

**Client:** Direct Selling Association  
**Source:** Direct Commerce  
**Date:** 02/01/2019  
**Page:** 24  
**Reach:** 5000  
**Value:** 1444.25

---

By Andy Smith

Chairman,  
Direct Selling Association

# Direct selling A social evolution

**Almost six decades after the first home-selling parties were held in the UK, direct selling (or social selling as it's now increasingly known) sector has been undergoing a renaissance.**

It's around 60 years since the first direct selling brands launched in the UK, many coming over from their home territory of America and bringing with them what was, for the time, an exciting and innovative business model.

The ability to try and buy products through a trusted local representative, all from the comfort of your own living room, took the UK by storm, quickly making Britain a key global market for direct selling brands. So successful were many of the original direct selling companies that elements of their brands became ingrained in British popular culture; from the famous 'Ding Dong Avon calling' catchphrase, to 'Tupperware', soon becoming the ubiquitous term for any plastic food container. But over the years, the industry arguably lost its way. Slow to evolve, for many it became seen as old-fashioned and out of touch. Some of the original brands abandoned the UK market, whilst others struggled on at a muted level compared to previous 1960s and 70s heydays.

However, the original potential remained, and in recent years, various new entrants to the UK market began a long-overdue shake-up in the sector, whilst some of the larger, legacy brands launched radical new strategies to modernise their business for the Instagram Generation. The result is that today's social selling sector has all-but changed beyond recognition. Millennials are now just as likely to come across the industry's many product categories via social media channels, as they are over a cup of coffee in their neighbour's kitchen.

In short, social media has been transforming the way that social selling brands do business, enabling a new, younger customer base to engage in the same,

social way that the industry was originally built, just now online. The original format of the home selling party has also been re-invented for the Millennial consumer, who might now get invited to a new season preview of the latest organic make up via a Facebook Live 'party' online – with no need to even leave the house. This new era of social selling is presenting significant opportunities for brands.

Avon recently unveiled plans to rejuvenate its iconic brand, with a series of major-player hires from across the consumer sector, and a renewed focus on e-commerce as well as investment in its personalised beauty app. Another beauty brand which typifies the sector's evolution is Younique. A newer entrant to the market, Younique's online-only model is the 21st century approach to the peer-to-peer engagement at the core of social selling, satisfying the growing demand for a retail experience to be ever-more tailored and personalised.

But adapting for today's consumer is only part of the story of the revolution. In social selling, the seller is also a critical part of the overall success of the model. Avon is a good demonstration of this. Ground-breaking for its day, it offered women a chance to fit earning around their many other commitments, through becoming independent representatives for the company and generating income via commission on products sales.

The all-too-frequent inflexibility of traditional employment remains – to this day – a key issue for many people. And this fact, combined with the more mainstream acceptance of gig earning, alongside aspirations for far more flexible working styles, has played strongly to the founding premise of social selling.

There are now more than 425,000 people in the UK working as

independent representatives for social selling brands (a six per cent increase on the previous year), the vast majority working part-time, fitting in work as and when they can, scaling up or down as they need to.

The Body Shop cited this trend (people seeking out the ability to have greater flexibility in their life; managing work around other commitments, dipping in and out as they wish) as a key reason behind significant growth in the company's social selling division, The Body Shop at Home, last year. Furthermore, the brand's social selling arm was the company's main growth channel this year.

Macro-economic factors have also undoubtedly contributed to the transformation of the sector's fortunes. Tighter economic times see retail trends such as the Lipstick Effect prompting a major uplift in the sector due to its dominance by beauty products. (The cosmetics and personal care category reported a 16 per cent rise on the previous year in the latest industry data.)

Additionally, the option of a lower-cost night in with friends plays well to the cornerstone of social selling, the party-sales model, not to mention an increase in people looking to join the sector to supplement incomes when household budgets become stretched.

The overall impact of this 'perfect storm' of factors has led to the sector growing to become a sizeable £2.1 billion-a-year slice of the retail industry in the UK in 2018. And with many of the UK's most-loved and best-known brands, from The Body Shop, to Usborne Books seeing growth from the social selling channels of their businesses over the last twelve months, the sector's renaissance looks set to continue.

24