

DSA announces sales growth of 12.4%

The latest industry results for the direct selling industry indicate that sales in South Africa increased from R7.152 billion in 2011 to R7.625 billion in 2012 and export sales increased from R657 million to R1.154 billion in 2012, giving a growth of 12.4%.



DSA chairman, Richard Clarke

The Direct Selling Association's (DSA) chairman, Richard Clarke, announced the results at a presentation at Sandton Sun on 22 May 2013. He attributes the success of the industry to recruitment. "The fundamental aspect of our business is that we get people to recruit other people to join the industry. Recruitment is one of the most essential functions of any business and we continue to grow because this is our main focus."

In 2012 960,000 people joined the industry and 940,000 people have left the industry. "Although there are a high number of people leaving this industry, this supports the rest of the economy because they can use the skills they've learned in this industry elsewhere."

Locally, the direct selling industry provides income opportunities to 1.378 million people, a net gain of 20,000 independent direct sellers from 2011 to 2012. In terms of gender dynamics, the direct selling industry consists of 86% females and 14% males.

Direct sellers earned R3.769 billion in 2012, which is an increase of 13.2% from 2011. Globally, sales increased by 8.8% from \$141.2 billion in 2011 to \$153.7 billion in 2012.

Education adds value

The DSA recognised the need to develop direct sellers at university level and this led to the DSA/University of Johannesburg Africa Development Plan, which now in its 12th year at UJ and 7th year at the Durban University of Technology. From 2002-2012, 12 500 students have been put through the programme, have made over R8 million in earnings and used bursaries of R500,000.

The success of the direct selling industry in South Africa is based on the industry's open-door approach. It offers low barriers to entry, the reassurance of a sheltered, mentored learning environment and a virtually risk-free earning opportunity to people of all ages, races and from all economic and educational backgrounds, making it a perfect recipe for South Africa's fight against unemployment.

The direct selling industry is one of the highest job-creation industries in the South African economy. Offering a 'soft landing' for people entering the industry, the direct selling business model provides the requisite knowledge, skills, learning, management, processes and systems that have been proven over time and are backed by relevant market research, advertising and promotional programmes already in place. The capital investment required to start up is minimal, relative to the benefits that can be achieved.

Job creation, skills development and social upliftment are vital elements of much needed economic growth in our country, synonymous with direct selling in South Africa.

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