

## ABSTRACT

Abstract of thesis submitted to the Graduate School of Maejo University in partial fulfillment of the requirements for the degree of Master of Business Administration in Business Administration

### FACTORS AFFECTING RETURNS OF DIRECT SALESPeOPLE IN MULTI-LEVEL COMPANIES IN CHIANGMAI

By

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The objectives of this research were to study 1) personal characteristics of direct salespeople; 2) their working process; 3) obstacles to their working process; 4) their returns; and 5) factors related to their returns.

The samples were 385 direct salespeople, selected by using accidental sampling, working in 5 multi-level companies in Chiangmai province: 1) The Amway (Thailand) Ltd., 2) The Cosways (Thailand) Ltd., 3) The Nutri-Metics International (Thailand) Ltd., 4) The Suprederm International Ltd. and 5) The Skyline Unity Co., Ltd. The data were collected by means of questionnaires and analyzed with the use of the Statistical Package for the Social Science (SPSS for Windows Version 6.0).

The results revealed that most of the direct salespeople were married women, 21-30 years old, and had attained a bachelor level of education at the most. They worked as direct salespeople as sideline; their monthly income earned from their permanent job and sideline was 5,001-10,000 baht. Most of them had less than one year experience in their sideline and spent 1-7 hours per week on this job.

The direct salespeople realized the importance of their working process at a high level. Acquaintances usually made their sales successful and the criterion used in prospective customer evaluation was demand for products. Self-preparation affected customers' decision on goods purchasing at a high level. A successful selling method was demonstration of how to use the products while persuading the customers to order products shown in catalogues was seldom used. After the presentation of the products, the most frequent comment made by the customer was that they preferred the products but could not afford to pay for them; reluctance to accept the quality of the products was seldom found. The sale-closing method most popularly used was the persuasion of the customers to be direct salespeople or to apply for membership. Most salespeople provided follow-up services to find out the customers' satisfaction with the products. They had experience in organizing selling teams; each of them had 1-50 salespeople in their team. The most effective way used to recruit their subordinates was asking them to be customers, then suggesting them to be team members by offering various types of returns (marketing plan) as incentives. The effective method employed to encourage team members was invitation to participate in activities.

The obstacles faced by direct salespeople at a moderate level were caused by their subordinates whereas those caused by customers, team supervisors and companies were found at a low level.

The direct salespeople were found to receive monthly returns of 1,001-5,000 baht and to be satisfied with fringe benefits at a moderate level. Their highest rated fringe benefit was the companies' fame, with which they were satisfied at a high level; they required nothing beyond those offered by the companies.

The factors related to the direct salespeople's returns were 1) personal factors i.e. age, marital status, highest level of education, working procedures, experience and working hours per week; 2) working factors i.e. number of teams under supervision; and 3) working obstacles i.e. those caused by customers and companies.

The factors related to their satisfaction with fringe benefits were 1) personal factors i.e. highest level of education, working procedures, experience and working hours per week; 2) working factors i.e. selling process and number of teams under supervision; and 3) working obstacles i.e. those caused by customers, team supervisors and companies.