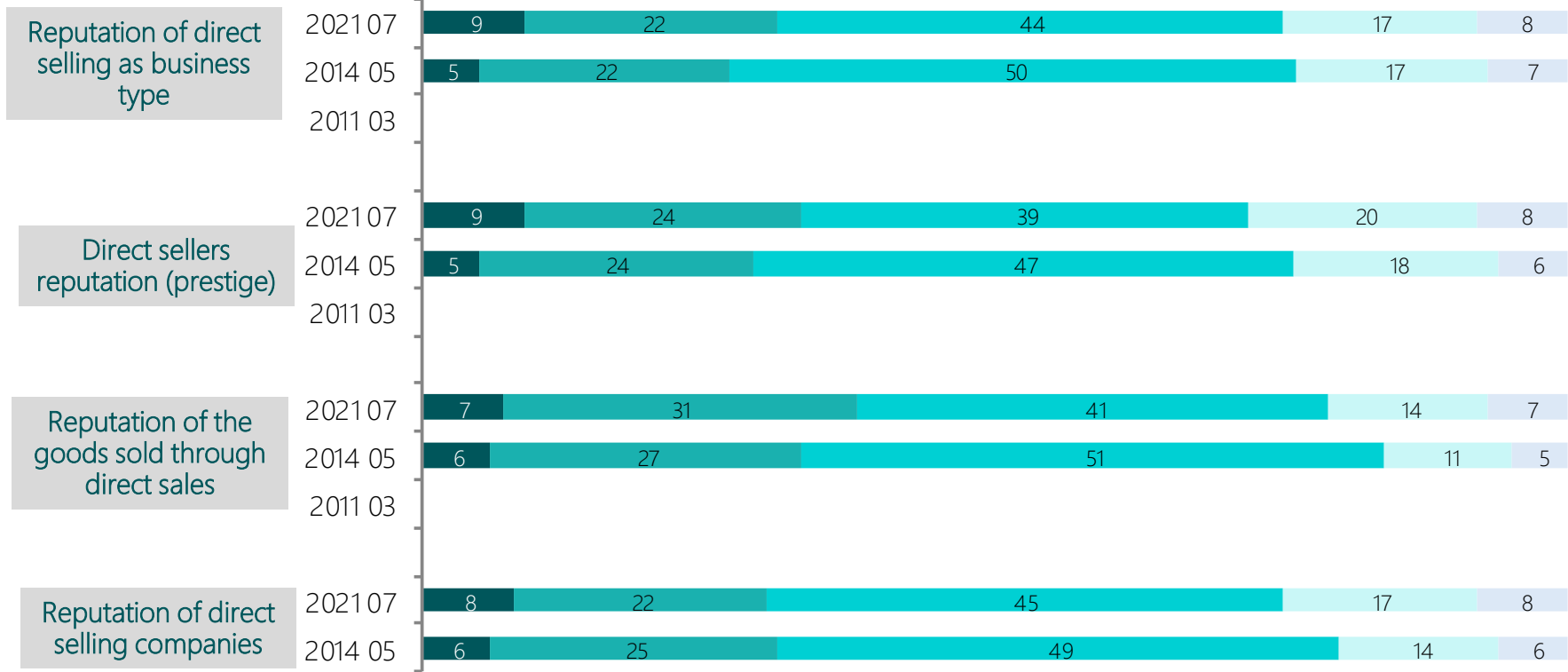
\*Multiple answer option; sum exceeds 100%

# ATTITUDE TOWARDS DIRECT SELLING (%)

What is your general attitude towards direct selling (off-premise trade)?

N(July, 2021)=1008, N(May, 2014)=1010, N(March, 2011)=1000

5 - very good    4 - fairly good    3 - neither good, nor bad    2 - quite bad    1 - very bad



Mean		
Total	Customers	Non-customers
3,06	3,42	2,63
3,01	3,31	2,75
3,38		
3,05	3,44	2,58
3,02	3,32	2,77
3,28		
3,17	3,55	2,71
3,19	3,52	2,89
3,19		
3,04	3,41	2,61
3,11	3,45	2,81

# ATTITUDE TOWARDS DIRECT SELLING (%) (mean distribution by age group)

*What is your general attitude towards direct selling (off-premise trade)?*

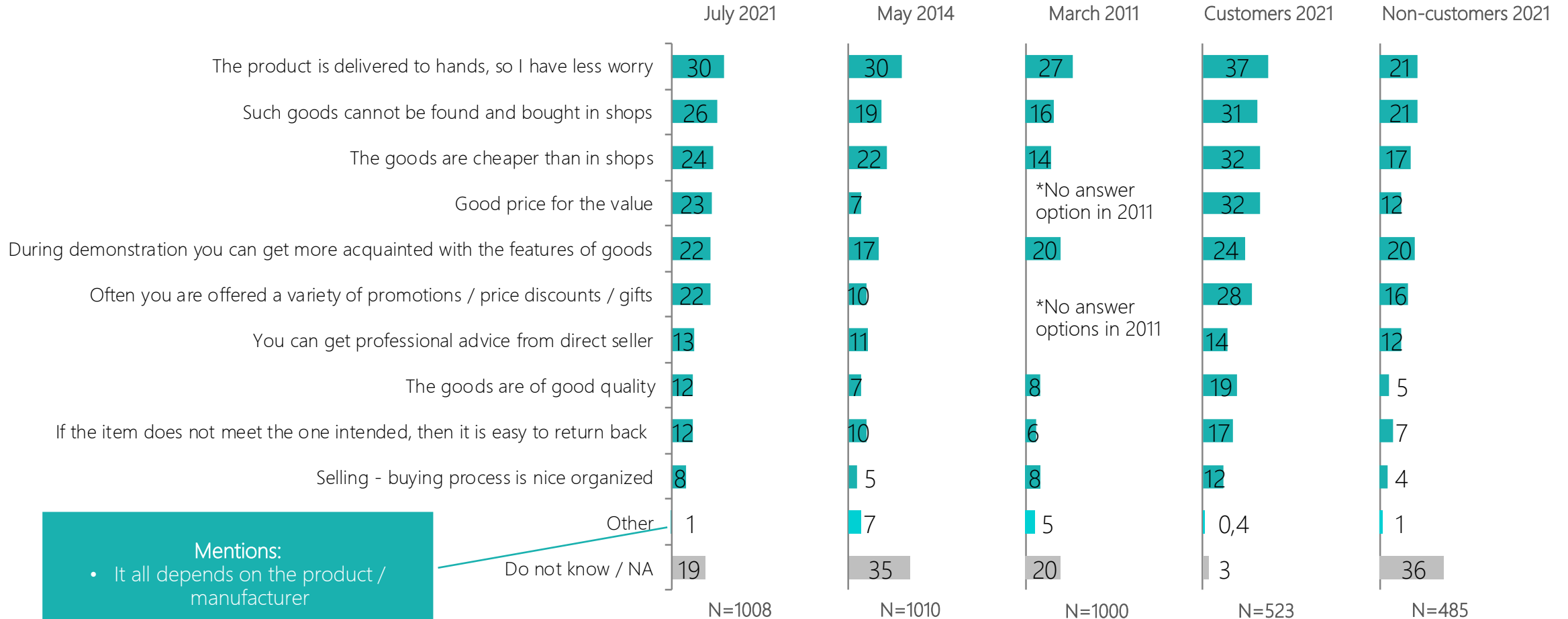
N=1008



# ADVANTAGES OF DIRECT SELLING (%)

Customers more often think that the best advantage of direct selling is that the product is delivered to hands.

What do you think are the advantages of direct selling?



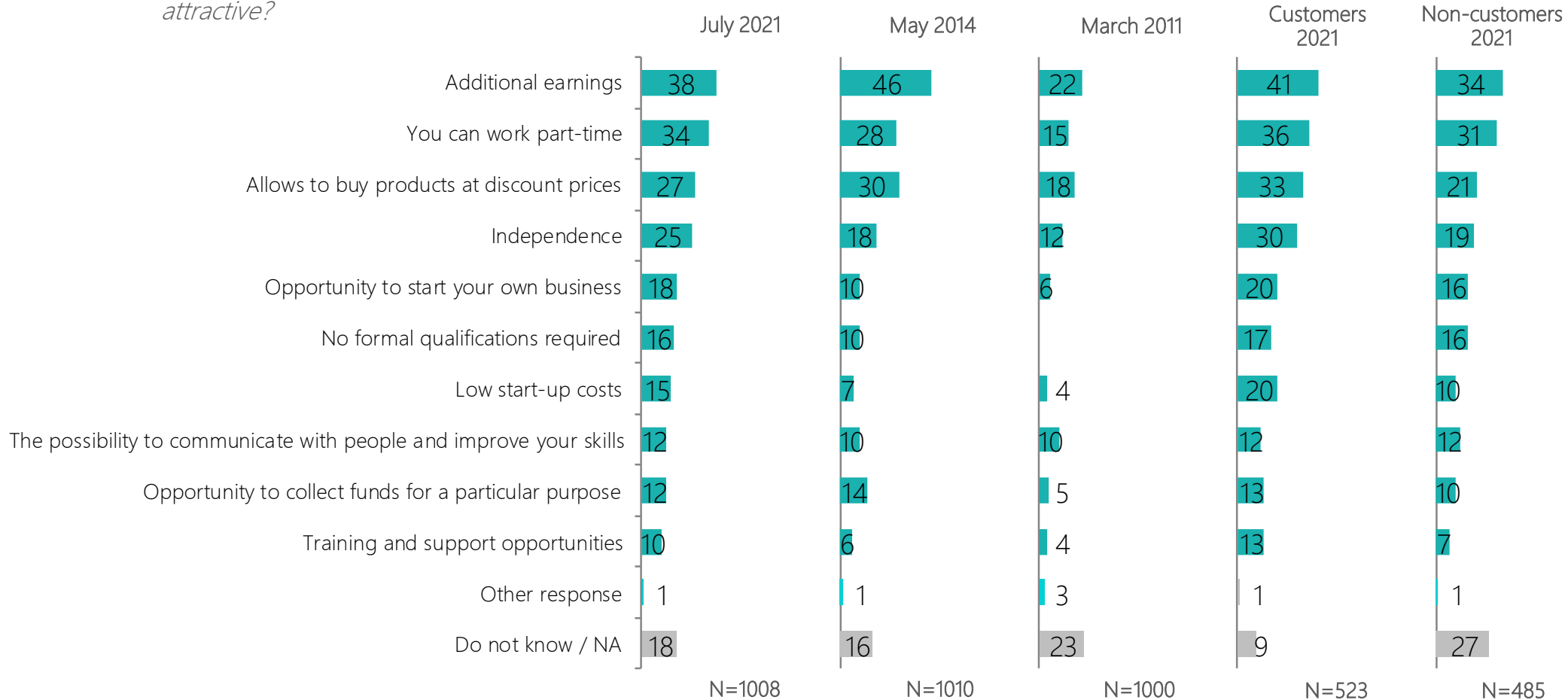
**Mentions:**

- It all depends on the product / manufacturer

\*Multiple answer option; sum exceeds 100%

# MOST ATTRACTIVE ASPECTS OF DIRECT SELLING (%)

*If you already had or just imagine that you could be the distributor of direct selling goods, what aspects of the business you keep most attractive?*



Additional earnings is seen as the most attractive aspect of the business more often by women, residents of regional centres/other towns and customers.

\*Multiple answer option; sum exceeds 100%

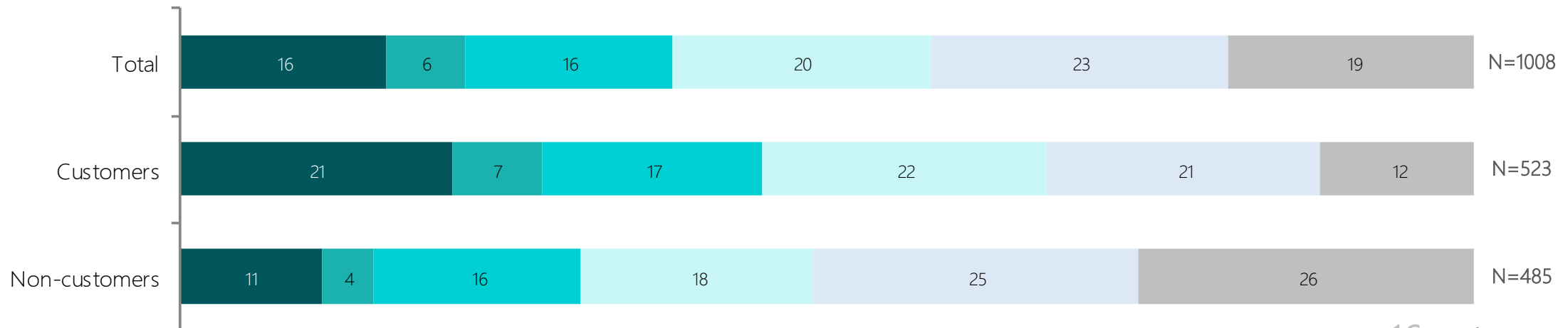
# RETURN OF THE DIRECT SELLING INDUSTRY TO THE FORM OF PRE-PANDEMIC SALES (%) - I

*In your opinion, should the direct selling industry, after the pandemic ends, return to the form of pre-pandemic sales?*

- 1- definitely it should return to the form of pre-pandemic sales, i.e. direct contacts between the consultant and the client
- 2
- 3
- 4
- 5 - definitely it should stick to online sales solutions
- Do not know / Hard to say

Residents of other town/country centres and customers more often think that the direct selling industry should return to the form of pre-pandemic sales.

That it should stick to online sales solutions more often think 26-35 y.o. group.





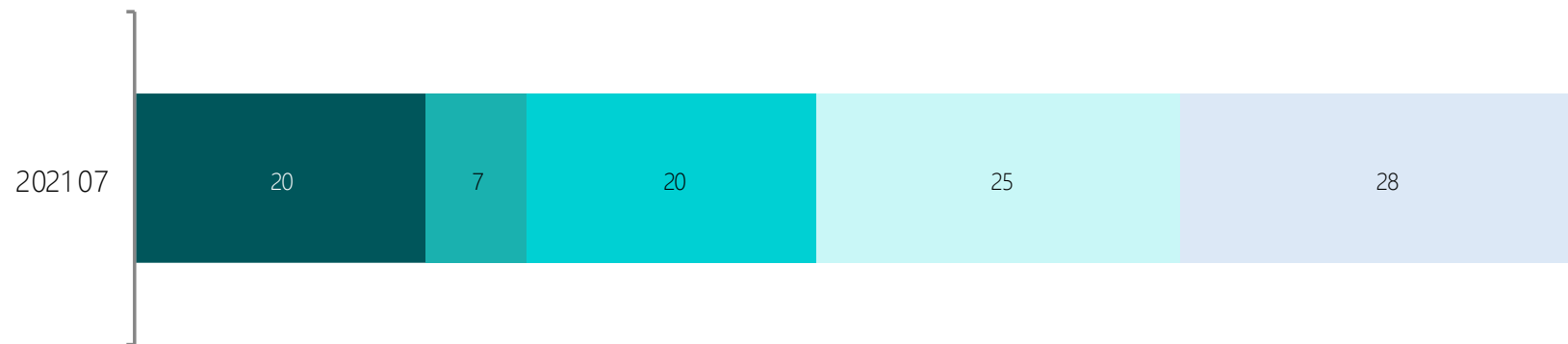
# RETURN OF THE DIRECT SELLING INDUSTRY TO THE FORM OF PRE-PANDEMIC SALES (%) - II

*In your opinion, should the direct selling industry, after the pandemic ends, return to the form of pre-pandemic sales?*

N=821\*

Respondents except who do not know / did not answer

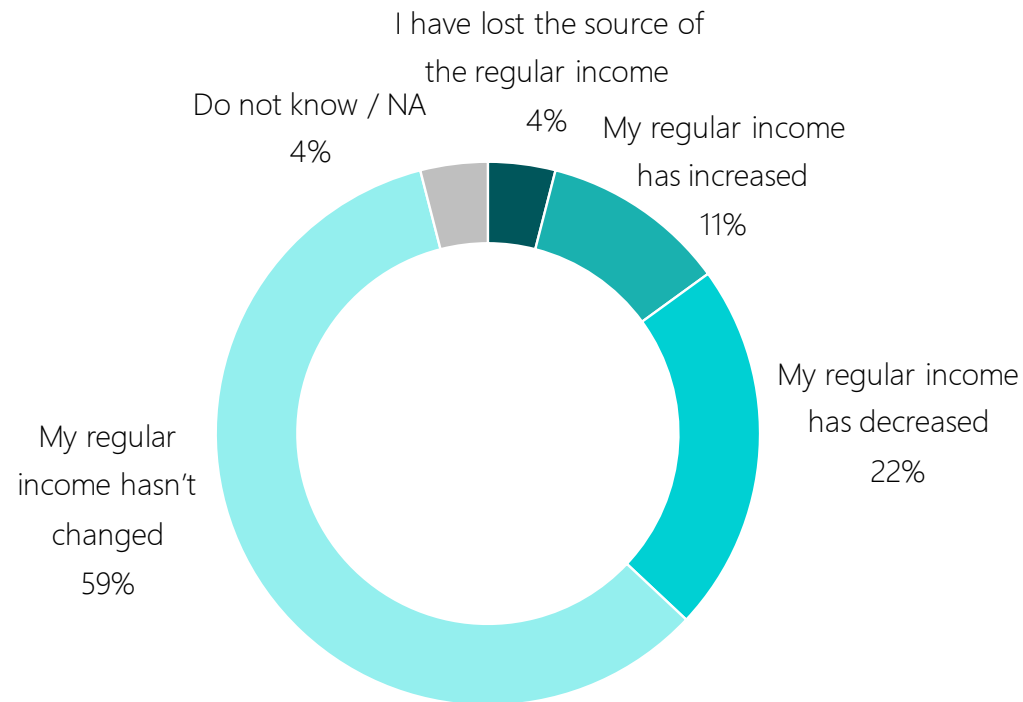
- 1- definitely it should return to the form of pre-pandemic sales, i.e. direct contacts between the consultant and the client
- 2
- 3
- 4
- 5 - definitely it should stick to online sales solutions



# THE PANDEMIC'S EFFECT ON INCOME (%)

*How COVID-19 pandemic affected your regular income in the last 12 months?*

N=1008

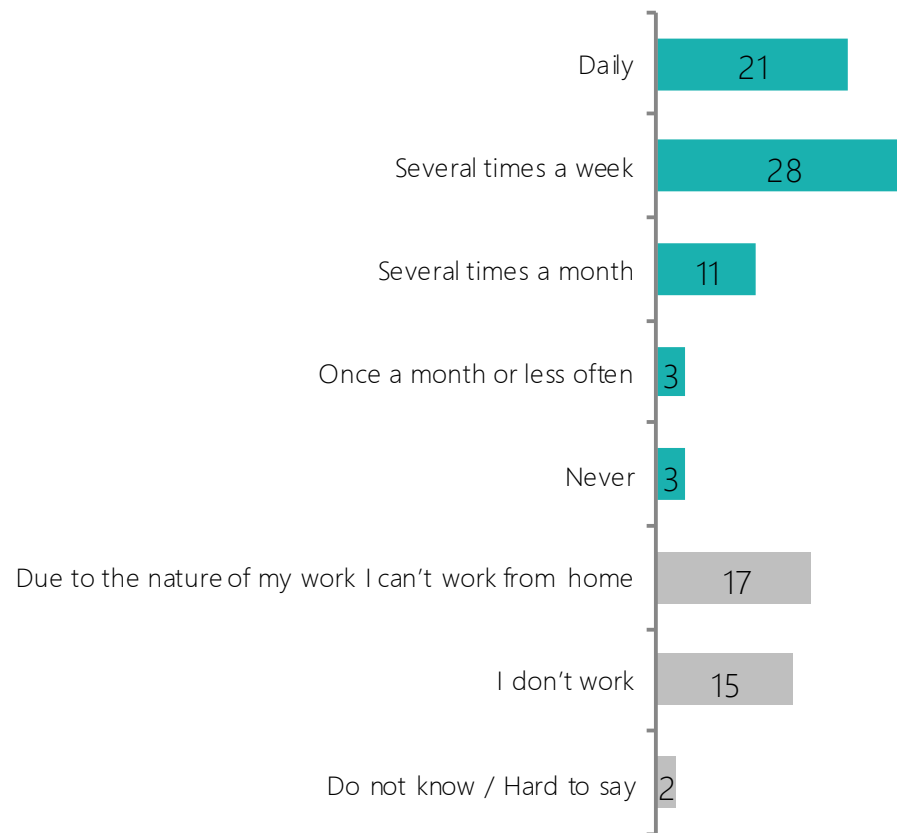


That regular income hasn't changed more often said 56 y.o. and more group.

# FREQUENCY OF WILLINGNESS TO WORK FROM HOME (%)

*If you had the choice, how often would you like to work from home if there were no restrictions due to COVID-19?*

N=1008

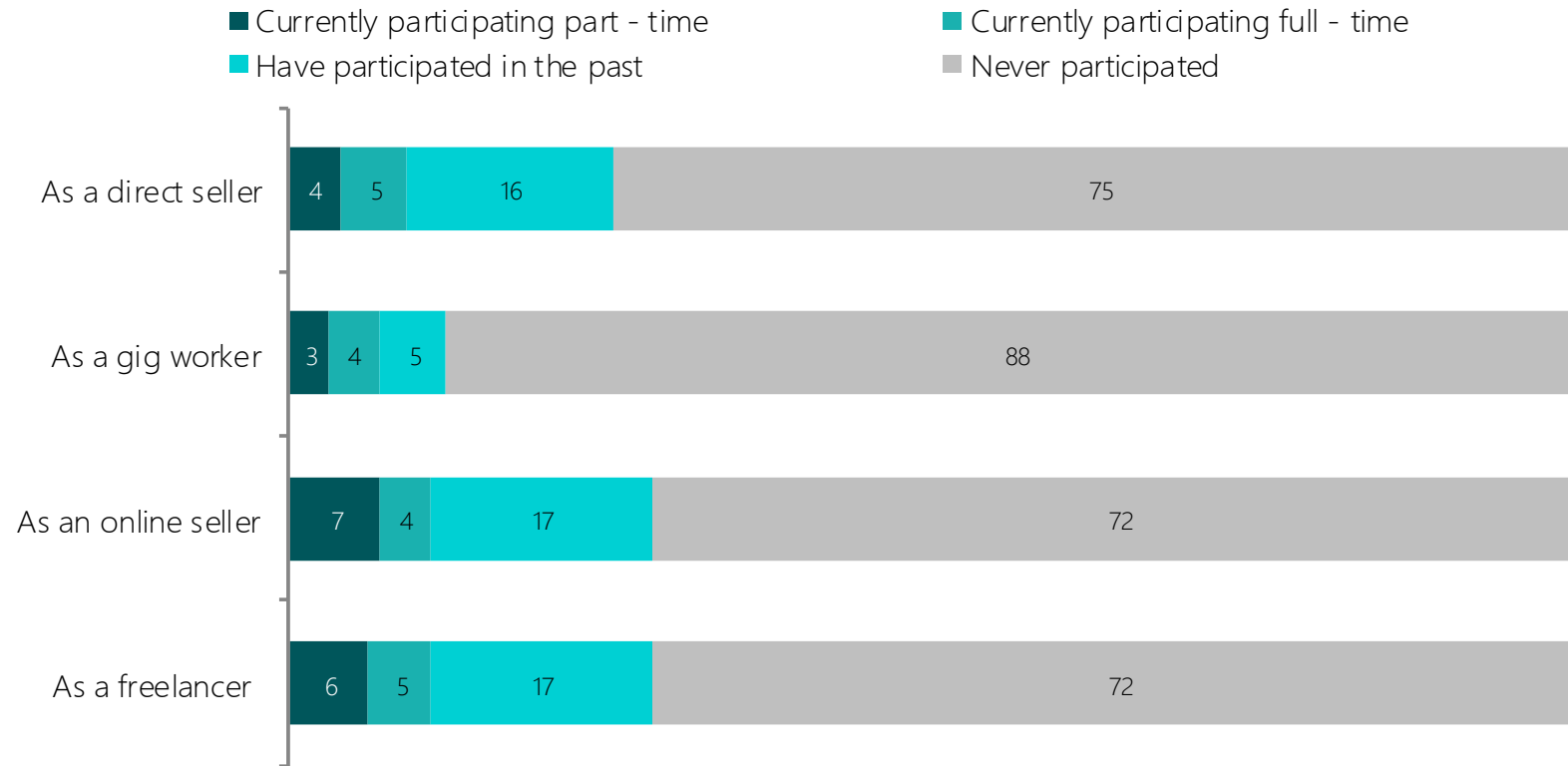


48-35 y.o., higher / incomplete higher education, more than 500 EUR income group and Tallinn residents more often would like to work from home several times a week.

# BEING INVOLVED IN THE FOLLOWING ACTIVITIES (%)

*Have you ever participated in any of the following ways to make money?*

N=1008

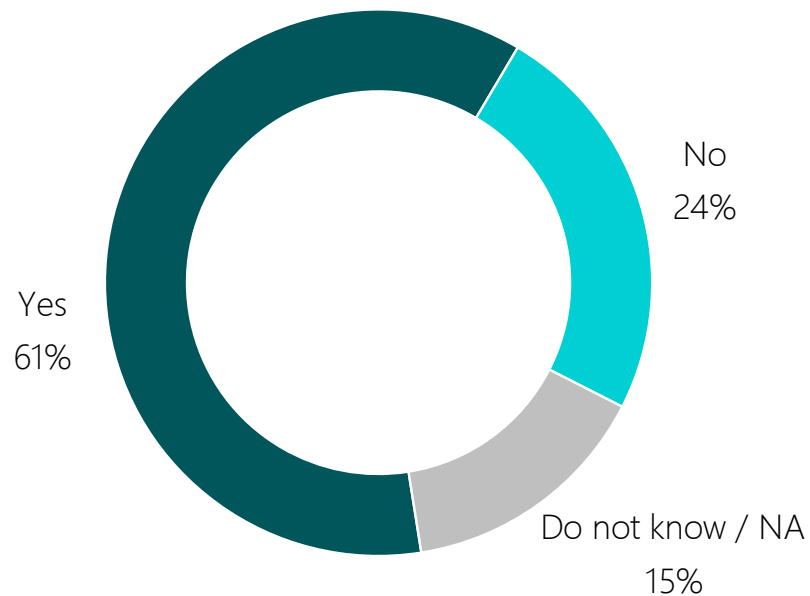


# THE DESIRE TO MAKE MONEY IN A FLEXIBLE WAY (%)

*Do you have any interest in a flexible way of making money, either full- or part-time, outside of a 'traditional' job in the next 12 months?*

N=1008

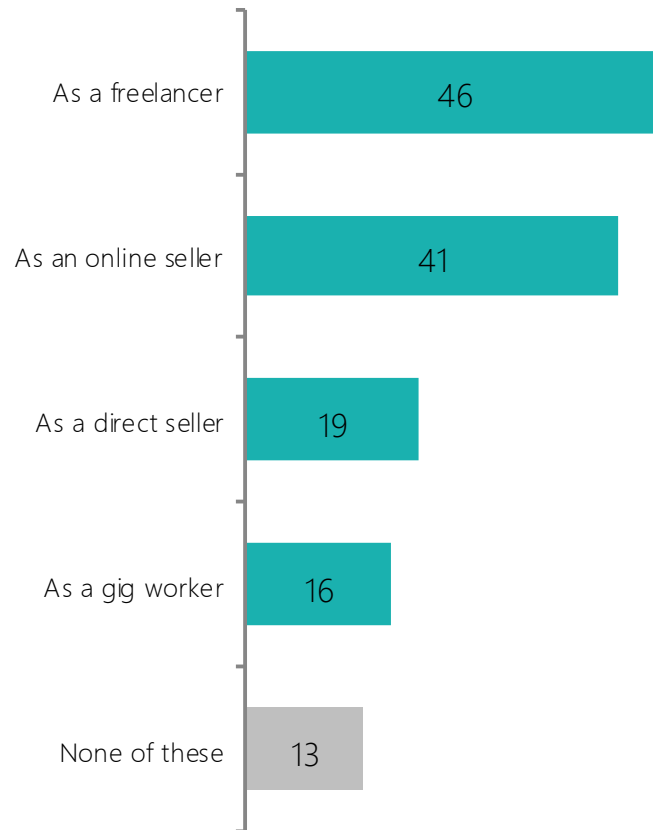
26-35 y.o. group, residents of Tallinn and rural area, customers more often have interest in a flexible way of making money.



# INCOME OPPORTUNITIES TO CONSIDER (%)

*Which of these income opportunities would you be most likely to consider in the next 12 months?*

N=611\*  
\*interested  
in a flexible way  
of making money



56 and more y.o., higher / incomplete higher education, highest income group and non-customers more often would like to try to work as freelancers.

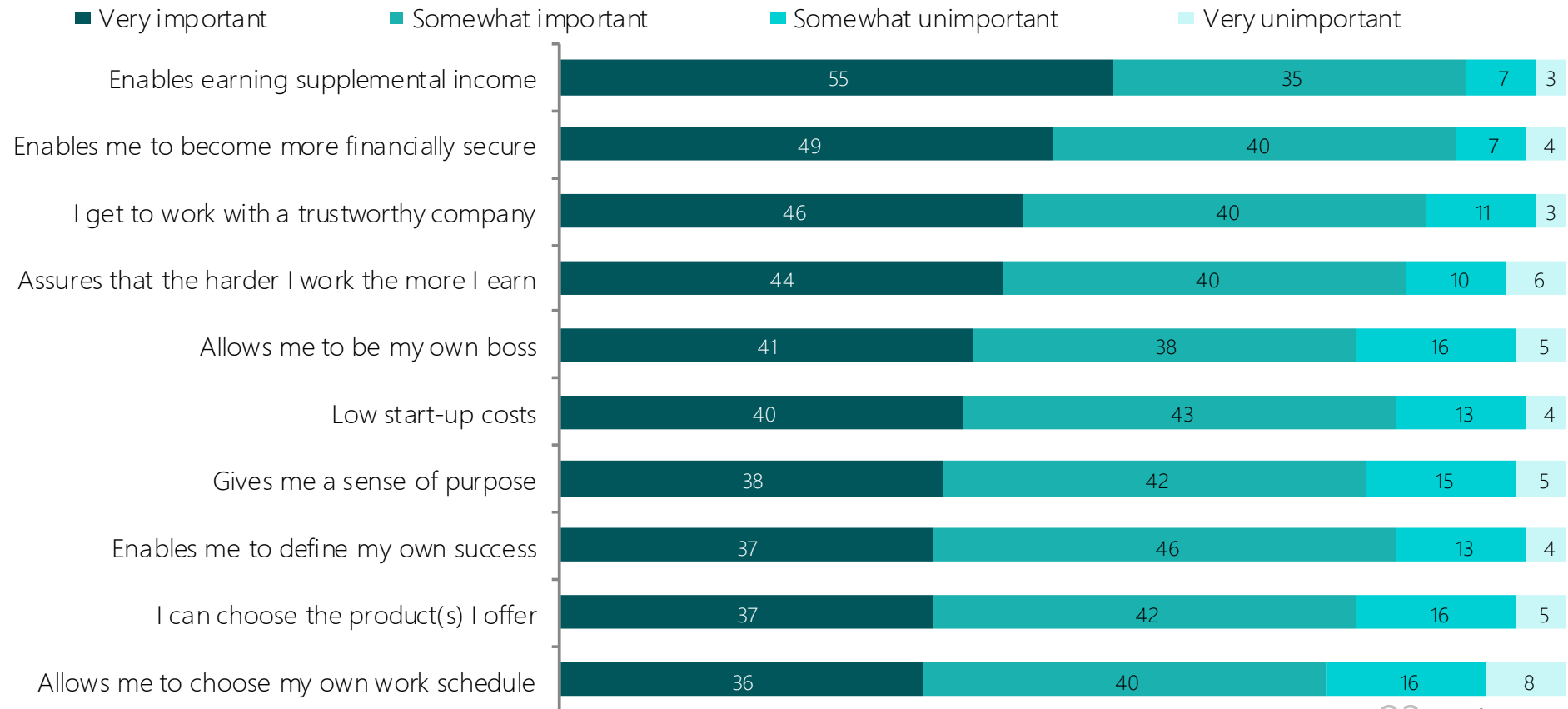
*\*Multiple answer option; sum exceeds 100%*

# ASSESSING THE IMPORTANCE OF CLAIMS (%) - I

The possibility to earn supplement income more often is very important for women.

*If you were looking for a new way to make money, how important are each of the following?*

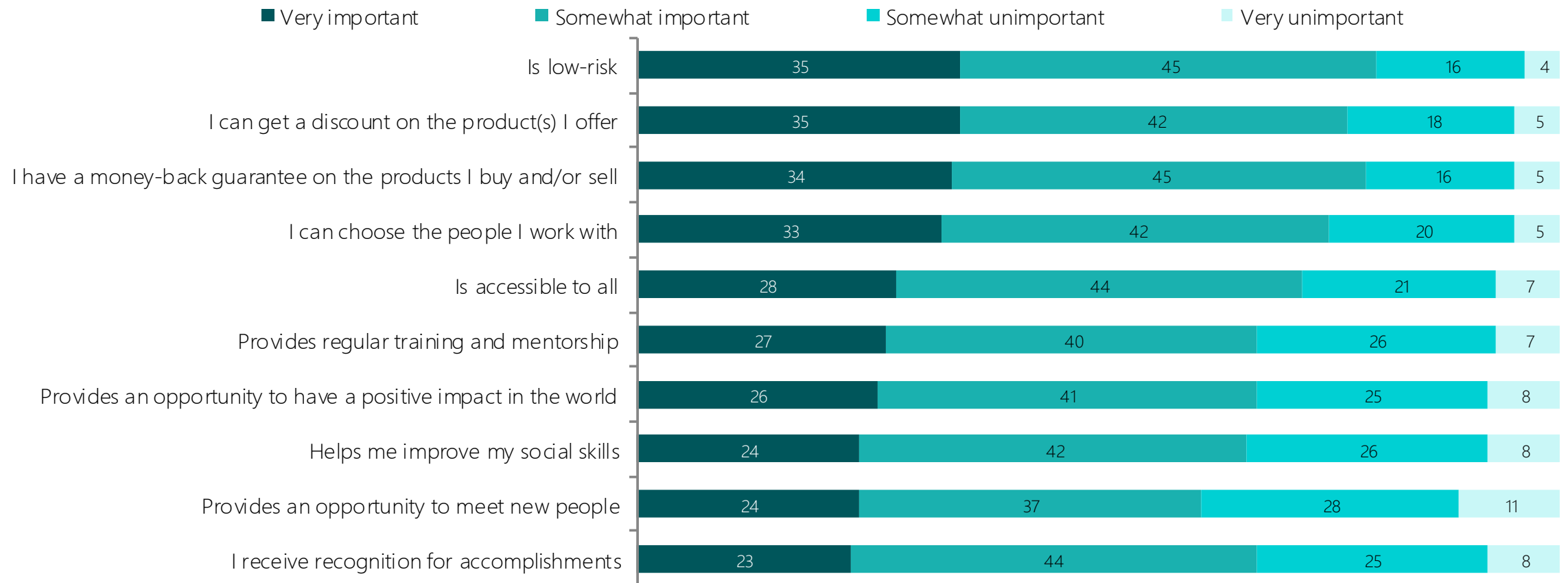
N=1008



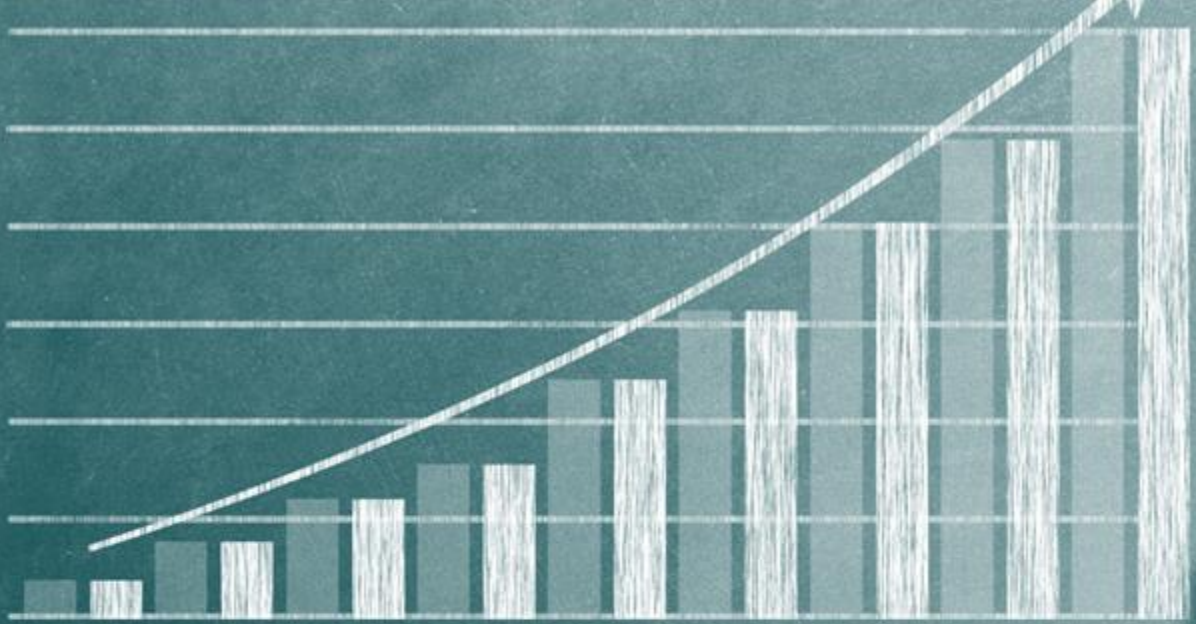
# ASSESSING THE IMPORTANCE OF CLAIMS (%) - II

*If you were looking for a new way to make money, how important are each of the following?*

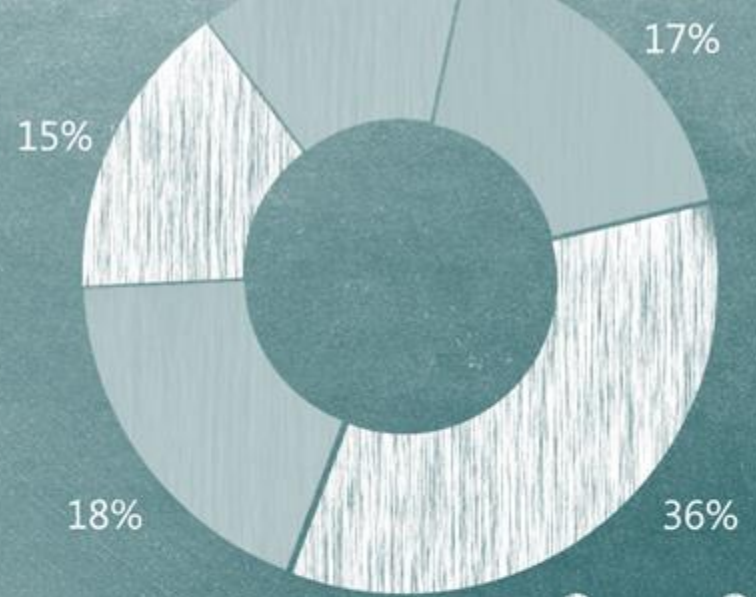
N=1008







100  
80  
60  
40  
20  
10



17%

32%

51%

# SUMMARY



# SUMMARY

- ❑ The number of surveyed residents of Estonia who have purchased experience through direct selling has slightly decreased from 54% in 2014 to 52% in 2021: 10% are purchasing regularly, 28% have purchased several times and 14% have done it once.
- ❑ The most popular product category remains cosmetics & personal care (60%). Further go household goods (36%), wellness products (29%, increased from 20%), clothing & accessories (28%, increased from 22%) and books, toys, stationery & audiovisual material (20%).
- ❑ Compared to 2014, the opinion about products purchased through direct selling has improved: 75% (increased from 70%) have a positive opinion about purchased goods. 19% (22% in 2014) are neutral, while 6% have negative opinion.
- ❑ Evaluation of direct selling consultants is positive: 24% evaluated the consultants very well, 48% - fairly well. A quarter of interviewees stated that the performance of consultants is average. Remaining 1% evaluated them negatively.
- ❑ General attitude towards direct selling is more positive than negative: reputations of direct selling as business type and of direct sellers are evaluated at 3.1 points out of 5, reputation of the goods sold through direct sales at 3.2 points and reputation of direct selling companies at 3 points.
- ❑ The main advantage of direct selling is direct delivery to the buyer (30%). Further go possibility to buy goods that are not available in traditional shops (26%).
- ❑ Respondents mention additional earnings as one of the most attractive aspects of direct selling (38%).

# SUMMARY

- ❑ 16% of respondents think that direct selling industry should return to the form of pre-pandemic sales (more often it is customers), 23% that it should stick to online sales solutions.
- ❑ 59% of respondents said that their regular income hasn't changed due to COVID-19 pandemic, 22% that regular income has decreased.
- ❑ If there were no restrictions due to COVID-19, 21% of respondents, if they had a choice, would like to work from home daily, 28% - several times a week.
- ❑ 28% of respondents worked as online sellers and as freelancers to make money, 25% as direct sellers, 12% as gig workers.
- ❑ 61% of respondents have interest in a flexible way of making money, outside of a 'traditional' job in the next 12 months. These respondents more often would like to try to work as freelancers (46%) or as online sellers (41%).
- ❑ Half of respondents (55%) said that the possibility to earn supplement income is the most important aspect, when looking for a new way to make money. This is followed by the possibility to become more financially secure (49%).

# Contact information

UAB Spinter tyrimai  
info@spinter.lt  
tel. 863720595

