

The Correct Response to 'Hey Boss Babe' is 'No': An Exploration of the Recruiting Techniques of Multilevel Marketing

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ABSTRACT

Multilevel marketing, also known as MLM, is a version of direct selling where products are sold and bought through various channels of independent distributors. The MLM community is often one that is very hidden and secretive. With tactics such as undisclosed earnings and empty promises of effortless riches, MLM corporations enlist a variety of people who are looking for an easy and quick way to make money on the side, such as college students and mothers.

There is little scholarly research using personal experiences to connect gender to the recruitment practices of MLM businesses. Those at risk of being targeted by MLM deserve to know what warning signs to look for in a company, just as victims of this system must have their voices and stories heard. This research explores the cautionary signs and unethical recruitment practices of MLM corporations, with a specific emphasis on gender, ultimately proving the hypothesis that MLM distributors and recruiters disproportionately target women.

OBJECTIVES

The purpose of this research and documentation is to shine a light on a topic that is often hidden.

- MLMs have been intensely growing since the 1980s and have been popularized more with the introduction and advancements of social media.
- Many resources speaking out about multilevel marketing are from recreational media. There has been little academic documentation of new information on multilevel marketing, thus rendering this research very significant in academia.

The goal in exploring a lesser-known industry is to educate others who are either interested in the topic of MLMs or who are considering being employed by an MLM. This research begin in attempts to answer the following questions:

- What is multilevel marketing?
- Are *all* multilevel marketing corporations unethical and/or illegal?
- Who should be wary about being targeted by an MLM?
- Are women disproportionately targeted by MLM recruiters?

This research aims to prove the hypothesis that multilevel marketing corporations use predatory recruitment tactics to excessively enlist vulnerable women, specifically those who are students or mothers looking to make extra money or gain some form of independence.

METHODOLOGY

An online survey, created with Survey Monkey, was designed to allow for separation of participants into three groups: 1) those who have not been approached by or participated in multilevel marketing — these participants were excluded and the survey automatically ended after determining these facts, 2) those who have been approached by an MLM recruiter but have never sold for an MLM corporation — these participants were prompted to skip the in-depth questions and automatically advance to the demographics section, and 3) those who have been approached by an MLM recruiter and have sold for a multilevel marketing corporation — these participants were prompted to answer each question in the survey.

Distribution:

- A digitally-created, print flyer was posted on multiple bulletin boards on Central and North Campus at Salem State University.
- Social media posts including the poster and/or link to survey were designed and published on Facebook, Instagram, and Snapchat. As a result, the link was requested through direct message by multiple friends or followers on social media.
- The link to the survey was featured in the weekly newsletter to all members of the Salem State University Chapter of the Commonwealth Honors Program
- Viewers/respondents of all recruitment materials were asked to pass the survey along by sharing it on social media or by word-of-mouth.

The survey collected **135 responses**. Any responses that were incomplete, filled out incorrectly, confusing or not internally consistent were deleted. Most of these respondents were **between the ages of 18 and 44; either single/never married or currently married/in a domestic partnership; have obtained a bachelor's degree; employed part time, full time, or are a student; and have an income of over \$50,000 per year.**

Since this research was meant to be highly respondent driven, open response questions needed to be coded accordingly. Survey coding is the process of assigning keywords to the corresponding answers to open-ended survey questions. Upon completion of survey coding, the guiding questions for this research were very clear.

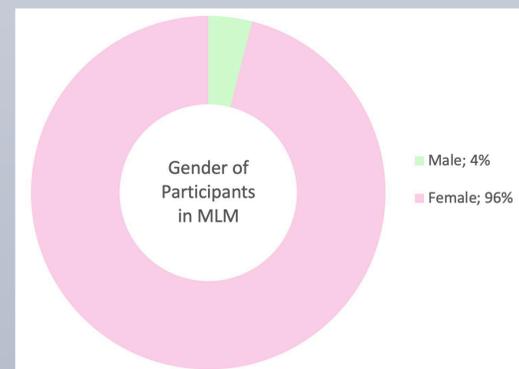
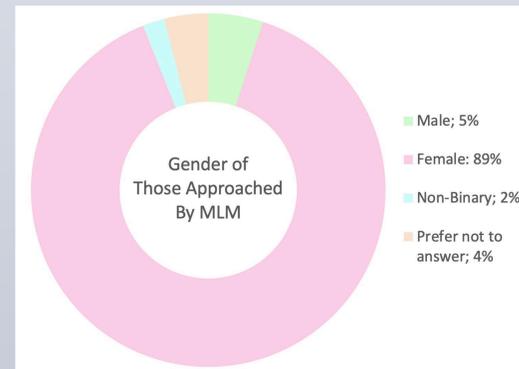
RESULTS

Those who have been approached...

- Nearly **75% had been approached** by a member of a multilevel marketing corporation. Out of those 100 respondents, **89% are female**.
- Over **30%** had been approached by means of **social media**.
- Close to **60%** of those who have refused to join an MLM gave a **form of skepticism as the reason** as to why not — 33% had prior knowledge of MLM, 14.3% are not interested in MLM or sales, and 12.1% have uneasy feelings about recruitment or MLM. To describe multilevel marketing, these respondents gave the following terms: **“toxic”, “scam”, “predatory”, “superficial”, and “deceitful”**. They described the products as **“horrible” and “crappy”**.

Those who have participated...

- Of 135 respondents, **18.5% have joined or been employed by a multilevel marketing corporation**. Out of 100 who have been approached by at least one MLM recruiter, **25% have joined or been employed by a multilevel marketing corporation — 96% of participants in MLM are female**.
- **55% claimed some form of betterment in their lives led them to join multilevel marketing**; wanting an extra job or source of income (17.2%), being enticed by the opportunity and the perks presented by the recruiter and company (17.2%), needing a job or income (10.3%), wanting a better life all around (6.9%), and wanting or needing a source of independence and achievement in their lives (3.4%).
- **10.3% mentioned either paying off student loans or identifying as a “broke college student”, while another 10.3% stated that having children was a factor in the decision.**
- **92% have left multilevel marketing.**
- The experience of most individuals involved in MLM **ended in a deficit of funds (60%)**, with one respondent having lost over \$7,000.
- **84%** of respondents who have been involved in multilevel marketing **would never participate again**.



CONCLUSIONS

- When compared to male and non-binary individuals, this research found that women are disproportionately sought out and targeted by multilevel marketing corporations and recruiters. The majority of those approached and employees of MLM are female. These are those who reported a hope of betterment in their lives as the driving motivation, including wanting or needing a job, being enticed by the opportunity, wanting a better life, and wanting a source of independence or achievement. Additionally, a significant number of respondents self-identified as students or mothers who joined in order to have extra cash while in college, pay off student debt, or provide a better life for their children.
- A significant portion of those approached by MLM recruiters reported that they were contacted through means of social media; With advancements in technology and new social media's being developed each day, this mode of contact is only becoming more popular.
- A majority of those who have participated in MLM reported their journey resulting in a deficit, these participants also stated that they are no longer involved in MLM, and they would most likely never participate again.

KEY REFERENCES

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