

Inside the
Modern Direct
Selling Consumer
and Salesforce

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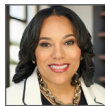
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Independent direct sellers contribute economically to their local communities in every state in the US. Top-line results from DSEF's 2026 Growth & Outlook annual market-sizing study provide current, third-party verified data on the state and strength of direct selling in the U.S.

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Hispanic communities are positively represented in the direct selling channel, yet little is known about the factors influencing direct selling entry decisions among Hispanic entrepreneurs. This study develops a conceptual model of external factors that influence direct selling entry decisions of Hispanic entrepreneurs. Direct selling may provide opportunities for economic and social mobility while serving as a mechanism for integration into the broader society.

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THE BIRTH OF PROSUMERS IN AMERICA: FROM PASSIVE CONSUMERS TO ACTIVE ENTREPRENEURS

Social media influencers often make product demonstration, peer advising, community hosting, and transaction facilitation appear new. New research suggests that these behaviors are not entirely new forms of participation. An analysis of Amway print ads from 1970-2001 reframes direct selling as a structured, innovative formation system, transforming passive consumers into active, entrepreneurial prosumers with a learned capability.

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BUILDING COMPETENCE AMONG EMERGING ENTREPRENEURS AND DIRECT SELLING READINESS

This study examines how targeted entrepreneurial education can intentionally cultivate transferable competencies that support ethical, consumer-centered engagement, contributing to sustainable participation in direct selling among early-stage entrepreneurs in an emerging market context.

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EDITOR'S DESK

We welcome you to the Summer 2026 issue of the *Journal for Direct Selling Research*, the flagship publication of the Direct Selling Education Foundation (DSEF) and a premium outlet for scholarly research on the channel.

Direct selling continues to evolve as consumer expectations, technology, and the nature of work all change. As more people look for flexible ways to earn income, develop entrepreneurial skills, and build relationships with customers, the direct selling channel remains an important part of the modern economy.

This issue examines direct selling from several perspectives that, together, paint a compelling picture of a channel that is adapting to a changing marketplace while remaining rooted in entrepreneurship and personal relationships.

We begin with findings from the 2026 DSEF Growth & Outlook Study, which provides a current snapshot of the U.S. direct selling channel. The research explores the industry's economic impact, customer engagement, salesforce participation, and demographic trends, while highlighting the growing importance of women and Hispanic entrepreneurs and the continued resilience of the channel.

The articles that follow explore important aspects of the demographics and development of the direct selling channel. One examines how entrepreneurial culture and acculturation influence direct selling participation among Hispanic entrepreneurs. Another looks at the historical roots of today's "prosumer" economy, showing how direct selling helped transform consumers into entrepreneurs long before the rise of social media. Finally, research on entrepreneurial readiness demonstrates how education and skill development can prepare the next generation of entrepreneurs for long-term success.

We are grateful to our authors and scholars for advancing the body of knowledge and broadening understanding of direct selling. We hope this issue informs your work, sparks new ideas, and encourages continued research. Our goal is to provide objective insights that help researchers, educators, business leaders, and policymakers better understand this unique channel and to drive innovation to improve performance, support salesforce and protect consumers.



Gary Huggins, Publisher and Editor-in-Chief



By Gary Huggins

Executive Director
Direct Selling
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INSIDE THE MODERN DIRECT SELLING CHANNEL AND SALESFORCE

By **Monica Wood**

Direct selling occupies a unique space at the intersection of entrepreneurship, retail, and the evolving independent workforce. While often associated with product categories such as wellness, beauty, household goods, and services, direct selling is fundamentally a distribution channel through which companies reach consumers using networks of independent sellers rather than traditional retail storefronts. These independent sellers introduce products to customers through personal relationships, social networks, online communities, and direct recommendations, creating a highly personalized purchasing experience.

This article offers a look into the broader economic and workforce trends of the channel. As Americans increasingly seek flexible ways to develop entrepreneurial skills or pursue work that fits around family and career obligations, direct selling continues to offer a low-barrier entry point to independent work. Unlike many traditional small businesses, participation typically requires minimal upfront investment and allows individuals to engage on a part-time, full-time, or occasional basis according to their goals and circumstances.

At the same time, consumer expectations are changing. Many shoppers increasingly value personalized service, trusted recommendations, community connections, and convenient purchasing experiences that blend digital and social engagement. These shifts have encouraged direct selling companies to modernize their business models, adopt new technologies, and invest in innovative approaches to customer acquisition and relationship-building. Recent research also indicates growing consumer interest in both the products offered through direct selling and the entrepreneurial opportunities the channel provides.

The DSEF Direct Selling Growth & Outlook Survey provides an annual snapshot of the size, scope, and direction of this

people-powered channel. Audited by an independent third-party economic consulting firm, the study tracks key indicators including retail sales, customer participation, and salesforce engagement, offering business leaders, researchers, regulators, and policymakers valuable insights into one of America's largest entrepreneurial and relationship-driven distribution channels. The data and findings presented throughout this article are derived from the survey results and estimates of the DSEF 2026 Growth & Outlook Study based on 2025 industry data and trends.

A deeper analysis of the direct selling channel in the United States reveals encouraging trends that underscore the resilience and adaptability of the channel.

A critical driver of this resilience is the continued strength of its core salesforce, particularly women and Hispanic entrepreneurs, who represent a vital foundation of the channel's growth and cultural relevance. Their strong participation not only fuels sales activity but also enhances community trust, expands market reach, and reflects the increasingly diverse face of entrepreneurship in the United States.

The rapid growth of service-based offerings, improved workforce stability, and alignment with modern consumer behavior collectively point toward a strong and sustainable future. By embracing innovation while maintaining its core strengths — flexibility, personalization, and entrepreneurial opportunity — the direct selling channel is well-positioned to thrive in the years ahead.

Importantly, the channel's accessibility continues to create meaningful economic opportunities, especially for women seeking flexible work and for Hispanic communities that are driving population and small business growth nationwide. This demographic strength reinforces the channel's ability to remain relevant and responsive to evolving consumer needs.

COMPETITIVE ADVANTAGES OF THE DIRECT SELLING MODEL

The direct selling channel is typically characterized by the following structural advantages:

PERSONALIZED CUSTOMER ENGAGEMENT

Direct selling emphasizes relationship-based interactions, fostering trust and loyalty that are difficult to replicate in traditional retail or e-commerce.

ENTREPRENEURIAL ACCESSIBILITY

The model provides low-barrier entry points for individuals seeking flexible work arrangements.

ADAPTABILITY TO DIGITAL PLATFORMS

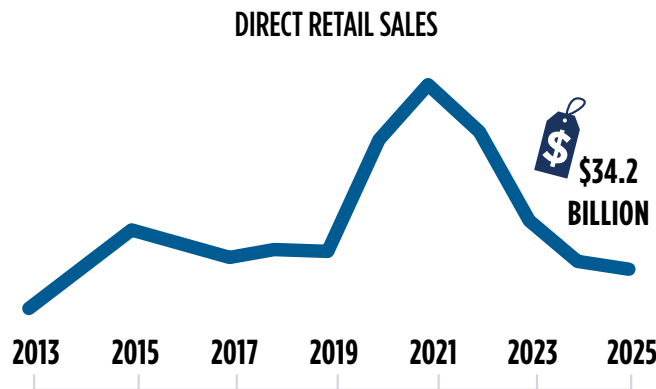
Direct sellers increasingly leverage social media and digital tools, enhancing reach and efficiency without abandoning the core interpersonal model.

RESILIENCE IN ECONOMIC FLUCTUATIONS

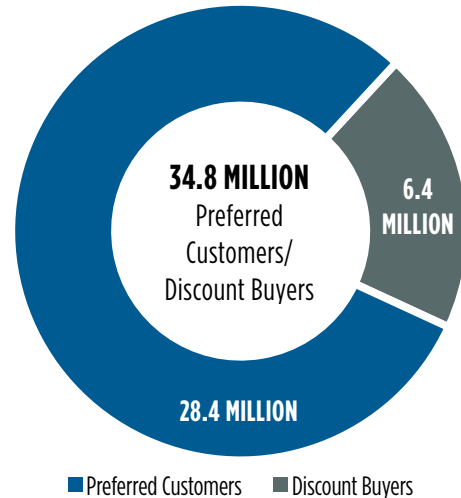
The industry's performance during periods of economic uncertainty such as the COVID-19 pandemic demonstrates its ability to adapt to change.

Direct Selling Retail Sales in the US

Direct selling in the United States represents \$34.2 billion in retail sales in 2025. In addition, there were 34.8 million customers and 5.2 million full- and part-time direct sellers.



Source: DSEF Growth & Outlook annual industry sizing report.

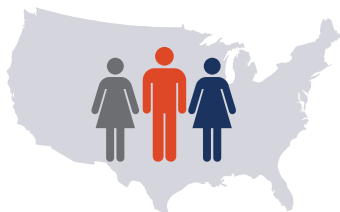


Source: DSEF Growth & Outlook annual industry sizing report.

Direct Sellers and Customers

A total of 5.2 million direct sellers engaged in either full-time (30 or more hours per week) or part-time (fewer than 30 hours per week) business activities. These individuals market products and services directly to consumers and may also recruit others to join their sales network.

- **Full-time direct sellers:** 0.4 million
- **Part-time direct sellers:** 4.8 million



5.2 MILLION DIRECT SELLERS

5.2 million direct sellers built a business full-time (30 or more hours/week) or part-time (fewer than 30 hours/week). These people sell products/services to consumers and may sponsor people to join their team.

Full-time: 0.4 million

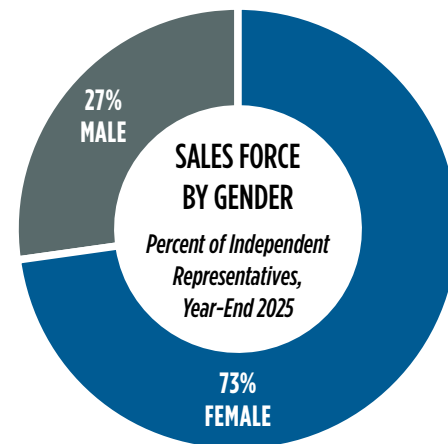
Part-time: 4.8 million

Source: DSEF Growth & Outlook annual industry sizing report.

A total of 34.8 million individuals are classified as **Preferred Customers** and **Discount Buyers**. Discount buyers are eligible to purchase, sell, and sponsor, but are product lovers, only purchasing products/services they personally enjoy and use at a discount. Preferred customers have signed a preferred customer agreement with a direct selling company where they may be eligible to pay wholesales prices for products/services. They are not eligible to sell products/services to others, and they are not eligible to earn.

- **Direct selling preferred customers:** 28.4 million
- **Direct selling discount buyers:** 6.4 million

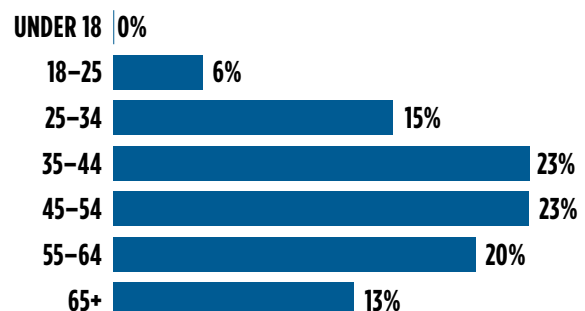
Demographic Profile of the Direct Selling Sales Force



Source: DSEF Growth & Outlook annual industry sizing report.

SALES FORCE BY AGE

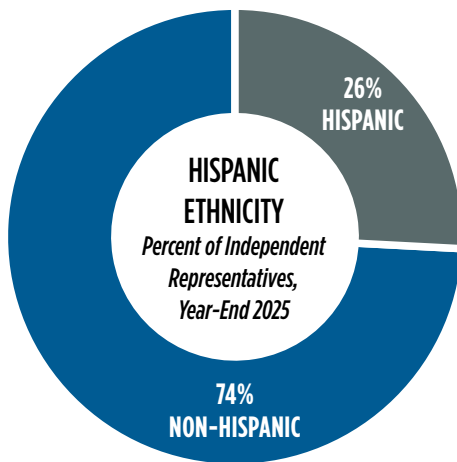
Percent of Independent Representatives, Year-End 2025



Source: DSEF Growth & Outlook annual industry sizing report.

Demographics include both direct sellers and discount buyers

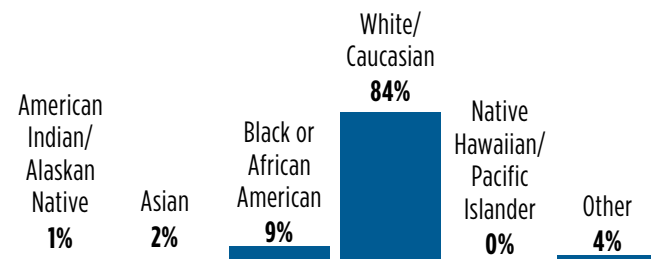
Hispanic participation in direct selling increased to 26% in 2025. According to U.S. Census Bureau estimates, the Hispanic and Latino population represents approximately 20% of the total U.S. population.



Source: DSEF Growth & Outlook annual industry sizing report.

SALES FORCE BY RACE

Percent of Independent Representatives, Year-End 2025



Source: DSEF Growth & Outlook annual industry sizing report.

Women and Hispanic participants represent two of the most important and defining demographic segments in the U.S. direct selling channel. Women dominate participation, accounting for 73% of all direct sellers and discount buyers. The level of participation by women historically aligns with the need for balancing flexible independent work with personal or family responsibilities.

At the same time, Hispanic individuals make up about 26% of participants, a significant share that highlights the channel's effectiveness in engaging diverse communities. Based on the DSEF 2023 National Salesforce Study, "Sellers who are newer to direct selling are more likely to be Hispanic, be younger, and represent multiple companies." The importance of Hispanic sellers is amplified by their demographic growth and strong community networks, which naturally complement relationship-based selling models. Together, women and Hispanic entrepreneurs not only drive a substantial portion of direct selling activity but also reinforce its inclusive, grassroots nature — fueling both economic opportunity and deeper consumer connection across the U.S. market.

National Direct Selling by State

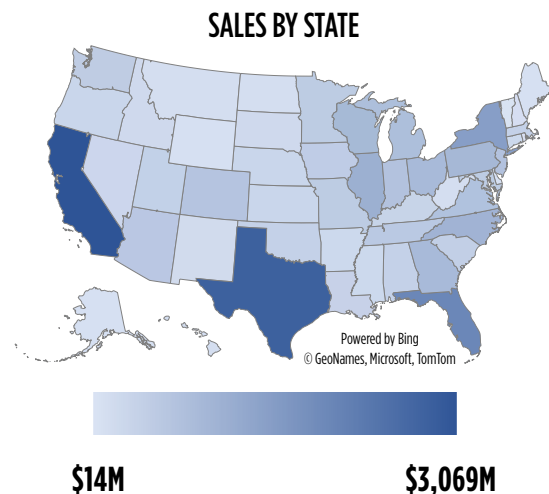
In 2025, direct selling activity remained highly concentrated in several leading states, with California and Texas maintaining the largest participation and highest sales volumes. California led the nation with approximately 1.26 million individuals engaged in direct selling, generating an estimated \$3.6 billion in sales. Texas closely followed, with about 1.25 million participants and \$3.3 billion in sales.

Florida ranked third, demonstrating strong engagement with 843,845 individuals and total sales of \$2.3 billion. New York held the fourth position, recording 524,907 participants and \$1.8 billion in sales revenue. Illinois followed, with 463,647 individuals involved and \$1.3 billion in direct sales.

Several other states showed steady performance in both participation and revenue generation. North Carolina reported 416,216 participants and \$1.2 billion in sales, while Pennsylvania recorded 366,407 individuals and \$1.1 billion. Wisconsin and Ohio also contributed significantly, with 315,459 and 383,937 participants respectively, each generating approximately \$1.1 billion in sales. Georgia completed the top ten, with 340,361 individuals engaged in direct selling and total sales reaching \$1.1 billion.

Overall, these figures highlight the continued importance of direct selling as a substantial economic activity across US states, characterized by broad participation and significant revenue contribution.

A detailed breakdown of direct sales volume and the number of direct sellers by state is below.



STATE/ TERRITORY	PEOPLE INVOLVED IN DIRECT SELLING	RETAIL SALES
Alabama	169,970	\$450M
Alaska	16,566	\$65M
Arizona	225,267	\$692M
Arkansas	84,570	\$280M
California	1,258,468	\$3.6B

STATE/ TERRITORY	PEOPLE INVOLVED IN DIRECT SELLING	RETAIL SALES
Colorado	294,345	\$765M
Connecticut	88,242	\$287M
Delaware	34,701	\$99M
Florida	843,845	\$2.3B
Georgia	340,361	\$1.1B
Hawaii	24,516	\$150M
Idaho	91,275	\$249M
Illinois	463,647	\$1.3B
Indiana	287,240	\$837M
Iowa	151,664	\$568M
Kansas	133,397	\$343M
Kentucky	143,028	\$422M
Louisiana	128,110	\$442M
Maine	33,103	\$89M
Maryland	204,825	\$627M
Massachusetts	132,404	\$487M
Michigan	319,795	\$939M
Minnesota	228,715	\$629M
Mississippi	81,963	\$288M
Missouri	214,223	\$618M
Montana	57,877	\$163M
Nebraska	119,394	\$371M
Nevada	97,020	\$306M
New Hampshire	28,427	\$103M
New Jersey	274,881	\$842M
New Mexico	76,930	\$201M
New York	524,907	\$1.8B
North Carolina	416,216	\$1.2B
North Dakota	54,821	\$148M
Ohio	383,937	\$1.1B
Oklahoma	153,457	\$472M
Oregon	141,787	\$378M
Pennsylvania	366,407	\$1.1B
Rhode Island	23,738	\$51M
South Carolina	186,684	\$527M
South Dakota	72,858	\$263M
Tennessee	222,579	\$679M
Texas	1,247,602	\$3.3B
Utah	134,830	\$489M
Vermont	12,070	\$35M
Virginia	287,018	\$889M
Washington	198,771	\$592M
West Virginia	55,829	\$170M
Wisconsin	315,459	\$1.1B

STATE/ TERRITORY	PEOPLE INVOLVED IN DIRECT SELLING	RETAIL SALES
Wyoming	34,962	\$96M
District of Columbia	8,000	\$14M
Guam	2,377	\$6M
Puerto Rico	65,694	\$181M
U.S. Virgin Islands	1,010	\$2M
N. Mariana Islands	174	\$0M
American Samoa	0	\$0M
Overseas U.S. Military	42	\$0.2M

Salesforce Stability: A Significant Advantage

One of the most encouraging findings in the data is the consistently lower turnover rate in direct selling compared to traditional retail.

- In 2025, the turnover rate for direct selling was approximately 43.3%, compared to 45.2% in retail trade.
- This trend persists over multiple years, with direct selling consistently exhibiting lower turnover.

Lower turnover rates suggest:

Greater Salesforce Satisfaction

Individuals engaged in direct selling may value the flexibility and autonomy offered by the model.

Stronger Retention Mechanisms

Compensation structures, community-building efforts, and personal development opportunities contribute to sustained engagement.

Collectively, these factors may indicate a stable and resilient direct selling salesforce — an essential component of long-term industry success.

Key Takeaways

- **Salesforce Strength:** Lower turnover rates compared to retail indicate strong retention and work-force satisfaction.
- **Sustainable Recruitment:** Recruitment trends are stabilizing, reflecting renewed interest and improved selectivity.
- **Resilience and Adaptability:** The industry continues to adapt to digitalization and changing consumer preferences.
- **Flexible & Accessible Engagement:** The industry continues to offer flexible opportunities, with the majority (4.8 million) participating part-time, supporting a wide range of lifestyles.
- **Expanding Customer Reach:** A growing base of 34.8 million customers highlights sustained consumer interest and strong market engagement.

- **Inclusive & Evolving Workforce:** The sales force remains women-led (73%), spans multiple age groups, and shows increasing diversity, with Hispanic representation rising to 26%.
- **Broad Nationwide Engagement:** Multiple states demonstrate significant participation and solid revenue generation, reflecting widespread adoption.
- **Sustained Economic Impact:** Consistent contributions across all 50 states highlight direct selling as a stable and valuable economic driver nationwide.

Conclusion

Overall, the direct selling channel continues to demonstrate strong adaptability, steady customer growth, and

increasingly inclusive participation — with women and Hispanic sellers playing a central and expanding role — reinforcing its position as a flexible and accessible pathway to entrepreneurship for a diverse population.

The channel continues to demonstrate regional leadership, broad nationwide participation, and consistent economic impact based on data presented in the [Economic Impact of Direct Selling in the United States report](#), further amplified by the influence and engagement of female and Hispanic salesforce segments. Together, these factors reinforce its importance as a thriving and impactful channel across the United States. 

[Monica Wood](#) is the Vice President of Consumer and Member Insights at Herbalife and Chair of the DSEF Industry Research Committee.

ENTREPRENEURIAL ENVIRONMENT AND CULTURE IN DIRECT SELLING ENTRY DECISIONS OF HISPANIC ENTREPRENEURS: AN ACCULTURATION APPROACH

By SherRhonda R. Gibbs, PhD, Monica D. Guillory, PhD¹, Caroline Glackin, PhD

BACKGROUND

Entrepreneurship has long served as a pathway for economic integration and acculturation of immigrants in the United States. This study suggests that the unique structure and features of the direct selling channel are particularly appealing to Hispanic entrepreneurs generally, supporting both business participation and acculturation into U.S. society.

IMPLICATIONS FOR POLICYMAKERS

- Entrepreneurship depends on supportive government, economic, and organizational environments.
- The Global Entrepreneurship Monitor (GEM) ranked the United States as 5th out of 31 in Total Early-stage Entrepreneurial Activity (TEA) and 16th in Established Business Ownership (EBO), among countries considered high-income economies.
 - Direct selling companies strengthen the entrepreneurial ecosystem by providing:
 - Low-barrier access to entrepreneurship.
 - Structured training, mentorship, and business resources, often in English and Spanish.
 - Entrepreneurial cultures that build self-efficacy and help Hispanic entrepreneurs develop the skills, norms, and networks that support business success and acculturation.

ABSTRACT

Hispanic communities are disproportionately represented in the direct selling channel, yet little is known about the factors influencing direct selling entry decisions among Hispanic entrepreneurs. Drawing on acculturation theory and entrepreneurship literature, this study develops a conceptual model of external factors that influence direct selling entry decisions of Hispanic entrepreneurs and distributors. The literature suggests that supportive entrepreneurial environments and firm cultures may facilitate both entrepreneurial participation and acculturation. For Hispanic entrepreneurs, direct selling may provide opportunities for economic and social mobility while serving as a mechanism for integration into the broader society. The study contributes to the entrepreneurship literature by extending acculturation theory to the direct selling context and offers practical implications for firms seeking to attract and support Hispanic entrepreneurs.

Keywords: direct selling, acculturation, entrepreneurial environment, Hispanic entrepreneurs, entrepreneurial culture, minority entrepreneurship.

EXECUTIVE SUMMARY

Synopsis

This study examines acculturation and its application for Hispanics in the direct selling channel. With Hispanics constituting 26 percent of U.S. direct sellers (distributors), and the Hispanic population in the United States at 20 percent, there is an opportunity to understand the appeal of the channel to this population.

¹ Corresponding Author

KEY TAKEAWAYS

Insights from the Conceptual Framework

1



DIRECT SELLING ENABLES MOBILITY

It provides accessible opportunities for economic advancement, financial independence, and social mobility — especially for Hispanic entrepreneurs.

2



ENVIRONMENTS MATTER

Supportive national entrepreneurial environments and inclusive firm cultures encourage participation and create conditions where Hispanic entrepreneurs can thrive.

3



ACCULTURATION PLAYS A ROLE

Acculturation processes influence opportunity perceptions, confidence, and the pursuit of entrepreneurship. Adaptation facilitates integration and success.

4



CULTURALLY RELEVANT RESOURCES DRIVE ENGAGEMENT

Linguistically and culturally tailored resources build trust, enhance capability, and increase the likelihood of entry and long-term success.

5



STRONG CULTURE BUILDS RETENTION

Support, community, recognition, and mentoring foster engagement, satisfaction, and commitment — leading to greater retention and growth.

6



A HOLISTIC APPROACH CREATES IMPACT

When environments, culture, resources, and acculturation align, direct selling firms can empower Hispanic entrepreneurs and build more inclusive, resilient communities.

Methodology

This study analyzes the literature on acculturation theory, direct selling, the entrepreneurial environment, and Hispanics in the United States. It considers the data findings presented in the *Hispanic Marketing Survey: Results Report* (Gamse, 2016), the underlying data, and the data from the *Direct Selling 2025 Growth and Outlook Study* (DSEF, 2026). A conceptual model compiles findings from the literature into a viable model.

Results/Findings

Hispanics may become direct sellers for reasons of acculturation, social and economic mobility. Acculturation is more prominent in countries with strong entrepreneurial environments and direct selling entry decisions positively relate to the entrepreneurial culture in direct selling firms.

Conclusion and Implications for Theory, Research, and Practice

Direct selling firms that wish to increase the number of Hispanic distributors should strive to create a supportive

entrepreneurial culture with culturally and linguistically specific and appropriate resources that facilitate success in the field salesforce.

Implications for Entrepreneurship Education

The study addresses the application of acculturation theory to Hispanics in the direct selling channel, providing insights into several topics that are not frequently a part of the entrepreneurship literature or the entrepreneurship classroom. While much has been written about minority entrepreneurship, little is known about the go-to-market strategies of the companies in which they engage and the cultural fit. We address the entrepreneurial culture of direct selling organizations, the culturally and linguistically appropriate resources provided for Hispanic distributors, and the national entrepreneurship environment. Entrepreneurship educators can begin to address ethnicity and acculturation in the classroom with more specificity and can discuss the direct selling channel as an entrepreneurial entry option and as a go-to-market strategy. It is important that we discuss entrepreneurial options across the spectrum and provide insights into them.

1. INTRODUCTION

Direct Selling is viewed as an attractive entrepreneurial entry point by minorities and immigrants. The direct selling retail channel offers a welcoming culture, low entry barriers, easy access to suppliers and customers, and accessible training programs. The Direct Selling Education Foundation defines direct selling as “a business model that provides entrepreneurial opportunities to individuals as independent contractors to market and/or sell products and services...” (DSEF, 2026). Hispanic communities are disproportionately represented in direct selling, constituting 26 percent of the direct selling salesforce despite being 20 percent of the U.S. population in 2025 (DSEF, 2026). Prior research has suggested that immigrant populations who are disadvantaged in the labor market pursue entrepreneurship (Sequeira & Rasheed, 2006), and the willingness to participate is compelled by the size of the group and encountering adverse environments (Evans, 1989). Plausible explanations for the large participation rates of Hispanic Immigrants and Hispanic Americans in direct selling are: (1) the entrepreneurial environment in these firms provides a means of economic sustainability (i.e., necessity entrepreneurship), and (2) firm culture in direct selling facilitates acculturation.

Acculturation is the “process of cultural and psychological change that takes place as a result of contact between cultural groups and their individual members (Berry, 2004, p. 27).” The acculturation process explains how individuals engage in intercultural contact to achieve desirable outcomes (Berry, 2005). Berry (2005) describes four acculturation strategies employed by immigrants and minorities who choose to engage or disengage with the host country or dominant culture. Strategies include integration, assimilation, separation, and marginalization. There is a growing body of extant literature that has focused on the importance of cultural and ethnic identity in the reasoning behind the selection of acculturation strategies (Williams & Liu, 2023; Forrest-Bank & Cuellar, 2018; Schwartz et al., 2006; Ting-Toomey et al., 2000) and the relationship between acculturation strategies and organizational outcomes of immigrant employees (Williams & Liu, 2023; Gurlek, 2021; Hajro et al., 2019; Hommey et al., 2020).

Marginalized minority communities beleaguered by perceived and practiced inequality may view direct selling opportunities as viable income-producing alternatives to overcome structural barriers which prohibit full integration or assimilation into dominant culture. Immigrants without permanent residency often rely on low wage or informal employment and may view self-employment in direct selling as an opportunity to transition into the host country culture. Gunter (2017) concluded in his study that the average rates of informal business ownership in the Hispanic community was 26.9 percent for Latinos and 14.2 for Latinas. The entrepreneurship literature is surprisingly lean on the topic.

To address this gap, we review acculturation theory, the criteria for strong national entrepreneurial environments, and entrepreneurial culture created by direct selling firms. We further theorized that supportive entrepreneurial environments and firm culture lead to acculturation and direct selling entry decisions. For Hispanic communities in particular, opportunities to develop professional networks and entrepreneurial businesses, yields dual benefits (e.g. self-employment and acculturation) which may explain the higher participation rates in direct selling.

We advance acculturation research in entrepreneurship by conceptually demonstrating how entrepreneurial environments within the context of the direct selling retail channel facilitates acculturation processes. The study specifically addresses the phenomenon of a disproportionate participation rate in direct selling relative to the Hispanic population in the United States. We suggest that the unique structure and features of the channel are particularly appealing to Hispanic immigrants and the general Hispanic population alike.

2. LITERATURE REVIEW/THEORY DEVELOPMENT Acculturation Theory

Acculturation theory originates from cross-cultural psychology and is applicable in business contexts. The acculturation process occurs when individuals are exposed to culturally different others or move from their home country to reside in another (host) country while navigating sociocultural and psychological changes that occur when transitioning towards the dominant culture (Schwartz, Unger, Zamboanga, & Szapocznik, 2010). While many Hispanic direct sellers have not moved from a home country to a host country, they experience the “otherness” in cultural and linguistic terms. According to Berry (1980), immigrants and minorities are faced with two questions upon arrival to host countries. The questions are categorized as acculturation dimensions. The first dimension refers to maintenance of the heritage culture (i.e., Is it important to maintain my heritage culture?), and the second dimension refers to host culture contact (i.e., Is it important to engage with the host culture?).

Scholars put forth unidimensional and bidimensional models of acculturation which immigrants can adopt in new societies. The unidimensional model infers a bidirectional dependency relationship between an individual's host culture and heritage culture. The first viewpoint of the unidimensional model holds that the more individuals affiliate with the host culture, the more their affiliation with the heritage culture weakens. The second viewpoint suggests that the more individuals retain their heritage culture, the less likely they are to adopt host country culture (Laroche, Kim, Hui, & Joy, 1996), thus, a commitment to affiliate with the host culture (i.e., viewpoint one) weakens the heritage culture (i.e., viewpoint two). Conversely, the bidimensional model of acculturation posits that individuals' affiliation with the host culture is largely independent of heritage culture (Berry, 1980).

In the bidimensional model, each dimension can be assumed to have predictive power that is independent from the other (Cheung-Blunden & Juang, 2008).

Within each model, individuals pursue one of four acculturation strategies. First, *assimilation* refers to individuals seeking full participation in the host country by adopting the host country culture rather than their own. Second, *separation* refers to individuals who retain their heritage culture and avoid participating in the host culture. Third, *integration* refers to individuals who maintain their own cultural identity while also seeking to participate in the host culture. Fourth, *marginalization* refers to individuals who refrain from both heritage and host cultures. Marginalists do not acculturate towards either culture. As it relates to entrepreneurship, some authors postulate that integration is the optimal acculturation strategy (Arrighetti, Bolzani & Lasagni, 2017; Dheer, 2014).

Whereas most acculturation research centers on immigrants, a growing number of studies explore the phenomenon among minority groups or in colonial settings where a person's own culture becomes subsidiary to another because of colonization (i.e., see Seitz, 1998; Cheung-Blunden & Juang, 2008). These studies may examine minorities (i.e., Hispanics, Native Americans, and Blacks) in the United States, or in British colonies and territories (i.e., Hong Kong) where native population culture is subordinate to British culture. Researchers found that in colonial settings, acculturation towards the majority culture resulted in maladaptive implications (i.e., adverse outcomes), and the bidimensional model was more robust in measuring outcomes influenced by psychological stress (Cheung-Blunden & Juang, 2008).

Difficulty with acculturation processes results in psychological maladjustments, or stress. Cheung-Blunden and Juang (2008) purport that when individuals are exposed to two or more cultures, norms, values and languages, acculturative stress occurs, and mental disturbances ensue (i.e., depression, negative affect, and poor academic achievement). Immigrants and minorities experience difficulties with acculturation when attempting an assimilation strategy without fully adjusting to mainstream society. Immigrants may be viewed as "passing" in mainstream society fostering rejection from the heritage culture and lowering self-esteem (Krishnan & Berry, 1992). Similarly, separation and marginalization yielded negative effects and life dissatisfaction resulting in isolation and exclusion (Berry, 1980). Drawing on Berry's (1997) acculturation framework, many of the entrepreneurship studies have argued that integration — simultaneously maintaining one's heritage culture while engaging with the host society — provides entrepreneurs access to broader social networks, knowledge, and resources and is generally associated with more favorable adaptation outcomes (Arrighetti et al., 2017; Szapocznik & Kurtines, 1980; Walsh et al., 2022). Immigrants or

minorities with bicultural competence possess the attitudinal repertoire to transition between and successfully negotiate heritage and host cultures (Cheung-Blunden & Juang, 2008).

Acculturation perceptions indicate whether or not majority groups react positively to minority groups perceived as adopting an assimilation strategy compared to minorities choosing separation or marginalization (Kosic, Mannetti, & Sam, 2005). Although acculturation perceptions are beyond the scope of the current study, we assume that majority groups react positively to minorities attempting integration or assimilation acculturation strategies. Acculturation psychologists have called for more action-oriented research (Chirkov, 2009) that empowers acculturating individuals and communities, enhances social integration, and improves intergroup relations to better assist immigrant communities and immigrant-assisting organizations (Ward & Kagitcibasi, 2010). Scholars answered this call with contributions examining the components of integration to situate acculturation within social and political contexts (Paloma, Garcia-Ramirez & de la Mata, 2010). Other studies used Ward's (2001) ABC framework to demonstrate how acculturation can be used to create opportunities for cultural maintenance in group settings (Smith, Smith & Peang-Meth, 2010), or multicultural programs to enhance social engagement (Sakurai, McCall-Wolf, & Kashima, 2010).

Our exploration of acculturation in domestic and entrepreneurial contexts is an appropriate contributive act to Chirkov's (2009) call for action research. The United States has a rich history of hosting immigrants from every corner of the globe (e.g., Irish, Italian, Jewish, and Asian). Each of these immigrant groups tapped entrepreneurship as a social organizing acculturating mechanism to enter mainstream society. Hispanic immigrants are embarking upon a similar acculturation process into U.S. culture, and Hispanic American culture. Collectively, Hispanic immigrants and Hispanic Americans are swelling the ranks of entrepreneurship and direct selling. To advance the study's framework on Hispanic direct selling entry decisions using acculturation, we transition the discussion towards the meaningful intersections of entrepreneurial environments, entrepreneurial culture in direct selling, and acculturation.

Entrepreneurial Environment

Entrepreneurship is influenced by relationships between entrepreneurs, enterprises and the environment (Lundström & Stevenson, 2005). Entrepreneurial environments are influenced by factors external to the firm (De Hoyos-Ruperto, Rummager, et al., 2012). Researchers point to institutional agreements, the role of government, economic policy, and country social structure as external factors contributing to the entrepreneurial environment (Lundström & Stevenson, 2005;). Generally, the entrepreneurial environment refers to the economic, social, cultural, and institutional

conditions surrounding individuals that influence entrepreneurial cognitions, intentions, and venture creation decisions (Lim et al., 2010; Nguyen & Phan, 2024).

To capture the relative supportiveness of the entrepreneurial environment, the Global Entrepreneurship Monitor (GEM) publishes the total early-stage entrepreneurial activity (TEA) and entrepreneurial framework conditions (EFC) model using a national expert survey (NES) database and macro-variables to capture the extent of entrepreneurial finance, government entrepreneurship programs, entrepreneurship education, and cultural and social norms, to name a few. According to GEM, the entrepreneurial environment “directly influences the existence of entrepreneurial opportunities, entrepreneurial capacity and preferences, which in turn determines business dynamics. Hence, it is expected that different economies and regions have structures and quality of EFCs or different ‘rules of the game’ that directly affect entrepreneurial activity’s inputs and outputs (“What is the National Expert Survey (NES)?”, 2017). GEM ranked the United States as 5th out of 31 in total early-stage Entrepreneurial Activity (TEA) among countries that are considered high-income economies (more than \$50,000 GDP per capita), and 16th in the established business ownership (EBO) rate among these same countries (DSEF, 2026).

GEM’s NES database provides information from experts on a particular country’s entrepreneurial framework conditions. EFCs may affect the creation and development of new firms (De Hoyos-Ruperto, Romaguera, et al., 2012), and although EFC factors are traditionally used to assess the entrepreneurial environments of countries, its components can also measure the entrepreneurial culture in SMEs, and the likelihood of new entrants in industries like direct selling. Entrepreneurial culture in firms has a considerable impact on entrepreneurial behavior as societal norms influence the resources individuals have access to and the entrepreneurial activities they undertake (Mueller & Thomas, 2001; Amine & Staub, 2009). Supportive entrepreneurial environments with plentiful economic resources lay the foundation for businesses to emerge, grow and succeed (Shabbir & DiGregorio, 1996; Pennings, 1982). Direct selling firms make concerted efforts to effectuate entrepreneurial cultures that build self-efficacy and promote the concept that entrepreneurial success results in societal integration.

Direct Selling: Definition, Background, and Culture

Direct selling has a long, interesting history in the United States. Direct selling companies use independent sales teams to market products and services, with the benefit of low start-up and overhead costs for distributor entrepreneurs (DSEF, 2017). For many types of organizations, direct selling is also a viable go-to-market strategy. The first organized trade group in the direct selling industry was Agents Credit Association, formed in 1910 for door-to-door salesmen (Taylor, 2012). For many decades,

households were visited by representatives of companies such as Fuller Brush, Avon, Charles Chips, and World Book Encyclopedia. Direct selling then transitioned from door-to-door sales toward network selling (person-to-person) and party plans over the years.

According to the Direct Selling Education Foundation’s Growth and Outlook reports, U.S. direct selling retail sales peaked at \$42.7 billion in 2021 before softening to \$34.7 billion in 2024, which is more consistent with pre-pandemic sales levels. Similarly, the number of full- and part-time U.S. direct sellers decreased from 7.7 million in 2020 to 5.4 million in 2024, reflecting the industry’s post-pandemic adjustment period. Table 1 shows U.S. retail sales and the number of direct sellers. Within direct selling, there are person-to-person, party plan and other companies. The majority are person-to-person or network sales (71.5 percent) wherein a direct seller (representative, consultant, designer) sells directly to her customer. The second most popular method is the party plan (22.4 percent), wherein a direct seller sells to groups of customers in homes, other locations, or through an online party.

TABLE 1
Direct Sales Statistics

Year	U.S. Retail Sales (\$ billions)	U.S. Direct Sellers (millions)
2025	\$34.2	5.2
2024	\$34.7	5.4
2023	\$36.7	7.3
2022	\$40.5	6.7
2021*	\$42.7	7.3
2020	\$40.1	7.7

Source: Growth & Outlook Reports (2021–2025) Washington, DC: Direct Selling Association.

*Start of the global pandemic

According to the Direct Selling Education Foundation, of the 5.2 million U.S. direct sellers, 73 percent are women, primarily selling person-to-person, in the categories of wellness, services, home and family care/home durables, personal care, clothing and accessories, and leisure/education. Of the 5.2 million business builders, 92.3 percent are part-time workers. Most direct sellers are between 35 and 54 years of age, with the two categories (35–44 years old; 45–55 years old) tying as the largest categories with 23% each.

Direct selling companies need to recruit and retain excellent independent representatives to generate revenues and to grow. Because they do not sell through brick-and-mortar retail stores or wholesalers, these representatives are their go-to-market strategy for the channel. Therefore, direct selling leaders focus considerable attention on the field salesforce. Interestingly, no sales experience is required, and recruitment is primarily through the distributor network. The cost of entry into direct sales is low,

at an average of \$262 for a starter kit, with 35% of DSA member companies surveyed offering \$0 cost in this category (DSEF, 2023) and Direct Selling Association (DSA) member companies offer a 90% buyback of the cost of products and kits, a requirement of the DSA Code of Ethics (DSA 2026). Training, upline mentoring, and performance incentives are typical in the direct selling channel.

In recent years, direct selling firms have reframed, focusing more on the end customer, and creating entrepreneurial cultures with more transparency in the company-distributor-customer matrix (Fleming, 2017). Many direct sellers now track retail customers more carefully, and new strategies have been initiated to help distributors acquire customers, especially after the economic slowdown triggered by the pandemic. However, those in the industry remain optimistic even after the pandemic surge. Stuart Johnson, Chairman and Founder of Direct Selling News wrote, “The direct selling model isn’t a relic. It’s a viable opportunity that is showing signs of growth, particularly in the U.S.” and he further concluded that “Success in the remainder of 2025 and beyond won’t come from maintaining the status quo. It will belong to those ready to build what’s next. The past, my friends, is in the past (Johnson, 2025).” This aligns with an early quote from the World Federation of Direct Selling Associations 2024 report, “The growth potential for direct selling remains substantial, given the continuing desire of people for entrepreneurial opportunities” (Paulk, 2024).

Entrepreneurial Culture in Direct Selling

Differences in firm culture necessitate taking stock of cultural practices in direct selling companies to gain insight into unique entrepreneurial processes that position direct selling distributors for success (Sequeira, Gibbs, & Juma, 2014). Direct selling organizations provide more than materials and training. Each has a unique corporate culture and brand. They expend considerable resources creating and sharing this culture with their field salespeople. Charismatic company founders and leaders often become “larger than life” through their outreach to representatives, dynamic presence at annual gatherings, incentive trips, and social media posts. Direct selling networks, characterized by an inspiration-driven, collaborative atmosphere, promote work styles that support these networks (Bhattacharya & Mehra, 2000; Biggart, 1989; Crittenden & Crittenden, 2004; Lan, 2002; Merrilees & Miller, 1999; Sparks & Schenk, 2001). Sales meetings are often filled with visible celebration, joy, tears, and pride, complemented by the effusive and expressive behavior exhibited by company leaders and distributors alike (Biggart, 1989). For example, Scentsy holds reunions for their salespeople rather than annual conferences. They are also highly motivational, encouraging representatives to “Swing for the Fences” (Scentsy in 2017). Mary Kay, Inc. is known to treat their “employees, consultants, customers and suppliers as family...” Mary Kay Ash’s saying on balancing priorities in life, “Faith first, family second, and career third” is still a core company value (Crittenden & Crittenden, 2023, p.361), as evidenced by

the Mary Kay consultants who continue to share this motto on their social media today. Rather than creating a fiercely competitive sales environment like those fostered in other personal selling companies, direct selling firms encourage collaboration and supportive environments where coaching and mentoring are encouraged and valued (Biggart, 1989).

Direct sellers in the United States are independent contractors paid commission for sales. Distributors in multi-level marketing organizations earn commissions on sales by individuals recruited as downline distributors. Most direct sellers work part-time, selling inside, or outside the home — in person, or online. Those engaged in party plans sell in other homes, workplaces or neutral settings in a social and entertainment-oriented environment (Peterson & Wotruba, 1996). Direct selling firms perpetuate an entrepreneurial culture that exposes distributors to entrepreneurial training, tools, and professional networking (Peterson & Wotruba, 1996). These practices develop an entrepreneurial mindset among the direct selling salesforce. Direct selling firms teach useful skills on relationship marketing, generating repeat business, and allow distributors to plug into the value chain at any point with access to suppliers, potential customers, physical resources, and virtual selling platforms (Peterson & Wotruba, 1996).

The life of a fully engaged distributor becomes intertwined with the company, its brand, and the lives of other distributors. In fact, Biggart (1989, p. 9) argued that “committed distributors see their work as a superior way of life that embraces political values, social relations, and religious beliefs. It gives them not a job, but a worldview, a community of like-minded others, and a self-concept.” More than this, distributors may come to see themselves as part of a “family” as they engage with the direct selling company and other representatives (Biggart, 1989). Distributors can easily and inexpensively join and exit the companies, yet they often join for the products and stay for the environment (Coughlan, Krafft, & Allendorf, 2017).

The direct selling industry eliminates entry barriers by lowering capital requirements for becoming a distributor, offering free training seminars (face-to-face and online), and developing Spanish-only product brochures and marketing campaigns which target Spanish-speaking distributors and consumers (Gamse, 2016). Even today, access to capital remains a salient problem among minority entrepreneurs. Minority entrepreneurs are still disproportionately denied loans by banking institutions, underfunded by investors, and lack fully developed social networks. Direct selling addresses these issues in its core structure. Like most U.S. businesses, direct selling firms are microcosms of societal entrepreneurial culture and cultural norms. More importantly for minority and disadvantaged populations, distributors integrate spheres of life normally separate in modern society (Biggart, 1989). Children, spouses, and even religious values are brought together in the enterprise. Direct selling draws minority entrepreneurs with a compelling promise of granting

status and recognition to workers largely excluded from both in most workplaces (Biggart, 1989). Hence, we propose that:

Proposition 1: Strong national entrepreneurial environments (countries ranked highly on total early-stage entrepreneurial activity and entrepreneurial framework conditions) and entrepreneurial culture in direct selling firms will be positively related to direct selling entry decisions.

Hispanics in Direct Selling

Hispanics are increasingly important players in direct selling channels, both as distributors and as customers, particularly with the size of the U.S. Hispanic population growing exponentially. Because direct selling relies on face-to-face selling and social and family networks, it has shone a light on Hispanics in the salesforce. While the academic literature is essentially silent on the topic, the Direct Selling Association conducted surveys of member companies and their Hispanic distributors in 2016 to learn more about this influential group.

Princess House, Shaklee Corporation, and Gold Canyon are a subset of direct selling companies actively involved in the recruitment of Hispanic distributors and targeting the Hispanic market (Gamse, 2016). Hispanic distributors comprised more than twenty percent of the salesforce for fifty percent of firms targeting Hispanic markets during this time. Many firms had Spanish language materials primarily for marketing and training with replicated websites. Most had Spanish-fluent field leaders (83 percent) and call center staff (73 percent). Among Hispanic distributors, approximately 59 percent were of Mexican ancestry and 10.3 percent were Puerto Rican. This trend has continued. Recent industry reports within *Direct Selling News* indicate that many direct selling companies are intentionally expanding their efforts to recruit Hispanic distributors (Paulk, 2023). This is a trend that is consistent with demographic and entrepreneurship research on the growing economic influence of the U.S. Hispanic population (Gamse, 2016).

Recent evidence suggests that Hispanic Americans possess strong entrepreneurial orientations and substantial interest in self-employment. Nearly one-quarter of new entrepreneurs in the United States were Latino (Hispanic) (U.S. Department of the Treasury, 2023), and Latino-owned (Hispanic) employer firms increased by 44% between 2018 and 2023 (Steen, 2025). Furthermore, Hispanic workers demonstrate higher rates of self-employment than non-Hispanic workers across all age categories (Gumber and Martinez, 2025), indicating a strong propensity toward working for themselves and pursuing entrepreneurial opportunities. A key finding of the Consumer Trends study is “Hispanics seem to be the minority searching most for meaning and balance in their work yet not always finding it in their current jobs. As they are also the group most intrigued by the idea of working for themselves, direct selling could be a natural fit. (GfK Consumer Life, 2016, p.

100).” In fact, Hispanic-owned businesses have been one of the fastest-growing segments of U.S. entrepreneurship (Donoghoe et al., 2025). Quite possibly, industry strategies to grow its Hispanic salesforce and customer base could continue to spur the adoption of entrepreneurial culture and accelerate acculturation in Hispanic communities.

According to the *DSA's Hispanic Marketing Survey* (2016, p.8):

Hispanic people involved in direct selling are more likely to be male, younger, single, have children, live in the West and South, and have less education than non-Hispanic direct sellers. They also provide more positive ratings of their direct selling experience than non-Hispanics. They are more satisfied with the experience and more likely to recommend direct selling to others. Hispanic people involved in direct selling also seem more committed to direct selling as they are more likely than non-Hispanics to work full time and to be satisfied with the amount of money earned for the amount of time spent on their business. They believe the materials provided by their direct selling organizations meet their needs and give high marks to their company for providing materials in languages other than English.

Direct Selling and Acculturation

Albeit scant, entrepreneurial scholars have initiated studies that examine the role of acculturation in entrepreneurship. A single study by Dheer (2014) consisted of a conceptual exploration on immigrants' introduction and acculturation to a new society, and the resulting impact on his or her entrepreneurial intentions. The study contends that acculturation evokes cognitive outcomes of creativity, innovativeness, a desire for economic and social status excellence, and entrepreneurial intentions. Dheer (2014) notes that biculturals (those individuals who acculturate through integration) are more proficient at recognizing entrepreneurial opportunities when exposed to elements of the host and home culture given their wider knowledge base. Based upon Dheer's (2014) findings; it stands to reason that if traditional entrepreneurial entry opportunities fail to materialize, direct selling distributorships may be viewed by immigrant and minority groups as a viable entrepreneurial entry point.

For Hispanic entrepreneurs, the attraction of direct selling stems from industry efforts to eliminate structural disadvantages and socially embedded institutional barriers, too great to overcome (Ramirez Bishop & Surfield, 2013; Samli & Molina, 2013; Suárez, 2016). Direct selling firms provide representatives with structured training platforms and other resources, often in Spanish and English, and supportive entrepreneurial environments in which nascent and novice entrepreneurs can quickly test their entrepreneurial acumen and success. Operations and procedures in firms usually reflect the dominant culture's values, beliefs, and norms, allowing immigrants and minorities to use firm social structures to implement the necessary changes in behavior, attitudes, and cultural norms in pursuit of entrepreneurship.

Direct selling firms' engagement with independent sales representatives is frequent, inspirational, motivational, and heavily reliant on social networks, with a strong sense of family, and branding (Coughlan, Krafft, & Allendorf, 2017; Crittenden & Crittenden, 2004; Dai, Teo, & Wang, 2017).

Hispanic Community and Acculturation

Hispanics are the fastest growing demographic in the United States and the country's second largest ethnic group. Between 2000 and 2024, the Hispanic population nearly doubled, rising from 35.3 million to 68 million, accounting for more than half of all U.S. population growth during that period (Pina and Martinez, 2025). Hispanics are extremely diverse with regard to race, ethnicity, and culture. Although most Hispanics are from collectivistic countries and cultures, differences abound. Hispanics speak various languages (i.e., English, Spanish, Portuguese), have unique cultural traditions and celebrations, and signature cuisines. A survey on Hispanic entrepreneurs found that many identify more with ethnicity (i.e., Mexican, Puerto Rican, Chicano) rather than race (i.e., White, Black). Acculturation issues may develop from social and cultural differences in Hispanic communities which lead to social and economic disadvantage, stereotyping, and discrimination (Christiansen, 2010).

Diverse ethnicities, subcultures, and environmental conditions obfuscate acculturation in Hispanic communities. Entrepreneurship, however, may be the unifying factor. Suárez's (2016) study compared Hispanic immigrants and U.S.-born Hispanic entrepreneurs. Suárez found that U.S. Hispanics have higher self-esteem than Hispanic immigrants, and Hispanic immigrants had lower educational levels and greater external locus of control (Suárez, 2016). The preponderance of acculturation research centers on immigrants; however, research findings often relate to minority groups, such as U.S.-born Hispanics, whose subcultures vary from the dominant culture, particularly in ethnic enclaves (Berry, 1997; Cheung-Blunden & Juang, 2008; Seitz, 1998). Certain personal (i.e., self-efficacy) and sociocultural factors (i.e., social recognition, legitimacy) influence the extent to which immigrant and minority groups pursue acculturation (Berry, 1997; Dheer, 2014). These factors not only predict acculturation but entrepreneurial intentions as well (Boyd & Vozikis, 1994; Dheer, 2014). The remarkable connection implies that acculturation may not only act as a determinant for entrepreneurial or direct selling entry but may also interact with certain factors (i.e., race, entrepreneurial environment, entrepreneurial culture, resources offered) to strengthen entry decisions.

As a group, Hispanic entrepreneurs hold more traditional attitudes towards working women, have lower perceptions of mastery, and a slightly greater external locus of control (Ramirez Bishop & Surfield, 2013). Latina entrepreneurs, a relatively disadvantaged group, choose self-employment for non-pecuniary reasons (Lofstrum & Bates, 2009). These findings may indicate an environmental dependency on the part of Hispanic entrepreneurs. Of great interest to

the current study is Abebe's (2012) finding that social factors (i.e., social status and social support) are predictors of entrepreneurial career intentions among Hispanic adults. Direct selling firms provide ample social support and entrepreneurial resources for distributors which could explain why direct selling is attractive to Hispanics.

Collectively, Ramirez Bishop & Surfield (2013), Lofstrum and Bates (2009), and Abebe (2012) allude to theoretical assumptions that social and environmental forces propel Hispanics toward self-employment, for which direct selling is a form. Analogous to Hispanic American entrepreneurs, Hispanic immigrants use transnational entrepreneurship as a means of acquiring material gains, social status, and expanding their middle-class status (Zhou, 2004). Sociocultural transnationalism serves to "forge and sustain multi-stranded social relations that link together their societies of origin and settlement (Basch, Glick-Schiller, & Blanc-Szanton, 1994, p. 6)." A study by Allen and Busse (2016) describe personal and business acculturation as a form of breakout and found that Latino immigrant business owners positioning themselves for breakout initiate casual social interaction with non-Latino residents and customers. The authors purport that Latino immigrants achieve breakout by creating spaces (i.e., restaurants, markets, and retail) of social cohesion, cross-ethnic interaction, encounters and cultural consumption by non-Latinos (Allen & Busse, 2016).

Most Hispanic entrepreneurs rate acculturation as being very positive to their communities and businesses (Samli & Molina, 2013). Samli & Molina's (2013) strategic model for successful Hispanic entrepreneurship depicts support systems and strategic tools such as the ability to assess the degree of acculturation of Hispanic consumers as prerequisites to success. Prior studies intimate that minorities pursue entrepreneurship due to 'push' factors such as social integration, and social and economic mobility (Mavoothu, 2009; Suarez, 2016), giving further evidence of causality between entrepreneurship and acculturation. As a whole, Hispanic populations may view the culture of direct selling as a path to entrepreneurship, and a bridge between the familiar heritage culture, and the unfamiliar host, or dominant culture. Moreover, scholarly discourse alludes to the premise that Hispanics enter direct selling to facilitate acculturation, achieve economic and social mobility, and more often than not, acculturate using integration strategies.

Proposition 2: The availability of Hispanic cultural and linguistic resources from direct selling firms will positively relate to direct selling entry decisions, and moderate the relationship between strong national entrepreneurial environments, entrepreneurial culture in direct selling firms, and Hispanic direct selling entry decisions.

Proposition 3: Acculturation moderates the relationship between direct selling entry decisions of Hispanics in host countries with strong national entrepreneurial environments (ranked highly on total

early-stage entrepreneurial activity or entrepreneurial framework conditions), and entrepreneurial culture in direct selling firms. This relationship will hold for bicultural Hispanics who enter the direct selling channel for economic and social mobility and acculturate using integration.

Figure 1 shows the proposed framework of acculturation, entrepreneurial environment and direct selling entry decisions.

Results/Findings

Overall, it was found that acculturation can be useful in explaining direct selling entry decisions of Hispanic distributors. Supportive host country entrepreneurial environments and firm cultures attract individuals to the industry, and social integration through acculturation is a desirable outcome as Hispanic immigrants pursue economic and social mobility with hopes of expanding to the ranks of the middle class. Hispanics' preferred acculturation strategy seems to be integration, and to a lesser extent, assimilation. Successful acculturation leads to positive psychological adjustment in minority communities, and in large part

may have contributed to the relative success achieved by Hispanics in the direct selling industry.

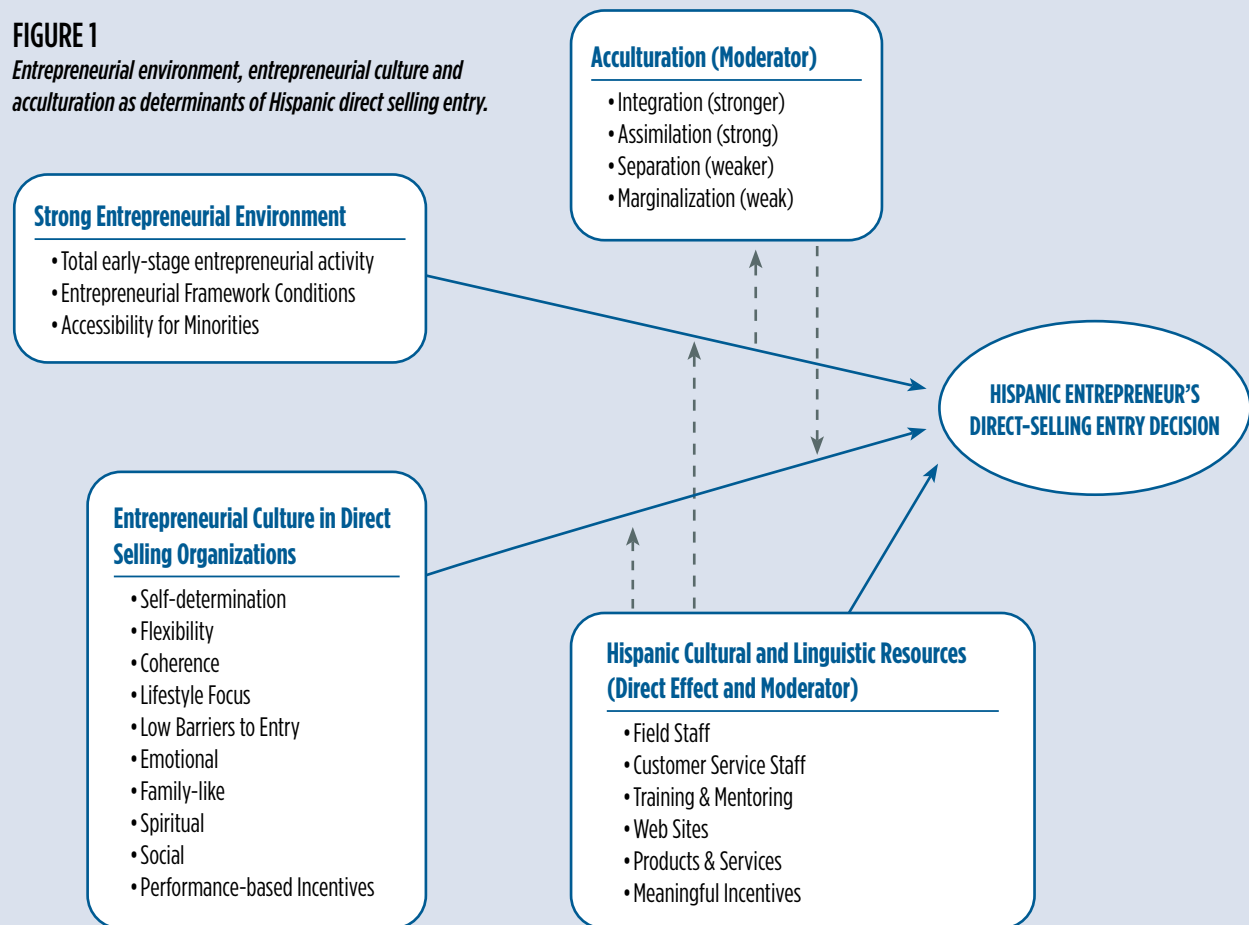
3. CONCLUSION AND IMPLICATIONS FOR THEORY, RESEARCH, AND PRACTICE

We conducted a thorough conceptual review of three externalities that impact direct selling entry decisions of Hispanics. More specifically, the intersection of acculturation, national entrepreneurial environments and entrepreneurial culture are critical in the distributorship decision, along with an understanding of needed cultural resources. The framework developed advances theory on cross-cultural psychology and entrepreneurial entry in the direct selling channel.

There are several managerial implications for direct selling organizations that leverage both entrepreneurial culture and acculturation processes to improve recruitment, retention, and venture success among Hispanic/Latino entrepreneurs. First, direct selling firms can establish bicultural onboarding and mentorship programs that pair new Hispanic/Latino distributors with successful bilingual mentors. Beyond product and sales training,

FIGURE 1

Entrepreneurial environment, entrepreneurial culture and acculturation as determinants of Hispanic direct selling entry.



these programs can provide support in networking, business communication, financial literacy, and relationship building. Such initiatives enable new entrants to maintain their cultural identity while developing the competencies needed to operate effectively in the broader business environment. By reducing uncertainty and increasing access to social capital, these relationships may strengthen entrepreneurial persistence and contribute to long-term business growth. Second, direct selling organizations can sponsor culturally responsive events that connect Hispanic/Latino distributors with the broader business ecosystem. Through bilingual programming, networking opportunities, and workshops on topics such as access to capital, business regulations, digital marketing, and wealth creation, these events can strengthen entrepreneurial self-efficacy and accelerate acculturation by increasing access to professional networks and institutional resources.

Third, direct selling firms can leverage their entrepreneurial culture to create community-based initiatives for Hispanic/Latino entrepreneurs and their families. Programs such as family entrepreneurship workshops, youth entrepreneurship camps, and leadership development activities can build on collectivistic cultural values while connecting participants to broader economic and professional networks. By engaging existing family support systems, these initiatives may strengthen entrepreneurial commitment, improve retention, and enhance social and economic mobility within Hispanic/Latino communities. Collectively, these strategies suggest that direct selling organizations can move beyond traditional recruitment and sales training by promoting entrepreneurial socialization, cultural integration, and economic empowerment.

We believe this study to be a useful starting point for future research on direct selling, entrepreneurship and acculturation in many contexts. A logical next step would be empirically testing and validating the model using direct selling channel salesforce data and extending the model to determine whether acculturation leanings may result in a decision to stay or leave the distributorship.

4. IMPLICATIONS FOR ENTREPRENEURSHIP EDUCATION

The study addresses the application of acculturation theory to Hispanics in the direct selling channel, providing insights into several topics that are not frequently a part of the entrepreneurship literature or the entrepreneurship classroom. While much has been written about minority entrepreneurship, little is known about the go-to-market strategies of the companies in which they engage and the cultural fit. We address the entrepreneurial culture of direct selling organizations, the culturally and linguistically appropriate resources provided for Hispanic distributors, and the national entrepreneurship environment. Entrepreneurship educators can begin to address ethnicity and acculturation in the classroom with more specificity and can discuss the direct selling channel as a viable option for entrepreneurial entry and integration into dominant culture. 

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THE BIRTH OF PROSUMERS: FROM PASSIVE CONSUMERS TO ACTIVE ENTREPRENEURS

By Jae Hwan Lee, PhD and Jiyeon An, PhD

ABSTRACT

Direct selling is an innovator in creating a creative consumer role, moving from the mere, passive consumer to the entrepreneurial, active prosumer. Drawing on 27 Amway print advertisements spanning 1970 to 2001, evolving participation roles, such as Early Phase (1970s), Transition Phase (1980s), and Later Phase (1990s- 2001), led to coordinated market participation through foundation roles (e.g., caretaker and diagnostician), interaction roles (e.g., demonstrator and host), and exchange roles (e.g., advisor and facilitator), indicating five core practices (use, diagnose, demonstrate, interact, and advise) that stabilize into six recognizable roles. These novel insights reframe direct selling as a structured formation system

rather than a distribution channel, thereby repositioning consumers as prosumers with a learned capability. Prior to the age of platform economy via social media, this role transition enabled them to engage with the community by taking on active roles, including content demonstration, peer advising, community hosting, and transaction facilitation, demonstrating how the artifacts function as enactments across different infrastructures.

INTRODUCTION

In many markets, individuals do more than consume products; they demonstrate them, recommend them, and help others make decisions. These activities blur the boundary between consumption and participation, positioning

DIRECT SELLING AND THE BIRTH OF PROSUMERS

This study contributes to research on prosumption by shifting attention from participation as an outcome to participation as a process of formation. **It reframes direct selling as a structured participation system that teaches individuals how to act in markets.**

In the Amway materials analyzed here, individuals are shown how to use products, diagnose needs, demonstrate value, interact with others, and advise on

A **prosumer** is an individual who both consumes and produces a good or service. The term is a portmanteau of the words producer and consumer.

product combinations. These practices are not left to improvisation; they are modeled through catalogs, training guides, demonstration formats, recommendation tools, and ordering systems. Through repetition, these practices become recognizable and transferable.

These practices are not unique to one firm. Demonstration, advising, diagnosis, hosting, and facilitation are visible across the direct selling field.

IMPLICATIONS FOR PLATFORM ECONOMIES AND GEN Z PARTICIPATION

Digital environments often make product demonstration, peer advising, community hosting, and transaction facilitation appear new. These activities are especially visible among Generation Z, whose consumption practices are closely intertwined with creator content, peer influence, and social commerce.

The present study suggests that these behaviors are better understood as contemporary reconfigurations of roles that have long been structured in other market contexts. Digital platforms change the medium, scale, speed, and visibility of participation, but they do not eliminate the underlying role logic.

MANAGERIAL IMPLICATIONS

The findings have several practical implications for organizations that rely on participant engagement, peer recommendation, social selling, or platform-enabled commerce.

Design materials that model action. Scripts, guides, examples, prompts, templates, and transaction tools can help individuals learn how to participate effectively

Design for roles rather than isolated tasks. A participant who demonstrates a product may also need to diagnose needs, advise on fit, host interaction, and facilitate exchange. Treating these activities as disconnected tasks may weaken participation. Designing materials and tools around roles can help organizations support more coherent engagement.

Role integration. The Amway case suggests that participation becomes more powerful when role integration occurs. A demonstration can lead into diagnosis; diagnosis can lead into advising; advising can lead into facilitation. Strengthen participation through materials that guide individuals across linked forms of engagement rather than supporting each activity separately.

Improve digital engagement by designing platform tools that support role transitions: from content viewing to product understanding, from peer discussion to recommendation, and from recommendation to transaction.

individuals as active contributors to how products are communicated and exchanged (Cova & Dallı, 2009; Ritzer & Jurgenson, 2010). Yet this familiar observation conceals a more fundamental question: how do individuals become capable of performing these roles in the first place? Direct selling offers a particularly revealing context for examining this question because it organizes market activity through interpersonal interaction, demonstration, explanation, and relationship-based exchange (Biggart, 1989; Peterson & Wotruba, 1996). In 2024, U.S. direct selling generated \$34.7 billion in retail sales and included 12.2 million individuals who have signed or renewed independent contractor agreements with direct selling companies. Of these, 5.4 million were direct sellers actively working to build businesses, while 6.8 million were discount buyers who purchased products for personal use rather than business building. The channel also reached 34.3 million preferred customers and discount buyers, according to DSA/DSEF reporting (Direct Selling Education Foundation, 2025). These figures highlight direct selling as an important setting for understanding how individuals enter and perform market participation.

What distinguishes this context is the central role of materials — catalogs, training guides, demonstration formats, recommendation tools, and ordering systems — that shape how individuals engage with products and with one another. These materials do more than communicate product attributes; they model how individuals act. They show how to use products, demonstrate value, interact with others, interpret needs, and facilitate exchange (Orlikowski, 2000; Shove et al., 2012). Across firms, these materials emphasize different aspects of participation. Tupperware and Pampered Chef foreground demonstration and group-based interaction; Mary Kay and Avon emphasize advisory roles grounded in consultation and recommendation; Herbalife and Nu Skin center engagement on diagnostic routines that align products with identified needs. Other firms, including Arbonne, Young Living, and doTERRA combine demonstration, advising, and community-based engagement in varying ways. These patterns suggest that diverse participation across direct selling firms reflects different emphases within a broader participation system (Biggart, 1989; Peterson & Wotruba, 1996; Weitz et al., 2020).

The contemporary relevance of this issue is especially visible in Generation Z market participation. Gen Z consumers routinely encounter products through creator content, peer recommendations, digital communities, livestream demonstrations, and platform-enabled shopping environments (Elshaer et al., 2024). In these settings, product value is often made visible through short-form video, interpreted through peer or influencer commentary, and converted into purchase through embedded links, storefronts, and checkout tools (Djafarova & Bowes, 2021; Ki et al., 2020; Lou & Yuan, 2019). These activities are often treated as novel features of platform economies, where digital infrastructures scale interaction, exchange, and ecosystem participation (Nambisan et al., 2019). Yet they also resemble long-standing participation roles:

demonstrating products, advising others, hosting interaction, and facilitating transactions. Gen Z therefore makes the paper's central puzzle more visible: if contemporary consumers appear increasingly capable of participating in markets, how are those participation capabilities learned, structured, and coordinated?

This question connects to the broader concept of prosumption, in which individuals participate in the creation, communication, and exchange of value (Toffler, 1980; Ritzer & Jurgenson, 2010). Existing research documents what prosumers do — how they create content, share knowledge, shape meanings, and contribute to value — but offers limited insight into how individuals become capable of doing so (Schau et al., 2009). This limitation matters because participation does not simply appear when markets become more social, digital, or decentralized. Individuals must learn how to demonstrate, advise, interact, and facilitate exchange in ways that are recognizable to others. Gen Z's digital participation is therefore not treated here as a separate phenomenon, but as a contemporary expression of a broader question about how market participation is formed.

This study addresses that gap by examining Amway advertisements from 1970 to 2001. The analysis shows that participation is not left to individual interpretation but is structured through recurring practices — use, diagnose, demonstrate, interact, and advise — that are made observable and repeatable. These practices provide the foundation through which individuals learn how to engage with products and with others. The findings further show that these practices stabilize into recognizable roles — caretaker, diagnostician, demonstrator, host, advisor, and facilitator — that organize participation across contexts. In this sense, Amway is not treated as a representative direct selling firm, but as an integrative context in which roles that are often emphasized separately across different selling companies become visible within a single participation system. Here, “separately” does not refer to traditional retail structures, but to variation within the direct selling field itself. Some firms organize participation primarily around demonstration and hosting, others around consultation and advising, and still others around diagnosis, product routines, or community-based engagement. Amway is analytically useful because its materials bring these role elements together and show how they can be coordinated within one participation system.

The analysis also shows that market exchange is not driven by isolated behaviors but emerges from the coordination of these roles. Within Amway, materials explicitly link demonstration, diagnosis, advising, and facilitation into sequences of engagement that guide participants from initial interaction to completed transactions. Demonstration scripts make product value visible, needs-assessment prompts guide diagnosis, bundle recommendation sheets support advising, and order coordination tools translate interest into exchange. This sequencing helps explain why contemporary Gen Z participation should not be understood only as platform-driven novelty.

Digital platforms may change the medium, speed, and visibility of participation, but the underlying role structure — demonstrating, advising, hosting, and facilitating — reflects a longer-standing participation logic.

This study contributes to research on prosumption by shifting attention from participation as an outcome to participation as a process of formation. Rather than asking only what prosumers do, it explains how individuals become capable of performing prosumption activities through structured materials, repeated practices, and recognizable roles. It also contributes to direct selling research by reframing direct selling as a participation system rather than merely a distribution channel or sales format. Finally, by showing how Amway integrates participation roles emphasized separately across different selling companies, the study provides a process-based account of how participation capabilities are structured, learned, and coordinated into market exchange.

CONCEPTUAL BACKGROUND

Direct Selling as a Participation System

Direct selling encompasses a diverse set of organizational models that structure participation in different ways. Rather than representing a single approach to market exchange, the field consists of firms that promote different forms of engagement. Some organizations center participation around demonstration and shared experience. Tupperware and Pampered Chef, for example, organize interaction through group settings in which products are presented, tested, and discussed collectively. Other firms emphasize advisory relationships. Mary Kay and Avon position participants as guides in product selection and use, making consultation and recommendation central to participation. A third set of firms extends participation into diagnostic and system-based guidance. Herbalife and Nu Skin structure engagement around identifying needs and connecting those needs to product systems, while firms such as Arbonne, Young Living, and doTERRA combine demonstration, advising, routines, and community-based engagement in varying ways. These differences reflect direct selling's broader reliance on interpersonal exchange, demonstration, and relationship-based selling (Biggart, 1989; Peterson & Wotruba, 1996; Weitz et al., 2020).

Historically, direct selling depended on materials that shape how participation occurs. Catalogs, training guides, demonstration formats, recommendation sheets, and ordering systems do not merely support exchange; they organize it. They show participants how to use products, explain them, interact with others, and move from interest to transaction. In this sense, direct selling materials function as practical guides for participation, making market activity observable, repeatable, and learnable (Biggart, 1989; Peterson & Wotruba, 1996). This matters because participation is not evenly distributed across direct selling firms. Different organizations emphasize particular roles within a broader system. Demonstration, advising, diagnosis, hosting, and facilitation may appear separately across firms, but together they point to a larger structure

through which individuals are taught to participate in markets. Understanding that structure requires moving beyond firm-level descriptions to examine how participation is formed.

Prosumption, Platforms, and the Formation of Participation

The forms of engagement visible in direct selling align with the broader concept of prosumption, in which production and consumption become intertwined (Toffler, 1980; Ritzer & Jurgenson, 2010). Prosumers do not simply consume value; they contribute to its creation, communication, and circulation. Prior research has documented these activities in contexts such as brand communities, co-creation settings, digital platforms, and peer-to-peer exchange, showing how consumers generate content, advise others, shape meanings, and participate in value creation (Cova & Dallı, 2009; Humphreys & Grayson, 2008; Schau et al., 2009). Yet this literature often treats participation as already available, emphasizing what consumers do more than how participation capabilities are formed (Cova & Dallı, 2009; Schau et al., 2009). The ability to demonstrate products, interpret needs, guide others, and facilitate exchange is often assumed rather than explained. This limitation is central to the paper's argument because participation requires more than access to markets or technologies; it requires learned practices, recognizable roles, and structured forms of interaction.

This issue is especially visible in contemporary platform economies, where markets increasingly rely on users, creators, influencers, and peer participants who perform market-facing roles at scale. Platformization reshapes consumer culture by reorganizing interaction, mediation, visibility, and market participation (Caliandro et al., 2024). Product value is demonstrated through short-form videos, livestreams, reviews, and tutorials; needs are interpreted through creator commentary, peer discussion, and recommendation systems; interaction is organized through digital communities and platform-mediated audiences; and exchange is facilitated through embedded links, affiliate storefronts, shoppable posts, and checkout tools (Busalim et al., 2021). Generation Z makes this process particularly visible because Gen Z consumers frequently encounter products through creator content, peer recommendations, social commerce interfaces, and platform-mediated communities (Djafarova & Bowes, 2021; Ki et al., 2020; Lou & Yuan, 2019). These behaviors are often described as features of digital platforms or influencer economies, but they also depend on recognizable participation roles: demonstrating, advising, hosting, and facilitating.

The platform economy therefore sharpens the theoretical problem. Platforms expand the visibility, speed, and reach of participation, but they do not by themselves explain how individuals learn to perform market-facing roles (Nambisan et al., 2019; Scaraboto & Fischer, 2024). A platform may provide the infrastructure for content creation, recommendation, interaction, and transaction, but participation still requires capabilities that must be learned

and recognized by others. This creates a bridge between direct selling and platform-mediated markets: both rely on participants who connect products, audiences, recommendations, and exchange. The difference is that direct selling materials make the formation of those roles more observable, while platforms amplify their circulation.

Practice theory offers a way to examine this formation process. Practices are routinized patterns of activity shaped by the relationship among materials, competencies, and meanings (Reckwitz, 2002; Shove et al., 2012). From this perspective, participation is not simply an expression of individual preference or motivation. It is learned through repeated engagement with materials and situations that make action possible. Materials matter because they provide cues, scripts, and formats that make practices visible and performable (Orlikowski, 2000; Warde, 2005). In direct selling, materials such as catalogs, demonstration guides, recommendation sheets, and ordering tools provide precisely this kind of structure. They do not only describe products; they show participants how to perform market-facing activities. Through repeated exposure to these materials, individuals learn how to use, diagnose, demonstrate, interact, advise, and facilitate exchange. Over time, these practices become more stable and recognizable.

This reframes prosumption as a process of formation. Rather than asking only what prosumers do, the central issue becomes how participation capabilities are developed. Direct selling provides a useful context for this question because it makes the formation process visible in organizational materials that explicitly guide action. Gen Z and platform-mediated participation, by contrast, show the contemporary expression of the same underlying issue: participation appears widespread, but it still depends on learned practices, recognizable roles, and coordinated forms of interaction.

From Distributed Roles to an Integrative System

Practice theory explains how participation is learned, but it does not fully explain how repeated activities become organized into recognizable forms of engagement. Role theory provides a complementary lens. Roles are patterned forms of behavior that guide interaction and allow others to understand what kind of participation is being performed (Biddle, 1986; Goffman, 2023). In market contexts, roles such as demonstrator, advisor, host, or facilitator organize how individuals engage with products, customers, audiences, and one another. In direct selling, these roles appear to be distributed across firms, reflecting variation in demonstration, advising, diagnostic engagement, and relationship-based selling practices (Biggart, 1989; Peterson & Wotruba, 1996). One firm may foreground the demonstrator role through product presentations, another may foreground the advisor role through consultation, and another may emphasize diagnostic engagement through product systems and needs assessment. These patterns suggest that direct selling firms do not simply differ in product categories or sales formats; they emphasize different role configurations within a broader participation system.

This reframes prosumption as a process of formation. Rather than asking only what prosumers do, the central issue becomes how participation capabilities are developed.

The central analytical challenge is to observe how these roles operate together. If roles are distributed across firms, it is difficult to see how they interact within a single participation system. This is where Amway becomes analytically useful. Amway's materials span multiple domains — household products, personal care, beauty, wellness, product systems, recommendations, and ordering tools. This breadth makes it possible to observe how practices associated with use, diagnosis, demonstration, advising, interaction, and facilitation co-occur within one organizational context. Amway is therefore not treated here as a typical or representative direct selling firm. It is treated as an integrative empirical lens. Its materials make visible how roles that are often distributed across firms can be linked within a single participation system. This distinction is important because the study is not simply about identifying roles, but about explaining how practices stabilize into roles and how those roles coordinate participation toward exchange.

This role-based perspective also clarifies how the study connects historical direct selling materials to contemporary platform participation. The argument is not that Amway predicts Gen Z behavior or that direct selling and platform economies are identical. Rather, Amway provides an archival setting in which the formation of participation roles can be observed in detail. Platform economies show why this formation process matters today: digital markets depend on participants who can demonstrate, advise, host, and facilitate exchange across technologically mediated settings. Amway is relevant not because it is a simple precursor to platforms, but because it reveals the underlying role logic that platform environments now scale, accelerate, and reconfigure.

METHODS

Research Design

This study uses a qualitative, interpretive research design to examine how participation is constructed through materials that guide action and interaction. The purpose is not simply to document direct selling practices, but to explain how individuals become capable of performing prosumption activities. This design is appropriate because the study focuses on processes of learning, repetition, stabilization, and coordination — processes that are difficult to capture through outcome-based measures alone (Gioia et al., 2013; Langley, 1999).

Amway is used as an integrative empirical lens. As developed in the conceptual background, direct selling firms often emphasize particular forms of participation, such as

demonstration, advising, diagnosis, hosting, or facilitation. Amway is analytically useful because its materials span multiple domains, including household products, personal care, beauty, wellness, product systems, recommendation tools, and ordering materials. This breadth makes it possible to observe how practices that are often distributed across firms co-occur and become linked within a single participation system. The study therefore treats Amway not as a representative case, but as a context in which the structure of participation becomes visible.

Data Collection

The empirical analysis draws on a curated set of 27 archival artifacts produced by Amway between 1970 and 2001. These artifacts include catalogs, training guides, demonstration formats, recommendation tools, and ordering materials. The period is useful because it captures the development of direct selling materials across product use, interaction, advising, and transaction facilitation. Rather than focusing only on promotional content, the dataset includes materials that guide what participants are expected to do and how they are expected to engage with others.

Artifacts were selected because they contained explicit or implicit guidance on participation. Some materials modeled routine product use, while others showed how to demonstrate products, assess needs, recommend product combinations, host interaction, or coordinate orders. This

selection strategy supports the study's central aim: to examine how participation is structured through materials rather than assumed as an individual trait.

Table 1 summarizes the artifact categories used in the analysis. The table is included here because the credibility of the study depends on showing the range of materials analyzed before presenting the coding and findings. Together, the artifacts provide a longitudinal view of how participation was modeled across product use, interpersonal interaction, role formation, and exchange.

Coding Procedure

The coding procedure moved from concrete material evidence to broader conceptual categories. The first stage focused on observable actions within the artifacts. These included actions such as using products, presenting product features, asking questions, identifying needs, recommending product combinations, inviting interaction, and coordinating orders. At this stage, the goal was to capture what the materials asked participants to do before interpreting those actions as broader practices or roles. The second stage grouped recurring actions into broader practice categories. Actions related to routine product application were grouped under use. Actions involving need identification were grouped under diagnose. Product presentation actions were grouped under demonstrate, while conversation, hosting, and group engagement actions were grouped under interact. Recommendation-oriented

TABLE 1
Overview of Amway Archival Artifacts Analyzed (1970-2001)

ARTIFACT CATEGORY	DESCRIPTION	PARTICIPATION FUNCTION IN THE ANALYSIS	ILLUSTRATIVE ARTIFACTS	PERIOD COVERED
Product catalogs and product system materials	Catalogs and product-oriented materials presenting household, personal care, beauty, wellness, and related product systems	Model routine product use and provide the foundation for the use practice and caretaker role	Household cleaning routines catalog; extended product system guides; usage manuals	1970s-2001
Training and needs-assessment materials	Materials that guide participants in identifying customer needs, asking questions, and interpreting situations	Support the diagnose practice and diagnostician role by showing participants how to assess needs before recommending products	Customer needs assessment guide; diagnostic training frameworks	1990s-2001
Demonstration materials and presentation scripts	Materials that show participants how to present product features, sequence demonstrations, and make product value visible	Support the demonstrate practice and demonstrator role by scripting visible product performance	Kitchen product demonstration script; advanced demonstration guides	1980s-2001
Hosting and interaction guides	Materials that structure group engagement, invitations, discussion, and shared product experiences	Support the interact practice and host role by organizing social participation around products	Hosted demonstration event guide; group engagement materials	1980s-2001
Recommendation and product-bundle tools	Materials that connect identified needs to product combinations, routines, or solution sets	Support the advise practice and advisor role by guiding product choice and recommendation	Product bundle recommendation sheet; expanded recommendation frameworks	1990s-2001
Ordering and transaction-coordination materials	Forms and tools that guide order placement, coordination, fulfillment, and transaction completion	Support the facilitator role by connecting interaction and recommendation to exchange	Order coordination and fulfillment form; later ordering tools	1990s-2001

actions were grouped under advise. These practice categories reflect repeated forms of engagement that participants could observe, copy, and refine. The third stage examined how practices stabilized into recognizable roles. Repeated practices of routine use supported the caretaker role. Need-identification practices supported the diagnostic role. Presentation practices supported the demonstrator role. Group engagement practices supported the host role. Recommendation practices supported the advisor role. Transaction-coordination practices supported the facilitator role. This coding progression allowed the analysis to move from materials to practices, from practices to roles, and from roles to exchange, consistent with qualitative approaches that develop concepts through iterative abstraction from empirical evidence (Gioia et al., 2013).

Detailed artifact-level coding examples are provided in Appendix A, which links specific artifacts to coded actions, practice categories, and roles. Appendix B provides coding definitions and inclusion criteria. These appendices make the analytical movement from artifact evidence to conceptual interpretation visible while keeping the main text focused on the core analysis.

Analytical Approach

The analysis was iterative rather than strictly linear. Codes were refined through repeated movement between individual artifacts, emerging categories, and the broader conceptual framework. This movement between data and emerging interpretation is consistent with process-oriented qualitative analysis, where concepts are developed through comparison over time and across evidence (Langley, 1999). The purpose of this iterative process was not only to identify recurring practices, but to understand how those practices became linked into roles and coordinated toward exchange.

Three analytical moves were especially important. First, the analysis compared practices across different artifact types to determine whether they appeared consistently or only within isolated materials. Catalogs, training guides, demonstration formats, recommendation tools, and ordering materials each modeled different aspects of participation. Examining them together made it possible to trace how product use, demonstration, advising, interaction, and transaction facilitation were connected across the broader participation system.

Second, the analysis refined the boundaries between adjacent practices and roles. Some categories initially appeared close to one another. Demonstration and advising, for example, both involved communicating product value. They were separated analytically because demonstration makes value visible through performance, whereas advising interprets needs and guides product choice. Similarly, interaction and facilitation were distinguished because interaction organizes engagement, while facilitation operationalizes exchange. These distinctions were central to explaining how participation roles coordinate without collapsing into a single generalized selling activity.

Third, the analysis examined whether patterns were reinforced across the full corpus rather than concentrated in a few illustrative artifacts. Primary artifacts are used in the results to make each practice and role concrete, while later artifacts show how these patterns recur across the dataset. This corpus-level comparison supports the interpretation that the findings reflect a structured participation system rather than isolated examples. Appendix A provides artifact-level coding examples, and Appendix B provides coding definitions and inclusion criteria, making the movement from material evidence to conceptual interpretation visible.

RESULTS

The results trace how participation is constructed through a cumulative process: materials model practices, practices stabilize into roles, and roles coordinate market exchange. This progression corresponds to the study's central empirical logic. First, the analysis shows how direct selling materials structure participation practices. Second, it shows how those practices become recognizable roles. Third, it shows how roles work together to enable exchange. Rather than treating participation as an outcome, the findings show how it is formed through structured engagement. Materials make participation visible; repeated practices make it performable; roles make it recognizable; and the coordination of roles makes exchange possible, consistent with practice-based perspectives on how action becomes routinized and socially shared (Reckwitz, 2002; Shove et al., 2012).

Participation Practices

Participation first appears in the materials as a set of concrete, repeatable activities. Individuals are not simply presented with products; they are shown how to act — how to use products, demonstrate their value, engage others, interpret needs, and provide recommendations. These actions recur across materials and converge into five core practices: use, diagnose, demonstrate, interact, and advise.

The use practice is most visible in early catalog materials. A household cleaning product catalog from the 1970s presents products within structured routines — daily, weekly, and situational applications — implicitly guiding participants to integrate products into ongoing patterns of use (A1). Rather than framing consumption as a one-time act, the catalog normalizes repeated engagement. This reflects how practices are sustained through repetition and embedded in everyday routines (Warde, 2005). This emphasis on continuity is reinforced in later product system guides and extended usage manuals (A9–A12).

The *diagnose* practice emerges in training-oriented materials. A customer needs assessment guide includes prompts that encourage participants to identify problems before recommending products (A5). This shifts engagement from product presentation to situational interpretation. Later materials expand these diagnostic routines into structured frameworks, reinforcing the participant's role as an evaluator of needs rather than a passive presenter of products (A13–A16).

The *demonstrate* practice is explicitly structured in product demonstration materials. A kitchen product demonstration script provides step-by-step guidance on how to present features in sequence, ensuring that performance becomes visible and observable (A3). Demonstration operates as a performative practice that makes product value tangible, consistent with research on how consumer practices generate shared meaning (Schau et al., 2009). This scripting is echoed in more advanced demonstration guides (A10–A14).

The *interact* practice appears in materials that organize group participation. A hosted demonstration event guide outlines how to invite participants, facilitate discussion, and structure shared experiences (A4). Interaction is therefore not incidental but designed into participation, reflecting how engagement is socially organized (Cova & Dalli, 2009). These patterns are reinforced in later materials that formalize engagement strategies and group interaction (A11–A15).

The *advise* practice appears in recommendation-oriented materials. A product bundle recommendation sheet presents combinations of products tailored to specific needs, guiding participants to frame choices around situations rather than isolated features (A7). Later frameworks extend these bundles into more complex systems of recommendation, reinforcing advising as an interpretive practice through which participants connect needs to product combinations (A14–A18).

Across these examples, participation is made learnable. The materials repeatedly encode actions that can be observed, copied, and refined. Appendix A shows

how these practices recur across the full set of artifacts (A1–A27). Participation is therefore not assumed; it is constructed through structured exposure to practices (Reckwitz, 2002; Shove et al., 2012). These practices are not unique to one firm. Demonstration, advising, diagnosis, hosting, and facilitation are visible across the direct selling field, but different firms tend to foreground different practices. Tupperware and Pampered Chef make demonstration and hosting especially visible; Mary Kay and Avon foreground advising; Herbalife and Nu Skin emphasize diagnostic engagement through product systems; and firms such as Arbonne, Young Living, and doTERRA combine advising, routines, and community-based engagement in varying ways. What distinguishes the Amway materials examined here is that these practices are observed together and linked within a single artifact system. Demonstration scripts connect to need-identification prompts, recommendation sheets translate needs into product bundles, and ordering tools convert recommendations into completed transactions (A3, A5, A7, A8). This linkage provides the bridge from individual practices to participation roles.

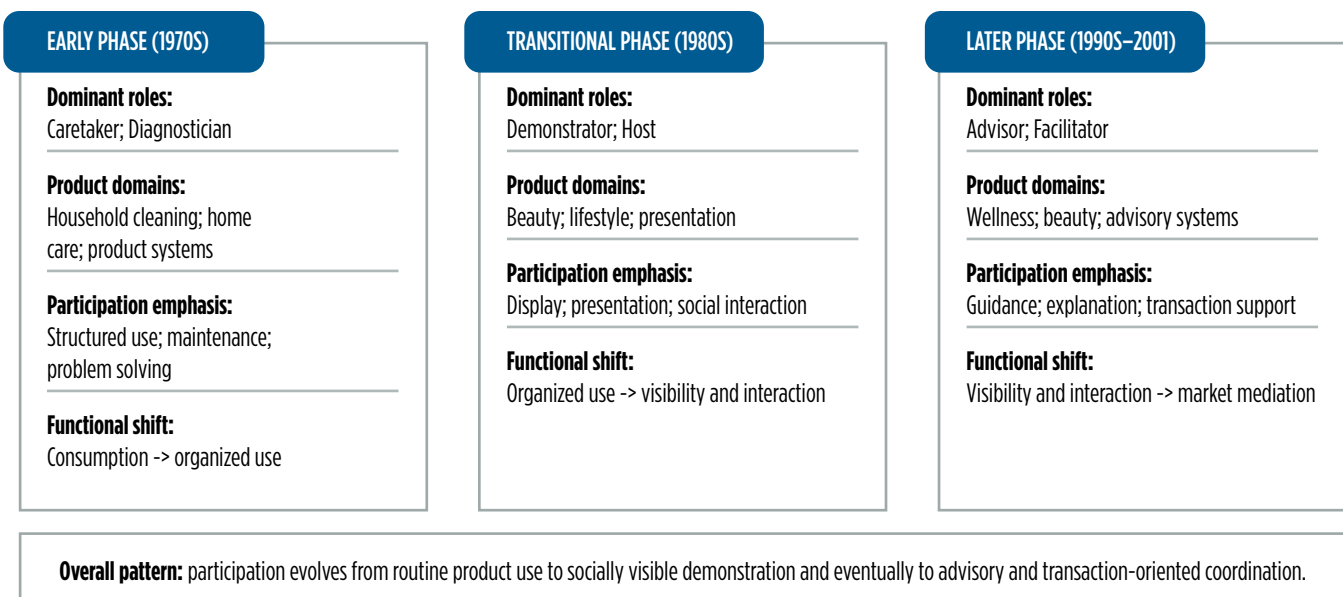
Figure 1 captures this cumulative process. Practices begin as modeled activities, but through repetition and combination they become stable forms of participation. Individuals move from routine engagement to more complex forms involving diagnosis, demonstration, interaction, and advising. The figure therefore shows how participation develops through structured exposure rather than spontaneous adoption.

Role Formation

As practices accumulate and interact, they stabilize into recognizable forms that organize participation. Across

FIGURE 1
Evolution of Participation Roles Reflected in Amway Archival Artifacts (1970–2001)

Three time periods are based on the 27 Amway artifacts analyzed in this study.



firms, these forms often appear as distinct modes of engagement. In Amway's materials, however, they appear as interconnected roles within a broader participation system. The analysis identifies six such roles: caretaker, diagnostician, demonstrator, host, advisor, and facilitator. These roles reflect patterned forms of social action that guide interaction and make participation recognizable to others (Biddle, 1986; Goffman, 2023).

The caretaker role is grounded in routine use. In the household cleaning routines catalog, products are embedded within repeated applications, positioning participants as stewards of ongoing product engagement rather than one-time consumers (A1). This role is reinforced in extended usage materials that emphasize continuity across product systems (A9–A12).

The diagnostician role builds on need-identification practices. The customer needs assessment guide positions participants as evaluators who interpret situations before recommending products (A5). Later diagnostic frameworks elaborate this role by formalizing how participants identify needs and connect them to product systems (A13–A16).

The demonstrator role emerges from structured presentation. The kitchen product demonstration script specifies how participants should present product features in sequence, making product value visible through performance (A3). Demonstration therefore becomes a repeatable role rather than an improvised activity. Additional demonstration materials reinforce this role by standardizing presentation techniques across settings (A10–A14).

The host role is evident in materials that organize interaction. The hosted demonstration event guide provides instructions on structuring group engagement, inviting participation, and facilitating discussion (A4). Hosting

organizes the social conditions in which demonstration, interaction, and advising can occur. Later materials extend this logic into broader engagement strategies (A11–A15).

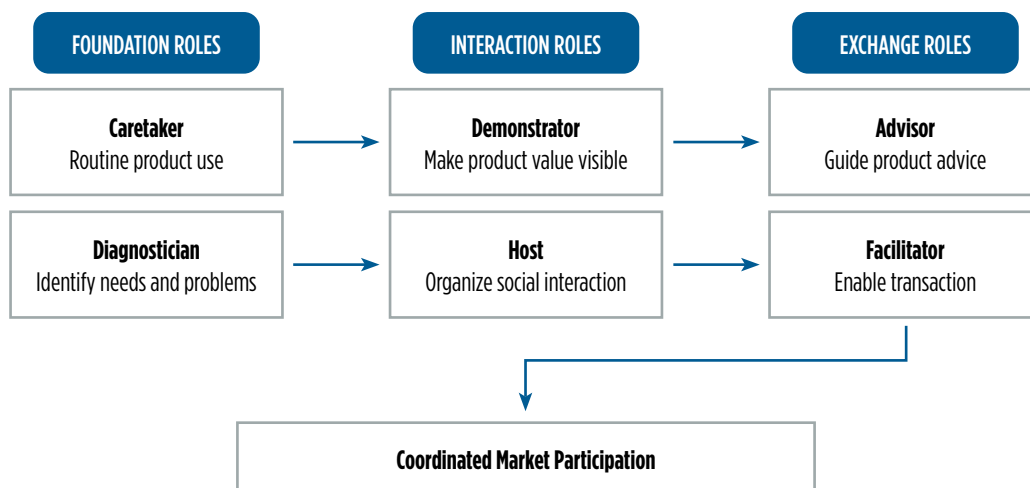
The advisor role extends recommendation practices. The product bundle recommendation sheet aligns products with identified needs, guiding participants to support decision-making (A7). The advisor role therefore depends on interpretation and judgment, not merely product knowledge. Later recommendation materials expand this advisory logic into more comprehensive solution frameworks (A14–A18).

The facilitator role becomes visible in transaction-oriented materials. An order coordination and fulfillment form structures how product selections are translated into completed transactions, including ordering, coordination, and delivery processes (A8). This role connects participation to exchange by operationalizing the transaction itself. Later ordering and coordination tools further systematize this role across the dataset (A15–A27).

While each role is anchored in specific materials, the broader corpus shows that these roles are repeatedly reinforced across artifact types. Roles therefore emerge not as isolated categories but as stabilized configurations of practice shaped through repeated exposure and coordination (Reckwitz, 2002).

Figure 2 illustrates how these roles form an interconnected system. Demonstration supports advising because visible product performance provides the basis for recommendation. Interaction enables hosting because participation often requires a social setting. Facilitation connects these activities to exchange by providing the mechanisms through which transactions are completed. Participation therefore emerges through coordination among roles rather than through isolated actions (Shove et al., 2012).

FIGURE 2
Participation Role System Reflected in Amway Archival Artifacts (1970–2001)



Three time periods are based on the 27 Amway artifacts analyzed in this study.

Table 2 places the role system in comparative context. The table is not intended to classify firms as mutually exclusive role types. Rather, it shows how different direct selling firms make particular participation roles especially visible. Tupperware and Pampered Chef foreground demonstration and hosting because their models organize participation around group-based product presentation. Mary Kay and Avon make advising especially visible through consultation and personalized recommendation. Herbalife and Nu Skin foreground diagnostic engagement by linking needs assessment to product systems. Firms such as, Arbonne, Young Living, and doTERRA combine elements of advising, routines, community interaction, and product-system guidance. These examples indicate that participation roles are distributed across the direct selling field, reflecting variation in how firms structure interpersonal exchange and relationship-based selling (Biggart, 1989; Peterson & Wotruba, 1996).

Amway is analytically useful because its materials provide the most comprehensive view of this distributed role system within a single organizational context. The Amway artifacts do not simply show isolated practices; they connect routine use, diagnosis, demonstration, interaction, advising, and facilitation into linked sequences of engagement. This breadth makes Amway especially useful for examining how participation roles operate together rather than separately. Amway is therefore distinct not because it is superior to other firms, but because its materials make role integration visible. In many firms, participation is organized around a dominant mode of engagement. In Amway's materials, roles are linked: demonstration connects to advising, advising connects to product systems, and interaction connects to facilitation (A3, A7, A8). This structure allows participants to move across roles within a coordinated system rather than remain within one dominant form of engagement. This distinction is central to the findings. Amway

TABLE 2
Participation Roles Across Firms and Contemporary Contexts

PARTICIPATION ROLE	CORE FUNCTION	ROLE MANIFESTATION IN COMPARATIVE FIRMS	AMWAY'S INTEGRATIVE COVERAGE	CONTEMPORARY DIGITAL/PLATFORM EXPRESSION
Caretaker	Maintains routine product use and embeds products in everyday practices	Often implicit across product-based direct selling firms where repeated use, replenishment, and routines are central	Product catalogs and usage materials frame products as part of ongoing household, personal care, beauty, and wellness routines	Routine-sharing content; "daily use" videos; product routine posts; recurring subscription or replenishment practices
Diagnostician	Identifies needs, problems, or situations that products may address	Herbalife and Nu Skin make diagnostic engagement especially visible through needs-based and product-system guidance; Rodan + Fields and Arbonne also show routine/system-based diagnosis	Needs-assessment materials guide participants to interpret situations before recommending products across multiple product domains	Problem-solution content; personalized recommendation quizzes; diagnostic influencer content; needs-based peer advice
Demonstrator	Makes product value visible through presentation or performance	Tupperware and Pampered Chef make demonstration especially visible through product parties, cooking demonstrations, and hosted product experiences	Demonstration scripts show participants how to sequence product presentations and make benefits observable across product categories	Product tutorials; reviews; short-form demonstration videos; livestream product showcases
Host	Organizes social interaction around products	Tupperware and Pampered Chef strongly manifest hosting through parties, gatherings, and shared product experiences; Young Living and doTERRA also show community-based engagement	Hosted demonstration guides structure invitations, group discussion, and shared engagement	Livestream hosts; online community moderators; group chats; social commerce events
Advisor	Guides interpretation, product choice, and recommendation	Mary Kay and Avon make advising especially visible through consultation, personalized recommendation, and relational guidance; Rodan + Fields and Arbonne also emphasize routine-based advising	Bundle recommendation materials connect identified needs to product combinations and solution sets	Influencer recommendations; peer advising; "best for you" content; creator-curated product lists
Facilitator	Coordinates access, ordering, fulfillment, and transaction completion	Present across direct selling firms but often backgrounded as transaction support rather than foregrounded as a participation role	Ordering and coordination tools link interaction and recommendation to completed exchange, making facilitation visible as part of the role system	Embedded checkout links; affiliate storefronts; shoppable posts; platform-based transaction tools

does not merely display a broader role set; it organizes roles relationally. Its materials show how use, diagnosis, demonstration, advising, interaction, and facilitation can reinforce one another. In this sense, Amway functions as an integrative empirical lens through which a distributed participation system becomes visible within a single organizational context.

Participation and Market Exchange

The final pattern concerns how participation extends into market exchange. Exchange does not appear as a single act or as the result of isolated persuasion. It emerges from the coordination of roles.

Material evidence shows how this coordination operates. Demonstration scripts make product value visible (A3), needs-assessment prompts frame problems and guide diagnosis (A5), recommendation materials support interpretation and product matching (A7), and transaction tools operationalize exchange (A8). Later artifacts further systematize this process by linking interaction, advising, and ordering into coordinated sequences (A15–A27).

This coordination matters because exchange requires more than awareness. Product value must be made visible, needs must be interpreted, trust must be established, and transactions must be completed. The role system performs these functions collectively. Demonstration makes value observable. Advising makes value meaningful. Hosting creates a setting for

interaction. Facilitation converts interest into exchange. Market exchange is therefore produced through role alignment rather than isolated behavior, consistent with presumption perspectives that view value as emerging through multiple forms of participation (Ritzer & Jurgenson, 2010).

Advising depends on product familiarity; demonstration depends on use; facilitation depends on interaction and trust.

Table 3 shows how this role system develops over time. Early materials emphasize routine use and maintenance, as seen in household product catalogs that embed products in repeated domestic routines (A1). Transitional materials increasingly incorporate demonstration and interaction, as seen in scripted demonstration and hosted event guides (A3, A4). Later materials integrate advising and facilitation, as seen in bundle recommendation sheets and order coordination tools (A7, A8). Over time, participation becomes more coordinated, reflecting the emergence of a role-based system.

This progression is cumulative rather than substitutive. Later roles build on earlier ones rather than replacing them. Advising depends on product familiarity; demonstration

TABLE 3
Evolution of Participation Roles Reflected in Amway Archival Artifacts (1970–2001)

PERIOD	PRIMARY MATERIAL EMPHASIS	DOMINANT PRACTICES	DOMINANT ROLES	PARTICIPATION PATTERN	REPRESENTATIVE ARTIFACT EVIDENCE
Early phase: 1970s	Product use, household routines, and maintenance	Use; early diagnosis	Caretaker; emerging diagnostician	Participation is organized around routine product use and problem solving. Materials teach participants how to incorporate products into repeated domestic and household practices.	Household cleaning routines catalog (A1); early product system and usage materials (A9, A9, A12)
Transitional phase: 1980s	Demonstration, presentation, and group interaction	Demonstrate; interact	Demonstrator; host	Participation expands from routine use to socially visible product presentation. Materials show participants how to make product value observable and how to organize interaction around products.	Kitchen product demonstration script (A3); hosted demonstration event guide (A4); advanced demonstration and group engagement materials (A10–A14)
Later phase: 1990s–2001	Advising, product systems, recommen- dation, and transac- tion coordination	Advise; facilitate; advanced diagnosis	Advisor; facilitator; reinforced diagnostician	Participation becomes more coordinated and exchange-oriented. Materials link needs assessment, product recommendation, and ordering into sequences that move participants from interaction to completed exchange.	Customer needs assessment guide (A5); product bundle recommendation sheet (A7); order coordination and fulfillment form (A8); later ordering and coordination tools (A15–A27)

Note: The phases summarize patterns reflected in the 27 Amway artifacts analyzed. The table does not imply that earlier roles disappear over time; rather, later materials build on earlier practices and add more coordinated forms of advising and facilitation.

depends on use; facilitation depends on interaction and trust. Direct selling materials first stabilize practices of use, then expand participation through demonstration and interaction, and eventually link those roles to advising and exchange. This pattern aligns with practice-based accounts of how repeated activities evolve into organized systems of action (Reckwitz, 2002; Shove et al., 2012).

In summary, these findings show that market exchange is produced through structured participation systems that connect practices, roles, and interaction. Contemporary forms of participation — such as digital content creation, peer advising, and platform-based transactions — reflect this same underlying structure, even as the contexts in which roles are performed have changed (Djafarova & Bowes, 2021; Ki et al., 2020; Lou & Yuan, 2019).

DISCUSSION

This study examined how individuals become capable of participating in market processes commonly associated with prosumption. Rather than treating participation as an outcome of social, digital, or decentralized markets, the analysis shows how participation is formed through materials that model action, practices that become repeatable, and roles that coordinate exchange. The findings reposition prosumption as a process of formation: individuals become prosumers not simply because markets invite participation, but because participation capabilities are structured, learned, and organized.

Reframing Prosumption as a Formation Process

Prior research on prosumption has shown that consumers contribute to value creation through activities such as content generation, peer advising, product interpretation, and co-creation (Cova & Dalli, 2009; Ritzer & Jurgenson, 2010; Schau et al., 2009). This literature has been important in moving beyond passive models of consumption. However, it often begins after participation has already occurred. It documents what prosumers do but gives less attention to how individuals acquire the capability to perform these activities.

The present study addresses that gap by showing that participation capabilities are formed through structured exposure to participation practices. In the Amway materials analyzed here, individuals are shown how to use products, diagnose needs, demonstrate value, interact with others, and advise on product combinations. These practices are not left to improvisation; they are modeled through catalogs, training guides, demonstration formats, recommendation tools, and ordering systems. Through repetition, these practices become recognizable and transferable. Prosumption, in this account, is not simply an expression of consumer agency or co-created value; it is a learned capability developed through structured materials and repeated action. This distinction is important because recent work continues to examine how co-creation produces consumer and firm value, while the present study explains how the capability to participate in such value creation is formed (Sahi et al., 2022).

[P]rosumers are formed through a participation system that links materials, practices, roles, and exchange.

This reframing shifts the central question from “what do prosumers do?” to “how are prosumers made?” The answer developed in this study is that prosumers are formed through a participation system that links materials, practices, roles, and exchange. This process-based view helps explain why participation can appear natural in contemporary markets even though it depends on learned routines and structured forms of interaction.

Extending Practice and Role Perspectives

The findings extend practice theory by showing how practices become organized into participation roles. Practice theory emphasizes that action is shaped through recurring relationships among materials, competencies, and meanings (Reckwitz, 2002; Shove et al., 2012; Warde, 2005). The present study builds on this view but adds a further step: repeated practices do not remain isolated activities; they stabilize into roles that make participation recognizable to others.

The six roles identified in the analysis — caretaker, diagnostician, demonstrator, host, advisor, and facilitator — show how practices become socially organized. Routine use supports the caretaker role; needs assessment supports the diagnostician role; structured presentation supports the demonstrator role; group engagement supports the host role; recommendation supports the advisor role; and order coordination supports the facilitator role. These roles matter because they translate repeated practices into recognizable forms of market participation.

This finding also contributes to role theory. Role theory explains how patterned behavior guides interaction and allows participants to understand what is expected in social settings (Biddle, 1986; Goffman, 2023). In this study, roles are not treated as fixed positions assigned in advance. Instead, they emerge from repeated engagement with materials and practices. This connection between practice theory and role theory clarifies how learned action becomes organized and intelligible in market interaction.

Amway and the Integration of Distributed Participation Roles

A central insight of the study is that direct selling participation is distributed across firms but can be observed as an integrated system in Amway. Comparative examples show that firms tend to emphasize different aspects of participation. Tupperware and Pampered Chef make demonstration and hosting especially visible; Mary Kay and Avon foreground advising and relational guidance; Herbalife and Nu Skin emphasize diagnostic and system-based engagement; and firms such as, Arbonne,

Young Living, and doTERRA combine advising, routines, community interaction, and product-system guidance in varying ways. These examples suggest that direct selling firms do not merely differ in product categories or selling formats. They emphasize different configurations of participation roles.

Gen Z participation reflects the platform-enabled reconfiguration of roles that have long organized market participation.

Amway is analytically useful because its materials provide a more comprehensive view of this distributed role system within a single organizational context. The findings show that Amway materials do not simply contain multiple roles; they link them. Demonstration scripts connect product performance to advising. Needs-assessment materials connect diagnosis to recommendation. Bundle recommendation sheets connect advising to product systems. Ordering tools connect interaction to transaction. This role integration is the mechanism that makes Amway useful as an empirical lens.

This distinction matters because it clarifies the contribution of the case. Amway is not presented as a typical direct selling firm or as a superior organizational model. Rather, it provides a context in which the broader participation system becomes visible. By bringing multiple roles into one coordinated sequence, Amway's materials reveal how participation can move from product use to demonstration, from demonstration to advising, and from advising to exchange. The study therefore reframes direct selling as more than a distribution channel or sales method. It is a structured participation system that teaches individuals how to act in markets.

Implications for Platform Economies and Gen Z Participation

The findings also help reinterpret contemporary platform-based participation. Digital environments often make product demonstration, peer advising, community hosting, and transaction facilitation appear new. Influencers demonstrate products through short-form content and livestreams; peers advise one another through comments, reviews, and communities; and platform tools enable embedded transactions through links, storefronts, and checkout systems (Busalim et al., 2021; Djafarova & Bowes, 2021; Ki et al., 2020; Lou & Yuan, 2019). These activities are especially visible among Generation Z, whose consumption practices are closely intertwined with creator content, peer influence, and social commerce.

The present study suggests that these behaviors are not entirely new forms of participation. They are better understood as contemporary reconfigurations of roles

that have long been structured in other market contexts. Digital platforms change the medium, scale, speed, and visibility of participation, but they do not eliminate the underlying role logic. Demonstration, advising, hosting, and facilitation remain central; they are enacted through different infrastructures.

This interpretation avoids treating Gen Z participation as a complete break from earlier market forms. Instead, Gen Z makes visible a broader shift in how participation roles are mediated. What appears distinctive about Gen Z participation is not necessarily the existence of demonstration, advising, hosting, or facilitation, but the way these roles are performed through platform infrastructures. Product demonstration occurs through short-form video and livestream formats; advising occurs through peer recommendations, creator commentary, and community discussion; hosting occurs through digital groups and platform-mediated audiences; and facilitation occurs through embedded links, storefronts, and checkout tools. In this sense, Gen Z participation reflects the platform-enabled reconfiguration of roles that have long organized market participation.

This connection also clarifies the relevance of Amway to the platform economy. The argument is not that Amway predicts platform behavior or that direct selling and platform economies are identical. Rather, Amway's archival materials make the formation and integration of participation roles visible in a way that platform environments often obscure. Platforms amplify and accelerate participation, but Amway helps reveal how participation capabilities are structured in the first place. This interpretation complements recent work showing that platform markets are shaped by prosumer practices, not merely by platform infrastructures (Scaraboto & Fischer, 2024).

Managerial Implications

The findings have several practical implications for organizations that rely on participant engagement, peer recommendation, social selling, or platform-enabled commerce. First, participation should not be assumed. Organizations often expect individuals to create content, recommend products, engage communities, or facilitate transactions, but the findings suggest that these activities require structured support. Materials that model action — scripts, guides, examples, prompts, templates, and transaction tools — can help individuals learn how to participate effectively.

Second, firms should design for roles rather than isolated tasks. A participant who demonstrates a product may also need to diagnose needs, advise on fit, host interaction, and facilitate exchange. Treating these activities as disconnected tasks may weaken participation. Designing materials and tools around roles can help organizations support more coherent engagement.

Third, the findings highlight the importance of role integration. Many firms emphasize one dominant mode of participation, such as demonstration, advising, or

community engagement. The Amway case suggests that participation becomes more powerful when roles are linked. A demonstration can lead into diagnosis; diagnosis can lead into advising; advising can lead into facilitation. Organizations seeking to strengthen participation should therefore consider how their materials guide individuals across linked forms of engagement rather than supporting each activity separately.

Finally, the findings are relevant for digital and platform-mediated settings. Platform features often encourage participation but do not necessarily teach users how to participate well. Firms can improve digital engagement by designing platform tools that support role transitions: from content viewing to product understanding, from peer discussion to recommendation, and from recommendation to transaction. This implication aligns with recent work on social selling, which shows that selling practices become established through participants' practical work rather than through technology alone (Schmitt et al., 2021). In this sense, the study provides a role-based framework for designing participation in both direct selling and digital commerce contexts.

Limitations and Future Research

This study has several limitations that open opportunities for future research. First, the empirical analysis focuses on Amway materials from 1970 to 2001. This design is useful for observing role integration within one organizational context, but it does not allow for direct empirical comparison across all direct selling firms. Future research could compare multiple firms to examine whether and how different organizations structure participation roles in distinct ways.

Second, the study analyzes archival materials rather than direct participant behavior. The materials show how participation was formally modeled, scripted, and organized, but they do not show how individual participants interpreted or enacted those materials in practice. Future research could use interviews, ethnography, or observational methods to examine how participants actually move across roles in live selling contexts.

Third, the study connects the findings to contemporary digital participation conceptually rather than empirically. Future studies could examine whether the same role system appears in influencer marketing, social commerce, livestream selling, brand communities, or platform-enabled peer selling. Such research could test whether the roles identified here — demonstrator, host, advisor, facilitator, and related roles — operate similarly in digital environments.

Finally, future research could explore the conditions under which participation systems succeed or fail. The presence of materials and roles does not guarantee effective participation. Individual motivation, trust, social networks, product type, organizational incentives, and regulatory context may all shape whether participation roles are adopted and coordinated effectively.

CONCLUSION

This study explains how individuals become capable of participating in market processes commonly associated with prosumption. By examining Amway's archival materials, the analysis shows how participation is structured through materials, learned through repeated practices, stabilized into roles, and coordinated into exchange. The central contribution is to shift attention from participation outcomes to participation formation. Prosumers are not simply produced by digital platforms, social markets, or decentralized exchange. They are formed through systems that teach individuals how to use, diagnose, demonstrate, interact, advise, and facilitate. By making this process visible, the study provides a framework for understanding how market participation is structured across direct selling, social commerce, and contemporary platform-mediated environments. 

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APPENDIX

APPENDIX A

Artifact-Level Coding and Illustrative Examples

ARTIFACT ID	ARTIFACT/MATERIAL TYPE	PERIOD	ILLUSTRATIVE MATERIAL DESCRIPTION	CODED ACTIONS	PRACTICE CATEGORY	PARTICIPATION ROLE
A1	Household cleaning routines catalog	1970s	Presents household products through repeated daily, weekly, and situational cleaning routines	Use products repeatedly; maintain household routines; apply products to recurring problems	Use	Caretaker
A2	Early product collection/ starter materials	1970s	Introduces product collections and encourages participants to begin with bundled product sets	Select starter products; organize initial product use; learn basic product categories	Use/Advise	Caretaker/ Advisor
A3	Kitchen product demonstration script	1980s	Provides step-by-step guidance for presenting product features and making performance visible	Present product features; sequence demonstration; show product value	Demonstrate	Demonstrator
A4	Hosted demonstration event guide	1980s	Structures group participation through invitations, discussion, and shared product experiences	Invite participants; organize group interaction; facilitate discussion	Interact/ Demonstrate	Host/ Demonstrator
A5	Customer needs assessment guide	1990s	Guides participants to identify customer needs before recommending products	Ask questions; identify needs; interpret problems	Diagnose	Diagnostician
A6	Diagnostic training framework	1990s	Expands needs assessment into structured product-system guidance	Classify needs; connect problems to product categories; frame solutions	Diagnose/ Advise	Diagnostician/ Advisor
A7	Product bundle recommendation sheet	1990s	Connects identified needs to product combinations and solution sets	Recommend bundles; match products to situations; guide product choice	Advise	Advisor
A8	Order coordination and fulfillment form	1990s–2001	Structures order placement, coordination, delivery, and transaction completion	Record orders; coordinate fulfillment; complete transactions	Facilitate	Facilitator
A9	Extended product system guide	1970s–1980s	Elaborates product use across multiple product categories and household routines	Organize product use; connect products into systems; reinforce repeated application	Use	Caretaker
A10	Advanced demonstration guide	1980s	Standardizes presentation techniques across product lines	Present products; compare features; make benefits visible	Demonstrate	Demonstrator
A11	Group engagement material	1980s	Provides guidance for structuring participant involvement in product settings	Encourage discussion; invite participation; manage group engagement	Interact	Host
A12	Extended usage manual	1970s–1980s	Provides additional instructions for repeated product application and maintenance	Follow use routines; maintain product systems; repeat application	Use	Caretaker
A13	Needs-based training manual	1990s	Formalizes needs identification and problem interpretation	Ask diagnostic questions; identify concerns; classify needs	Diagnose	Diagnostician
A14	Product presentation and recommendation framework	1990s	Links demonstration techniques with recommendation guidance	Demonstrate product value; recommend product fit; explain benefits	Demonstrate/ Advise	Demonstrator/ Advisor
A15	Interaction and ordering guide	1990s	Connects participant interaction to ordering processes	Engage participants; answer questions; coordinate order steps	Interact/ Facilitate	Host/Facilitator

APPENDIX A (cont.)
Artifact-Level Coding and Illustrative Examples

ARTIFACT ID	ARTIFACT/MATERIAL TYPE	PERIOD	ILLUSTRATIVE MATERIAL DESCRIPTION	CODED ACTIONS	PRACTICE CATEGORY	PARTICIPATION ROLE
A16	Product-system assessment guide	1990s	Provides structured approach to matching product systems with identified needs	Assess needs; align products; recommend systems	Diagnose/ Advise	Diagnostician/ Advisor
A17	Expanded recommendation framework	1990s	Extends product recommendation into broader solution sets	Recommend combinations; explain product fit; guide decisions	Advise	Advisor
A18	Solution-oriented product guide	1990s	Frames products as solutions to recurring needs or usage contexts	Interpret situations; recommend solutions; connect products	Diagnose/ Advise	Diagnostician/ Advisor
A19	Ordering system instruction sheet	1990s	Explains ordering procedures and participant responsibilities in coordinating transactions	Place orders; verify selections; coordinate purchase process	Facilitate	Facilitator
A20	Product access and fulfillment material	1990s	Provides guidance on product availability, access, and fulfillment	Manage access; coordinate delivery; support transaction completion	Facilitate	Facilitator
A21	Customer follow-up guide	1990s	Guides post-interaction communication and continued engagement	Follow up; answer questions; reinforce use and satisfaction	Interact/ Advise	Host/Advisor
A22	Product routine planning tool	1990s	Helps participants organize recurring use around routines or product systems	Plan routines; maintain product use; reinforce consistency	Use	Caretaker
A23	Advisory script/ consultation guide	1990s	Provides language for guiding product choice through consultation	Interpret needs; recommend options; guide choice	Advise	Advisor
A24	Demonstration follow-up material	1990s	Connects product demonstration to later interaction and recommendation	Review demonstration; answer questions; recommend next steps	Demonstrate/ Interact/ Advise	Demonstrator/ Host/Advisor
A25	Transaction coordination checklist	1990s–2001	Provides steps for ensuring completion of orders and related coordination	Confirm choices; coordinate orders; support fulfillment	Facilitate	Facilitator
A26	Integrated product system guide	2000–2001	Connects use, assessment, recommendation, and ordering into one participation sequence	Use products; assess needs; recommend systems; coordinate exchange	Use/ Diagnose/ Advise/ Facilitate	Caretaker/ Diagnostician/ Advisor/ Facilitator
A27	Later integrated participation guide	2000–2001	Brings together demonstration, interaction, advising, and ordering support	Demonstrate; engage participants; recommend products; facilitate transaction	Demonstrate/ Interact/ Advise/ Facilitate	Demonstrator/ Host/Advisor/ Facilitator

Note: Artifact titles are descriptive labels used to identify the function of each material in the analysis. The table illustrates how individual artifacts were coded from observable actions to broader practice categories and participation roles. The coding supports the study's analytical progression from materials to practices, from practices to roles, and from roles to coordinated market exchange.

APPENDIX B
Coding Definitions and Inclusion Criteria

CODE/ PRACTICE CATEGORY	DEFINITION	INCLUSION CRITERIA	EXCLUSION CRITERIA	ILLUSTRATIVE EVIDENCE FROM ARTIFACTS	ASSOCIATED PARTICIPATION ROLE(S)
Use	Routine application of products in everyday contexts.	Code when materials show repeated product application, household or personal care routines, maintenance practices, or ongoing product use.	Do not code as use when the material only lists product attributes without showing how products are incorporated into routines.	Household cleaning routines catalog; extended usage manuals; product routine planning tools.	Caretaker
Diagnose	Identification and interpretation of needs, problems, or situations that products may address.	Code when materials guide participants to ask questions, identify needs, classify problems, or connect situations to product categories.	Do not code as diagnose when materials simply describe product benefits without requiring interpretation of user needs.	Customer needs assessment guide; needs-based training manual; product-system assessment guide.	Diagnostician
Demonstrate	Presentation of product features, benefits, or performance in visible and repeatable ways.	Code when materials provide scripts, sequences, comparisons, or instructions for showing how products work.	Do not code as demonstrate when materials only recommend products without showing how value is made visible through presentation or performance.	Kitchen product demonstration script; advanced demonstration guide; product presentation framework.	Demonstrator
Interact	Organization of interpersonal engagement around products.	Code when materials guide invitations, group participation, conversation, discussion, follow-up, or shared product experiences.	Do not code as interact when materials involve one-way product description without evidence of social engagement or participant involvement.	Hosted demonstration event guide; group engagement material; customer follow-up guide.	Host
Advise	Recommendation of products, bundles, or solutions based on interpreted needs or situations.	Code when materials guide product choice, suggest bundles, match products to situations, or frame recommendations around fit.	Do not code as advise when materials present product information without recommendation logic or need-product matching.	Product bundle recommendation sheet; advisory script; expanded recommendation framework.	Advisor
Facilitate	Coordination of access, ordering, fulfillment, or transaction completion.	Code when materials guide order placement, transaction coordination, delivery, fulfillment, checkout, or movement from recommendation to purchase.	Do not code as facilitate when materials only generate interest or discussion without supporting exchange completion.	Order coordination and fulfillment form; ordering system instruction sheet; transaction coordination checklist.	Facilitator

Note: Codes were applied to observable actions in the artifacts before being grouped into practice categories and associated participation roles. Some artifacts contain multiple codes when they connect more than one form of participation, such as demonstration followed by advising or advising followed by facilitation.

BUILDING ENTREPRENEURIAL COMPETENCE AMONG EMERGING ENTREPRENEURS IN TUNISIA: IMPLICATIONS FOR DIRECT SELLING READINESS

By Dr. Christos Kelepouris and Chaima Kharrat

Abstract

This study examines how targeted entrepreneurial education can develop competencies foundational to ethical and effective direct selling readiness among early-stage entrepreneurs in an emerging market context. A single intensive workshop was conducted in Tunisia focusing on entrepreneurial mindset, creativity, motivation and self-efficacy, branding and self-branding, and standardization and growth readiness. A pre/post survey ($n = 27$) revealed statistically significant gains across all five domains, with particularly large effects for branding ($d = 1.24$) and standardization/growth readiness ($d = 1.21$). Beyond direct selling scholarship, the findings speak to broader conversations on the future of work and workforce upskilling, where non-traditional, digitally enabled entrepreneurial pathways are increasingly salient. The results suggest that entrepreneurial education can intentionally cultivate transferable competencies that support ethical, consumer-centered engagement rather than transactional selling, contributing to sustainable participation in direct selling and direct-to-consumer ecosystems.

Introduction

Direct selling occupies a distinctive position in the global entrepreneurial landscape, offering a flexible and relationship-based pathway into commerce through personal networks and, increasingly, digital and social platforms. The model has proven particularly relevant in contexts

where access to formal employment or startup capital is constrained, positioning direct selling as both an earning opportunity and an experiential learning environment for entrepreneurship (Peterson et al., 2019). Recent research highlights that microentrepreneurs now operate in hybrid environments where social commerce, e-commerce, and direct selling converge, amplifying the importance of trust, personal branding, and digital fluency (DSEF & Ipsos, 2025).

Beyond the direct selling literature, entrepreneurship education has become central to policy and scholarly discussions on the future of work and workforce upskilling. As labor markets grow more volatile and linear career pathways become less common, younger cohorts increasingly pursue flexible, self-directed, and portfolio-based forms of work. Practitioner commentary on Generation Z's growing engagement with direct selling highlights its accessibility, digital orientation, and alignment with preferences for autonomy, purpose, and income diversification (Entrepreneur, 2025). At the policy level, discussions among U.S. lawmakers, researchers, and industry stakeholders have similarly framed direct selling as part of an evolving labor ecosystem that complements traditional employment by enabling entrepreneurial participation outside conventional organizational structures (Amway, 2024). Within this context, entrepreneurship education may serve as a critical upskilling mechanism, equipping individuals with transferable competencies, such as self-efficacy, adaptability, and consumer-centered communication, that are increasingly valuable across emerging forms of work.

While prior scholarship has examined training and performance within established direct selling organizations, limited research explores how aspiring entrepreneurs develop the psychological and practical competencies that precede formal entry into direct selling or direct-to-consumer activity. This paper addresses that gap through fieldwork conducted in Tunis, Tunisia, as part of a Fulbright Specialist assignment. Tunisia provides a compelling context for this inquiry. Like many emerging markets, it faces persistent youth unemployment and underemployment alongside growing digital connectivity, conditions that heighten the relevance of entrepreneurial and direct selling pathways. Research from other emerging economies demonstrates that direct selling can contribute to economic participation, self-efficacy, and empowerment, particularly among women, suggesting that skills cultivated prior to market entry may have

IMPLICATIONS

- **For Educators:** Integrate applied modules on branding, storytelling, systems thinking, and ethical marketing into entrepreneurship curricula to prepare learners for direct selling and related entrepreneurial pathways.
- **For Industry Practitioners:** Collaborate with educators to deliver targeted micro-training that builds trust-based, digitally competent, and consumer-centered sales networks.
- **For Policymakers:** Recognize entrepreneurial education as a lever for workforce upskilling, inclusive economic participation, and small-enterprise scalability within evolving labor market structures.

KEY TAKEAWAYS

for Educators, Policymakers, and Direct Selling Practitioners

1

Entrepreneurial education builds measurable readiness for direct selling and emerging forms of work.

Focused, competency-based workshops can rapidly strengthen entrepreneurs' ability to position, communicate, and scale their ventures, producing substantial improvements in branding and growth readiness. These competencies are increasingly relevant across non-traditional and digitally enabled work pathways.

2

Branding and motivation are pivotal to market entry and sustained engagement.

Among all competencies measured, branding/self-branding and motivation/self-efficacy produced the strongest gains. This suggests that early confidence, storytelling capability, and value articulation are critical drivers of effective and sustainable participation in direct selling and direct-to-consumer activity.

3

Digital learning environments amplify self-efficacy and inclusivity.

Accessible digital or hybrid educational formats can expand access to entrepreneurial skill development and strengthen self-belief, particularly for underrepresented groups such as women and youth in both emerging and mature market contexts.

4

Early-stage interventions can foster ethical, consumer-centered engagement rather than transactional selling.

By equipping entrepreneurs with systems thinking, authentic branding, and confidence-driven communication skills, early educational interventions may shape how individuals engage markets — supporting ethical, transparent, and relationship-oriented participation in the direct selling ecosystem, with positive implications for consumer trust and local economic resilience.

broad personal and societal implications (DSEF, 2018). Situating Tunisia within this broader emerging market landscape allows the present study to generate insights relevant not only locally, but also for emerging markets more broadly and for mature economies such as the United States.

Grounded in theories of entrepreneurial self-efficacy (Bandura, 1997) and effectuation (Sarasvathy, 2001), this study investigates whether a structured entrepreneurial education intervention can enhance competencies associated with direct selling readiness. By focusing on the pre-entry stage of the microentrepreneurial life-cycle, the study extends direct selling research upstream to examine how education may shape not only readiness, but also the orientation with which entrepreneurs engage markets.

Theoretical Foundation and Literature Review

Direct selling has long functioned as a developmental system that teaches sales, leadership, and small business management through experiential learning (Coughlan

& Grayson, 1998). Prior research documents that participation in direct selling itself generates a wide range of transferable skills. (Peterson et al., 2019) found that direct selling experience positively influenced fourteen business and professional skills, including communication, goal setting, self-motivation, and customer relationship management, as well as thirteen personal life skills such as confidence, resilience, and time management. More than three-fourths of respondents reported meaningful skill improvement, and self-perceived skill development was positively associated with both direct selling success and perceived performance in non-direct selling employment. Importantly, these findings suggest that the benefits of direct selling extend beyond commercial outcomes, contributing to broader personal development and societal well-being (Peterson et al., 2019).

Theories of entrepreneurial self-efficacy and effectuation help explain why such skill development is consequential. Self-efficacy theory emphasizes that individuals who believe in their capabilities are more resilient, adaptive, and persistent, traits strongly associated with

entrepreneurial and selling success (Bandura, 1997). Effectuation theory similarly highlights how entrepreneurs act under uncertainty by leveraging available means, improvisation, and stakeholder relationships (Sarasvathy, 2001), processes that closely mirror direct selling practices. Recent extensions of these theories into digital learning environments demonstrate that structured educational interventions can intentionally strengthen self-efficacy, opportunity confidence, and adaptive decision-making (Rauch & Hulsink, 2021; Kelepouris, 2024).

In emerging market contexts, the developmental role of direct selling may be particularly salient. Research conducted in South Africa documents how direct selling participation supports women's economic empowerment, social capital formation, and confidence building, especially when combined with digital tools and supportive networks (Direct Selling Education Foundation, 2018). These findings underscore that direct selling's relevance extends beyond sales performance to broader questions of inclusion, empowerment, and sustainable economic participation, issues central to both emerging markets and evolving labor markets globally.

Methodology

The study was conducted in 2025 and involved training early-stage entrepreneurs, many selling directly to consumers in fashion, handmade goods, and digital services. The workshop covered five core themes aligned with competencies identified in the direct selling literature: entrepreneurial mindset, creativity, motivation/self-efficacy, branding/self-branding, and standardization/growth readiness.

Participants ($n = 27$; 60% female; ages 20–35) completed a 20-item Likert-scale assessment (1–10) before and after the workshop. The survey measured perceived competency across the five domains using items such as 'I can clearly explain what makes my business unique' and 'I see problems as opportunities to create something new.' The data was analyzed using paired-sample t-tests and Cohen's d to assess statistical significance and effect size. Although modest in size, the sample is consistent with other field-based entrepreneurial education studies published in the *Journal of Direct Selling Research*, and

the within-subject design provided sufficient sensitivity to detect meaningful changes across competencies.

Results

All five competency areas showed statistically significant improvement ($p < .05$). Mean differences ranged from +1.30 to +2.48, with the largest gains in branding/self-branding and standardization/growth readiness (Table 1). Branding & Self-Branding ($d = 1.24$) reflected participants' increased ability to articulate value propositions, build trust, and use social media storytelling, key drivers of credibility in direct selling. Standardization & Growth Readiness ($d = 1.21$) indicated stronger understanding of systems and replication, mirroring principles of sustainable sales team development. Motivation & Self-Efficacy improved significantly ($d = 0.63$), aligning with Brown et al. (2025), who found that task-specific confidence predicts long-term engagement among microentrepreneurs. Moderate improvements were also observed in entrepreneurial mindset ($d = 0.49$) and creativity ($d = 0.42$).

FIGURE 1

Entrepreneurial Competency Bloom showing multidimensional skill growth following the Tunisia training program

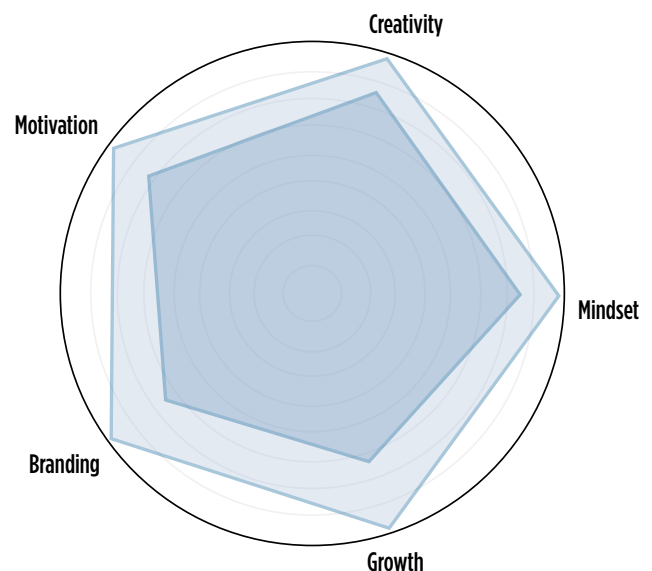


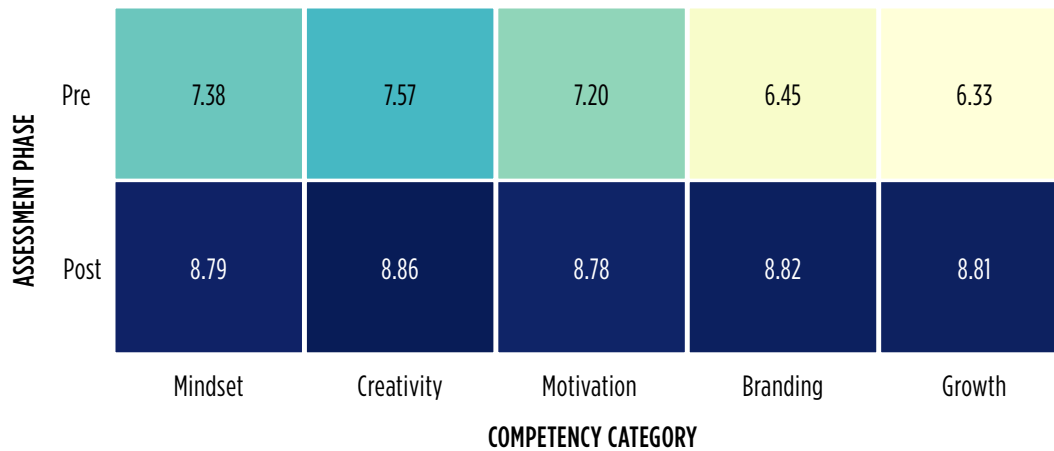
TABLE 1

Pre/post-test comparison of entrepreneurial competencies showing significant improvement across all domains ($p < .05$)

Competency	Pre Mean	Post Mean	Mean Diff	t	p	Cohen's d
Entrepreneurial Mindset	7.38	8.79	+1.41	2.52	.018	0.49
Creativity & Innovation	7.57	8.86	+1.30	2.18	.038	0.42
Motivation & Self-Efficacy	7.20	8.78	+1.58	3.28	.003	0.63
Branding & Self-Branding	6.45	8.82	+2.37	6.46	<.001	1.24
Standardization & Growth	6.33	8.81	+2.48	6.28	<.001	1.21

FIGURE 2

Direct Selling Readiness Index heatmap illustrating pre- and post-training mean competency scores



Discussion

Beyond measurable skill gains, the findings highlight the potential of entrepreneurial education to foster ethical, consumer-centered engagement rather than transactional selling. Improvements in branding, self-efficacy, and growth readiness suggest that participants were better equipped to articulate authentic value propositions, build trust, and engage customers through relationship-oriented practices. This orientation aligns with prior research emphasizing credibility, transparency, and trust as foundations of sustainable direct selling, particularly in digitally mediated environments where reputational signals are highly visible (Marinello, 2025).

Viewed through a future-of-work lens, the competencies strengthened in this study, self-efficacy, adaptability, personal branding, and systems thinking are increasingly transferable across non-traditional employment pathways. Policy and practitioner discourse now recognizes direct selling as one component of a broader labor ecosystem characterized by flexibility, autonomy, and multiple income streams (Entrepreneur, 2025; Amway, 2024). The Tunisian context illustrates how these dynamics play out in emerging markets, where formal employment constraints heighten the importance of entrepreneurial pathways. At the same time, the relevance of these competencies extends to mature economies such as the United States, where similar shifts toward portfolio careers and digitally enabled work are underway.

By situating Tunisia within a broader emerging market framework and linking the findings to established

evidence on skill development through direct selling experience (Peterson et al., 2019), this study demonstrates how entrepreneurial education can function as an intentional form of upskilling. Rather than replacing traditional employment, such education may complement evolving labor market structures by preparing individuals to engage ethically and effectively in direct selling and related forms of work.

Conclusion

This study provides empirical evidence that entrepreneurial education can strengthen competencies foundational to direct selling readiness while also shaping how emerging entrepreneurs engage markets. Significant gains in branding, motivation, and growth readiness suggest preparedness not only for participation in direct selling. By examining the pre-entry stage of the microentrepreneurial lifecycle, the research extends direct selling scholarship upstream and contributes to broader conversations on upskilling, emerging markets, and the future of work. For educators, policymakers, and industry practitioners, the findings underscore the value of entrepreneurial education as a mechanism for inclusive and sustainable participation in evolving economic ecosystems. 

Dr. Christos Kelepouris is Co-Founder and Executive Director of AEIOU, The Academy of Entrepreneurial Innovation Opportunity and Understanding.

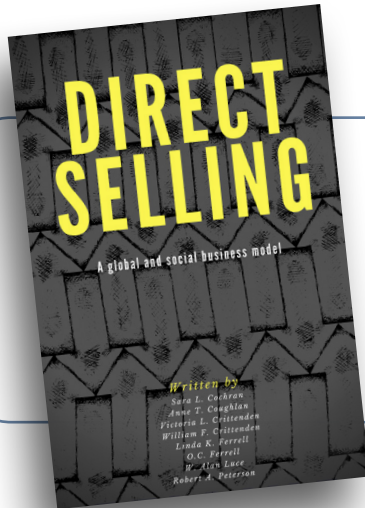
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