

Ranking system

For many decades, direct selling, multi-level marketing, and network-marketing companies have been facing legal and ethical problems. Many companies promise more than you'll get.

How did we evaluate the transparency and fairness of the companies?

Here, you can find out more about our ranking system. We applied the ranking system to the websites of the companies to find out how honest and transparent companies are to consumers and (potential) distributors.

Income

Most people start as distributors because they want to earn money. Knowing how much distributors earn, therefore is key for (future) distributors.

We used the following system to evaluate the websites of the companies:

● We gave **green** for a company website that provides *actual* (not just: potential) income figures. The website also provides:

- The *actual* average annual provisions paid to distributors on different levels
- Figures showing that and how many distributors *earn little to nothing* (instead of having broad categories such as "up to 500 Euros" etc.)
- The figures presented in an *easy understandable way*
- The figures provided for the *respective* country (not just worldwide)
- The *recent* figures (over the last five years)

● We gave yellow for a company website that does *at least one* of the following:

- It gives concrete examples of potential earnings
- It explains the compensation for distributors
- It gives an indication of the income that can be achieved with a certain specific time investment

● We gave red for a company website that does *not* disclose exact total or average provisions paid to distributors. It also does not provide an indication of the income that can be achieved with a certain specific time investment.

Start up costs

Distributors can only earn money when they invest less than they receive back. That is why it is good to know the costs of starting as a distributor. Companies that provide transparency here, make it easier for you.

We used the following system to evaluate the websites of the companies:

● We gave green for a company website that specifies at *least two* of the following costs with exact or average numbers:

- Start-up costs
- Recurring membership costs
- Training costs

● We gave yellow for a company website that contains *some information* on

- Start-up costs
- Recurring membership costs
- Training costs

The website does not, however, provide the exact or average costs.

● We gave red for a company website that specifies *none* of the following:

- Start-up costs
- Recurring membership costs
- Training costs

Company turnover

The amount of company turnover *in your own country* is relevant: it indicates the size and the success of the company.

● We gave green for a company website that *publishes* annual turnover figures that are:

- Specific to the given country
- Easy to access from the home page
- Recent (since 2006)

● We gave yellow for a company website that publishes annual turnover figures, but at least one of the following applies:

- The figures are *not specific* to the given country (for example only worldwide figures are provided)

- The figures *are difficult to access* (cannot be accessed without searches from the home page)
- They are from before 2006.

● We gave red for a company website that does *not* publish *any* recent (since 2006) figures on annual turnover.

Number of distributors

The number of distributors in your own country shows the attractiveness of a company. It is particularly useful to see how the company size has developed throughout the last 3-5 years.

● We gave green for a company website that shows *a recent* (since 2006) number of distributors *in the given country*.

● We gave yellow for a company website that publishes *a recent* (since 2006) number of distributors but *not* the number of distributors in the given country.

● We gave red for a company website that does *not* disclose the number of distributors in any year.

Ethical awareness

For many decades, direct selling, multi-level marketing, and network-marketing companies have been facing legal and ethical problems. A company that does not say anything about existing problems on its website does not support creating ethical awareness among distributors and consumers. A company that ignores these widespread problems and sweeps them under the carpet is not very trustworthy.

● We gave green for a company website that illustrates that the company is aware of existing problems of the industry.

Dimensions of 'good' and 'bad', 'right' and 'wrong', 'legal' and 'illegal' are discussed

Or: A specific code of conduct or distributor guidelines for appropriate behavior is given.

Potential addition: information is provided on conduct towards direct sellers (this includes: fair recruiting, transparency, realistic earnings etc. from Seldia).

● We gave yellow for a company website that mentions membership of a direct selling association that endorses codes of ethics and conduct, but the website itself does not contain any (a) code of conduct or (b) distributor guidelines.

● We gave red for a company website that explains *none* of the following with respect to distributor behavior: 'good' and 'bad'; 'right' and 'wrong'; 'legal' and 'illegal', 'serious' and 'unserious'. It also does not specify codes of conduct or distributor guidelines.

Products

Is information on the company products easily available on the company website? This helps (future) distributors to decide whether they want to sell them. For clients, it provides good insight in what they can buy from distributors.

● We gave green for a company website that has *complete and easy-to-access* information on the products that are sold through distributors.

● We gave yellow for a company website that shows *limited* information on the products that are sold through distributors. The information may be difficult to find or only accessible through other websites.

● We gave red for a company website that has *no* information on the products that are sold through distributors.