

## Unveiling the Shifting Landscape of the Gig Economy

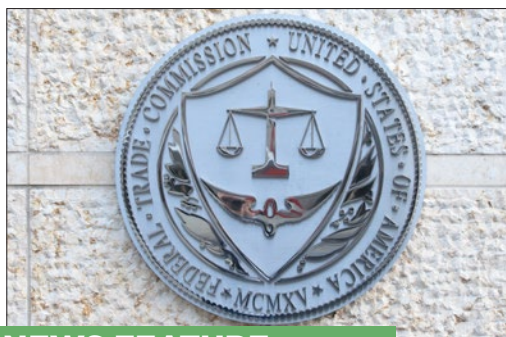


New survey sheds light on gig workers and their evolving roles in the trillion-dollar industry

In a comprehensive effort to unravel the intricate dynamics of the gig economy, a new survey sponsored by PayQuicker and the Ultimate Gig Research Project has been released, providing critical insights into the ever-changing world of gig workers in the United States. The research, based on surveys conducted in July 2020 and April 2023, forms an integral part of the extensive Ultimate Gig Research Project, dedicated to empirically assessing gig economy trends to enhance business strategies and inform public policy decisions.

CONTINUED ON PAGE 6

### INSIDE THIS ISSUE



#### NEWS FEATURE

##### FTC PROPOSES NEW RULE ON PRODUCT REVIEWS AND ENDORSEMENTS

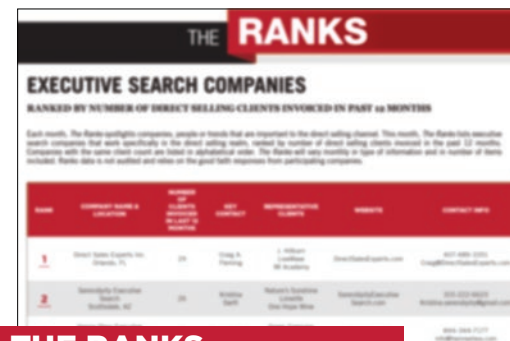
Commission also updates its Endorsement Guides with significant changes. 10



#### SPECIAL REPORT

##### CRISIS REPUTATION MANAGEMENT

How to weather a storm without losing distributors. 15



#### THE RANKS

##### EXECUTIVE SEARCH COMPANIES

Meet the firms connecting your company with great leaders. 21





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# INSIDE August 2023

## COVER STORY

### 01 UNVEILING THE SHIFTING LANDSCAPE OF THE GIG ECONOMY

*New survey sheds light on gig workers and their evolving roles in the trillion-dollar industry*  
By Stephanie Ramirez

## NEWS FEATURE

### 10 FTC PROPOSES NEW RULE AND REVAMPS ENDORSEMENT GUIDES TO COMBAT DECEPTIVE ONLINE REVIEWS AND TESTIMONIALS

*Regulators seek to enhance transparency in the digital feedback landscape*  
By David Bland

## 18 A LOOK INSIDE: URBAN RETREAT'S INNOVATIVE CRISIS SOLUTION

## SPECIAL REPORT

### 15 RETAINING THE FIELD THROUGH CRISIS REPUTATION MANAGEMENT

*Veteran leaders share insight on keeping distributors during tough times*  
By Jenna Lang Warford

## THE RANKS

### 21 EXECUTIVE SEARCH COMPANIES

## INSIDE EACH ISSUE

05 PUBLISHER'S NOTE

25 WHAT'S NEW

26 MEET OUR PARTNERS

27 PEOPLE ON THE MOVE

29 RESOURCE DIRECTORY



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## PUBLISHER'S NOTE ▶▶

# Embracing Authenticity in an Impersonal Age

## Demographic trends point to the importance of personal connection

Hello friends!

In my reading and research this past month, I have come across several interesting discussions and articles about a topic that I have been thinking alot about lately—as it applies to direct selling as well as to all of the interactions that we have in our day-to-day lives.

That topic is authenticity.

Having spent a large part of my career in sales, I learned first-hand how important authenticity is to establishing lasting relationships, not only with customers, but with colleagues and superiors. I was very intrigued to see several stories that recently discussed the finding that authenticity appears to be particularly important to Gen Z consumers as they interact with the companies, brands, influencers and creators of today's marketplace and social commerce platforms.

Furthermore, it seems that this younger demographic often defines authenticity in a more expansive way than the standard meaning

of honesty, forthrightness and sincerity; Gen Z is also looking for things like sustainability, company values and transparency when making their purchasing decisions.

One of the new, and harsh, realities of our increasingly online and digitized existence is the monetization of virtually every aspect of our lives. From the moment we wake up in the morning until we end our day, the data from our movements, our clicks and our conversations is being harvested to more efficiently market to us. This, to me at least, feels like the opposite of authenticity.

I believe that the younger demographics are more sensitive to the impersonal nature of these these algorithm-driven sales pitches than other consumer segments, and they are acting on their frustrations by seeking out companies and representatives that truly care about improving their lives—what an opportunity this is for direct sellers!

Whether is it a major corporation that says it wants to make the world a better place while

at the same time prioritizing profits over safety or environmental stewardship, or a brand representative reaching out to an old friend with no sincere interest in that person other than adding to their downline, the lack of genuineness is becoming more and more apparent to the most important consumer demographics.

I am optimistic that the purchasing habits of these authenticity-seeking consumers over the next decade will be a very positive force for the world, and I believe that direct selling companies and their distributors, in particular, are uniquely positioned to benefit from this trend if they are willing to embrace and embody true authenticity when interacting with each other and their customers.

Authentically yours,



DAVID BLAND

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UNVEILING THE SHIFTING LANDSCAPE, CONTINUED FROM 1

The survey, titled “THE FUTURE OF WORK: Insights into the 2023 Gig Economy Workforce,” reveals that during the research period, the gig economy experienced exponential growth, outpacing the traditional economy by more than four times, with an accelerating number of individuals embracing gig work for its flexibility and freedom. The survey estimates the gig economy at more than \$1 trillion annually in the United States. With an average annual growth rate of 16%-17%, it is projected to involve nearly 100 million gig workers by 2027.

As the survey documents, the gig workforce’s structure is adapting to accommodate new opportunities, and attempts to define an “average” gig worker prove fruitless due to their diverse motivations and demographics.

While previous research on the gig economy has predominantly focused on specific companies or “type of gig,” this study aims to understand gig workers as they define themselves. It addresses the lack of accurate information about gig workers’ behaviors, demographics, and motivations, providing valuable insights for business decision-makers and public policy officials.

Survey researchers Dr. Robert Peterson and John T. Fleming, author of *Ultimate Gig: Flexibility, Freedom & Reward*, both suggest that existing data on the gig economy lacked information on the full scope of the industry and what it constitutes, which is what propelled them to conduct this research and compile the survey. (Dr. Peterson is the John T. Stuart III Centennial Chair in Business Administration and a professor of marketing at The University of Texas at Austin, while Fleming is a former executive at Avon and DSA Hall of Fame honoree.)

“Other than media coverage of the companies that were kind of darlings like Uber and Lyft, nobody seemed to have information about what the gig economy was as a whole,” Peterson says.

Fleming adds that while the big research firms such as Gartner, McKinsey & Company and the Boston Consulting Group are all talking about the future of work, no one has really drilled it down like this survey does.

The study’s most recent round of empirical research, conducted in 2023, updates previous insights and sheds new light on the nature, scope, and growth of the gig economy and the workers who constitute its workforce. Particularly noteworthy is the analysis of individuals engaging in multiple gig activities, which offers key insights into this growing trend within the gig workforce.

# OF GIGS WORKED	2020	2023
1	45%	40%
2	24%	28%
3	9%	9%
More than 3	22%	23%

PayQuicker LLC 2023

The landscape of gig work in the United States has shown notable shifts, according to the findings from the 2023 survey.

The data indicates that approximately 40% of gig workers reported engaging in just one gig in the past 12 months, slightly down from the 45% recorded in 2020.

Meanwhile, 28% of gig workers reported working two gigs, and 32% reported juggling three or more gigs, combining a “primary gig” with one or more “secondary gigs.” These percentages have seen a slight increase from the figures in 2020, where 24% worked two gigs, and 31% worked three or more gigs.

According to the survey, this trend may suggest that gig workers have allocated less time and effort per individual gig or across multiple gigs in 2023 compared to the earlier year, raising questions that warrant further investigation.

**Gig Workers Embrace New Activities**

The gig economy witnessed substantial changes in the types of gig activities pursued by workers in 2023 compared to 2020, as revealed by the later survey.

Notably, certain gig activity concentrations experienced remarkable transformations during this period. In 2020, professional services, such as accounting, law, and consulting, held the top spot, with nearly 16% of gig workers engaged in this category.

However, in 2023, delivery services, encompassing restaurant meals, groceries, and errands, emerged as the most popular gig activity, with about 13% of all gig workers participating.

Furthermore, the percentage of gig workers offering home repair or other manual skill-based services more than doubled from almost 7% in 2020 to slightly more than 13% in 2023.

The data also showcases a trend among individuals working multiple gigs, indicating a preference for sticking to the same activity category in 2023 compared to 2020.

For instance, ride-sharing or transportation service gig workers were more likely to work for both Uber and Lyft in 2023, whereas in 2020, they might have combined driving for Uber with an entirely different gig, such as graphic design.

Overall, 34% of individuals with more than one gig in 2023 performed their gigs within the same activity category, marking a notable increase from the 27% recorded in 2020.

This shift was particularly evident among gig workers in home repair activities, with 55% of those with a primary home repair gig also engaging in a secondary gig within the same category. The evolving gig landscape highlights the adaptability and responsiveness of gig workers to changing demands and opportunities in the ever-growing gig economy.

In terms of how these findings affect the direct selling channel, Fleming says he feels that direct sellers will not have to look for people to make an either/or choice since gig workers are increasingly working more than one gig.

“The facts are, 60% of the people involved in the gig economy are working multiple gigs,” Fleming shares. “I happen to know some examples where gig workers thrive on working with a direct selling company. There’s a tremendous asset to our model — it’s called customer acquisition and retention, and being rewarded as sustaining consumers who stick with the brand.”

**Shifts in Gig Work Earnings**

Interestingly, despite the flexibility and part-time nature of gig work, according to the survey results, individuals entering the gig economy demonstrate realistic expectations regarding their potential earnings.

On average, nearly 23% of gig workers surveyed in 2023 expected to earn less than \$100 per month when starting their gig, while another quarter anticipated earning between \$100 and \$299 per month. In contrast, only a mere 3% of gig workers had ambitious expectations of earning \$4,000 or more per month from their gigs.

The survey data also reveals insights into the actual earnings of gig workers. Approximately

TYPE OF GIG (ONLY/PRIMARY GIG)	2020	2023
Ride-sharing or other transportation service	5.1%	8.2%
Restaurant meals, grocery or other delivery or errand services	6.5%	13.3%
Child-care or elder-care services	6.4%	7.2%
Graphic design, photography, writing, or copy editing	6.0%	4.2%
Home repair or other manual skill-based services	6.8%	12.6%
Selling products or services that you make or provide yourself	10.8%	12.6%
Professional services (e.g., accounting, law, consulting)	15.5%	6.4%
Freelance computer work including data entry and website development	10.1%	5.5%
Pet care, personal assistance, yard maintenance, house cleaning, house-sitting, or other personal services	7.9%	10.1%
Selling or representing products through a direct selling or network marketing business	5.2%	2.3%
Selling products or services that are made or provided by others but not through a direct selling or network marketing business	4.2%	4.9%
Publishing videos, blog posts or other content online and receiving affiliate marketing commission, advertising revenue, sponsorship fees or other pay	2.1%	2.6%
Short-term real-estate rental or instant hotel services	1.4%	1.5%
Renting other personal property (e.g., boat or RV)	1.3%	0.7%
Taking online surveys and gaming*	NA	2.0%
Other (for Primary Gig) (please specify):	10.7%	5.9%
Sample Size N= *New Category Added for 2023	1,001	2,019

PayQuicker LLC 2023

44% of gig workers reported earning less than \$300 per month, suggesting that, in general, gig workers earned slightly more per month than their initial expectations. However, a closer examination shows that nearly 80% of gig workers who had initially expected to earn less than \$100 per month from their gig did, in fact, earn less than \$100 per month.

Overall, around two-thirds of the surveyed gig workers earned about what they initially expected when starting their gig. Surprisingly, this relationship varied based on the number of gigs worked.

While 65% of gig workers with only one gig earned what they expected, and 69% of those with a secondary gig met their earnings

expectations, only 57% of those working two gigs earned what they had anticipated in their primary gig.

It’s also important to note that nearly 83% of gig workers surveyed stated it was very or somewhat important to be paid immediately for performance when looking for a new gig.

In terms of earnings, one observation from the findings that Peterson shares is how gig workers were using their earnings before the COVID-19 pandemic versus after.

“Pre-Covid, people were saving the money they made from their gigs,” Peterson says. “Post-Covid, people are making their gig earnings go to pay household bills. So is that

“Pre-Covid, people were saving the money they made from their gigs. Post-Covid, people are using their gig earnings to pay household bills. ... If that continues, that’s a major change.”

— Dr. Robert Peterson, Professor of Marketing and Chair of Business Admin., The University of Texas at Austin

a trend because of inflation, because of what we’re coming out of? If that continues, that’s a major change.”

**Pandemic-Related Shifts in Gig Work**

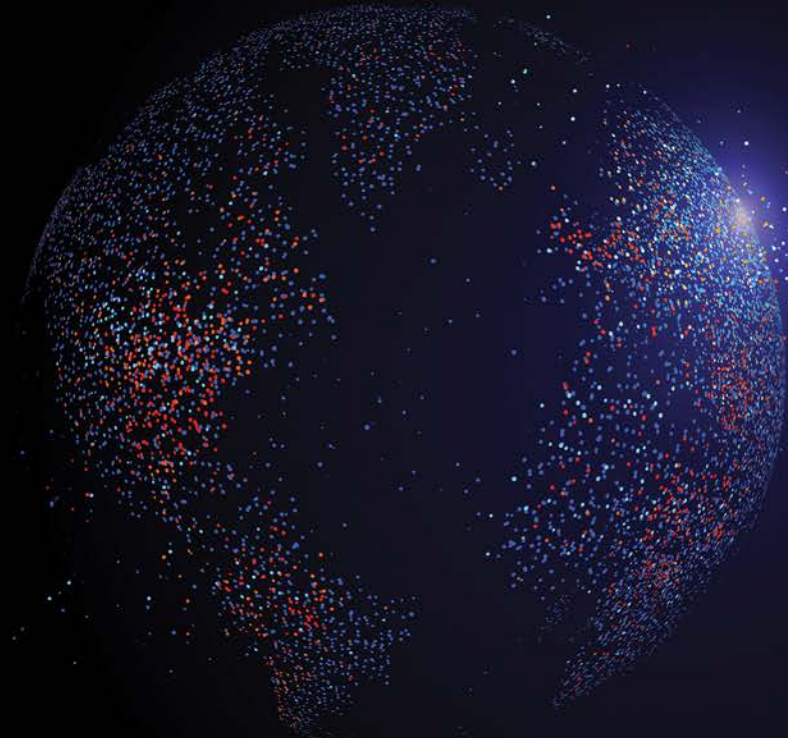
The gig economy experienced significant changes influenced by the COVID-19 pandemic, as revealed in the survey results, with implications for gig workers’ behaviors and gig activities.

The survey highlights that in 2021, nearly 7.9 million Americans relocated to different states, while in 2022, a majority of individuals who had the option to work from home chose telework. These shifts in work behaviors and locations had far-reaching consequences on the gig economy.

Delivery service gigs, for instance, witnessed a surge during the pandemic. The increased demand for home delivery of groceries and restaurant meals prompted the need for gig workers to step up their delivery activities.

CONTINUED ON PAGE 9

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## COVER STORY ▶▶

### UNVEILING THE SHIFTING LANDSCAPE, CONTINUED FROM 7

Existing gig workers took on additional delivery roles, and new workers entered the gig economy to meet the rising delivery demand. As a result, the percentage of workers pursuing delivery gigs doubled from 2020 to 2023.

Moreover, the entry of new gig workers during and after the pandemic seemed to differ from their pre-COVID counterparts in certain aspects. In 2020, approximately one-quarter of gig workers engaged in professional services or freelance computer work, which often involves more than a part-time commitment and focuses on a single gig.

However, by 2023, the corresponding percentage decreased to about 12%, indicating a shift in the types of gig activities pursued in the post-pandemic gig economy.

These findings underscore how pandemic-induced changes have left a lasting impact on the gig economy, reshaping the behaviors and gig choices of workers.

Without getting into hypotheticals and regardless of the pandemic, Fleming proposes that the outcomes seem to indicate that more people are becoming comfortable with gig work and the simplicity of the many types of gig work.

“As direct sellers consider positioning their value proposition in talking to the marketplace, company executives need to consider that people are attracted to simplicity.”  
— John T. Fleming, author of “Ultimate Gig”

“I do not think this is a fad,” Fleming adds. “I think this is part of the transformation and how we work now. I don’t care what profession I’m talking to now, it’s harder and harder to get people to rave about their 9-to-5. Now whether they’re working a 9-to-5 or not, they’re beginning to realize that they can leverage after-hours because there’s an opportunity to do so.”

The research presented in this survey provides a comprehensive and insightful glimpse into the

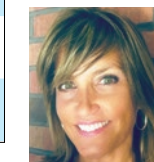
ever-evolving gig economy and its associated workforce in the United States.

The gig economy’s exponential growth and the increasing number of individuals engaging in gig work demonstrate its significance in today’s job market. The gig workforce is dynamic, adapting to new gig opportunities, driven by the desire for flexibility, simplicity and autonomy.

The shift in the gig economy’s demographic composition is evident in the diminishing dominance of specific gig activity categories, such as platform-based ride-sharing gigs, which signals a broader and more diverse gig landscape. As the gig economy continues to evolve, businesses are compelled to embrace innovative approaches to remain competitive.

“As direct sellers consider positioning their value proposition in talking to the marketplace, company executives need to consider that people are attracted to simplicity,” Fleming says.

“People are working multiple gigs. Do we have to be the only gig or do we have to be better positioned to be at least a preferred gig? I think that the future is very bright. There’s nothing in this study that says that direct selling is on its last legs.”



Stephanie Ramirez is a Social Selling News Contributor.

PayQuicker LLC 2023

EXPECTED GIG INCOME PER MONTH	ONE GIG		MULTIPLE GIGS	
	FEMALES	MALES	FEMALES	MALES
Less than \$300	63%	46%	54%	40%
\$300 to \$499	15%	22%	17%	19%
\$500 to \$999	13%	14%	14%	17%
More than \$1,000	9%	18%	15%	24%

ACTUAL GIG INCOME PER MONTH	ONE GIG		MULTIPLE GIGS	
	FEMALES	MALES	FEMALES	MALES
Less than \$300	60%	48%	51%	39%
\$300 to \$499	16%	21%	17%	20%
\$500 to \$999	13%	15%	17%	16%
More than \$1,000	11%	16%	15%	25%

# FTC Proposes New Rule and Revamps Endorsement Guides to Combat Deceptive Online Reviews and Testimonials

Regulators seek to enhance transparency in the digital feedback landscape

By David Bland

Following its October 2022 ANPR (Advanced Notice of Proposed Rulemaking) seeking public comment on the proposal of a new rule to regulate deceptive and unfair product reviews and endorsements, the Federal Trade Commission (FTC) has released a much anticipated update to its Endorsement Guides as well as a Notice of Proposed Rulemaking (NPRM) to ban fake reviews and testimonials.

Continuing its flurry of recent rulemaking activity, the FTC is moving forward to address its growing concerns surrounding fraudulent and misleading online endorsements to safeguard consumers from deceptive marketing practices in the digital age. This action also comes on the heels of the Commission's Notices of Penalty Offense letters

on endorsements that were sent to over 700 companies in 2022. While the ANPR was an initial step to solicit preliminary public feedback on the need and general parameters for a new rule, the NPRM presents for public comment the actual proposed rule language.

## Deterrence and Monetary Redress Cited As Benefits of New Rule

In its justification for the new rule, the Commission argues that, although deceptive practices involving consumer reviews and testimonials are already unlawful under Section 5 of the FTC Act, the proposed rule may deter these practices earlier and will also benefit injured consumers by providing a means for them to obtain monetary redress.

The agency has been eager to facilitate alternative means to obtain financial disgorgement in order to provide restitution to wronged consumers after the Supreme Court ruled that such monetary actions were not legal under Section 13(b).

In the NPRM, the Commission states that, of the two remaining paths to monetary redress provided by Section 19 of the FTC Act, the shorter, and thus preferable path, allows the Agency to obtain monetary redress directly through a federal court action.

However this path requires a rule violation. As an added benefit, the shorter path also accommodates the Commission's ability to obtain civil penalties that it argues will have the benefit of punitive damages against fraudsters, adding additional deterrent.

Furthermore, the agency states that civil penalties do not require "quantifiable proof of consumer injury" that is a requirement of the long path to redress found in Section 19.

## New Rule Would Prohibit Several Deceptive Practices

The FTC has identified a range of seven concerning behaviors that undermine the integrity of consumer reviews and endorsements. The NPRM outlines

these deceptive practices to be banned with the proposed rule:

### 1. Fake or False Consumer Reviews, Consumer Testimonials, or Celebrity Testimonials

The proposed rule seeks to prohibit businesses from writing, selling, or creating fake reviews or testimonials that misrepresent the reviewer's experience or even involve nonexistent individuals.

Additionally, businesses would be barred from purchasing and disseminating fake reviews or testimonials about their products or services.

The FTC's proposal does not apply to third-party review platforms that merely publish consumer reviews or require manual review of every review and poster's profile.

In response to industry feedback, the FTC's proposed rule does not restrict legitimate reviews solely from verified purchasers. Instead, it requires the reviewer to have genuine experience with the product, service, or business.

While some entities have suggested limiting the rule's scope to review brokers and exempting buyers of fake reviews, the FTC believes that both parties should be held accountable for deceiving consumers.

The FTC argues that a formal enforcement action seeking monetary damages is not a substitute for a comprehensive rule that effectively addresses the issue of fake reviews and testimonials.

### 2. Consumer Review Repurposing

Seeking to ban the practice of repurposing existing reviews, the proposed rule seeks to prohibit businesses from using or repurposing consumer reviews intended for one product in a way that makes it appear as if the reviews were written for a substantially different product.

Such deceptive actions could include merging different products to share reviews, altering product pages to feature a different item while keeping previous reviews, or copying reviews from other products and websites.

The proposed rule defines a "substantially different product" as

one that differs from another product in one or more material attributes, excluding color, size, count, or flavor.

While combining reviews for products with various flavors would not violate the proposed rule, it could still be considered a deceptive practice under the FTC Act, subject to enforcement.

### 3. Buying Positive or Negative Consumer Reviews

The Commission aims to prohibit businesses from providing compensation or incentives in exchange for consumer reviews expressing a specific sentiment, whether positive or negative, about their products or services.

However, the rule does not cover review gating, where businesses seek feedback from past purchasers and invite only those who provide positive feedback to post online reviews.

While the FTC acknowledges that review gating can be deceptive, the rule's applicability to such practices will depend on the specific circumstances.

Additionally, the proposed rule does not address incentivized reviews, except for those that require expressing a particular sentiment.

Nevertheless, the FTC warns that other uses of incentivized reviews could still be deceptive and run afoul of the FTC Act. The deceptiveness of undisclosed incentivized reviews will also be subject to case-by-case evaluation.

### 4. Insider Consumer Reviews and Consumer Testimonials

The new rule would target company insider consumer reviews and testimonials as well as prohibit officers or managers of businesses from writing or creating consumer

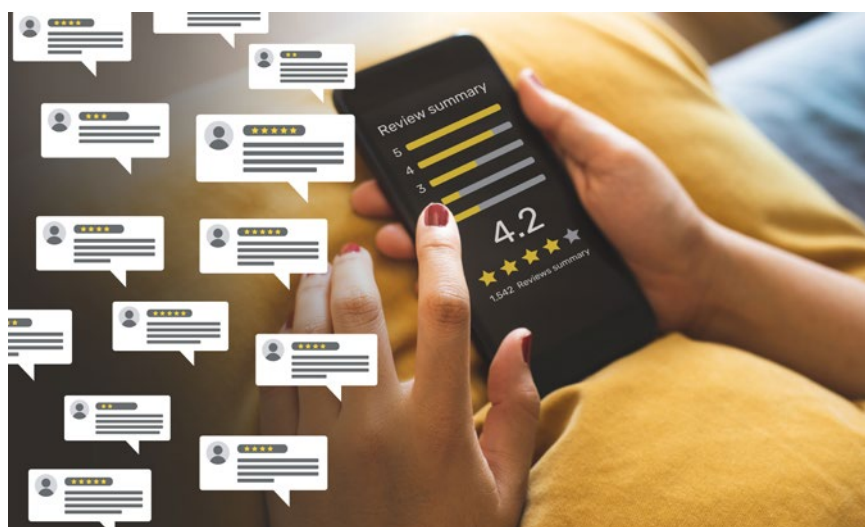
reviews or testimonials without clear and conspicuous disclosures of their relationship to the company.

Additionally, businesses would be prohibited from disseminating certain consumer testimonials written by their officers, managers, employees, agents, or relatives without proper disclosures of their relationships.

The proposed rule also addresses the solicitation of employee and insider reviews. Officers or managers who solicit consumer reviews from employees, agents, or relatives would need to ensure clear and conspicuous disclosures of the reviewer's relationship to the business.

In response to comments from the industry, the proposed rule does not limit its scope to businesses publishing reviews themselves

CONTINUED ON PAGE 12





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**FTC PROPOSES NEW RULE, CONTINUED FROM 11**

but includes situations where businesses cause the creation of insider reviews. The FTC aims to ensure that relationships are readily apparent and disclosed, particularly on workplace-review platforms such as Glassdoor.

**5. Company-Controlled Review Websites or Entities**

Another aim of the new rule is to prevent businesses from making deceptive representations about independent reviews or opinions.

Specifically, businesses would be prohibited from claiming that a website, organization, or entity is providing unbiased reviews or opinions about a category of businesses, products, or services that includes their own business or offerings when, in reality, they control, own, or operate that website or organization.

In accordance with the proposed rule, the FTC seeks to curb deceptive practices where businesses create an illusion of impartiality by misrepresenting the independence of review sources. The rule intends to promote transparency and ensure consumers can trust the authenticity of reviews and opinions in the marketplace.

**6. Review Suppression**

The proposed rule targets two forms of review suppression. First, the rule would prohibit unjustified legal threats, physical threats, intimidation, or false accusations to prevent consumer reviews' creation or removal, ensuring consumers' freedom to express their opinions without fear of reprisal. The provision defines "unjustified legal threat" as a baseless legal action initiated to challenge truthful speech or matters of opinion.

Second, the rule aims to prevent businesses from misrepresenting the consumer reviews displayed on their websites or platforms as representative of most or all reviews

submitted, while suppressing negative reviews based on their ratings or content.

The rule allows exclusion of reviews containing sensitive information, false or misleading content, inappropriate language, discriminatory content, or unrelated to the offered products or services.

These criteria, similar to those in the Consumer Review Fairness Act, protect consumers' ability to access genuine and unbiased feedback while permitting businesses to exclude reviews that do not meet the specified criteria.

In response to industry comments, the proposed rule does not prohibit businesses from engaging in good faith online reputation management practices, such as responding to negative reviews and offering explanations to address customer concerns. It also does not address businesses' ability to remove off-topic comments, false statements, or inappropriate language from their websites or certain social media posts.

**7. Misuse of Fake Indicators of Social Media Influence**

The final deceptive act to be banned by the proposed rule is the misuse of indicators of social media influence. These indicators include metrics such as followers, friends, connections, subscribers, views, plays, likes, reposts, and comments, which people use to assess an individual's or entity's social media impact.

Under the proposed rule, it would be prohibited to sell fake indicators of social media influence for commercial purposes, with the intention of misrepresenting one's influence.

Similarly, acquiring fake indicators to falsely portray one's importance in the social media space for commercial gain would also be prohibited.



The FTC's proposed rule aims to maintain the integrity of social media metrics, ensuring that individuals and businesses cannot deceive others by inflating their influence through the use of fraudulent indicators.

**FTC Updates Endorsement Guides**

One day prior to the NPRM, the Commission released an update to its "Guides Concerning the Use of Endorsements and Testimonials." Last updated in 2009, the Endorsement Guides advise businesses on how to stay in compliance with the FTC Act by avoiding advertising that uses unfair or deceptive reviews and endorsements.

In February 2020, the FTC invited public feedback on the overall costs, benefits, and regulatory and economic impact of the Guides. The comment period was extended for two months due to disruptions caused by the COVID-19 pandemic, resulting in 108 unique substantive comments.

In July 2022, the FTC published a Federal Register document discussing the comments received in 2020, proposing certain revisions to the Guides, and seeking additional input on those proposed changes.

After thorough review of the comments, the Commission has made further adjustments to the Guides and is now implementing the resulting revised Guides as the final version.

**Expanded Definition of 'Endorsement'**

The FTC proposed revisions to the definitions of "endorsements" and "endorsers" in response to comments received. The proposed changes clarify that tags in social media posts can be considered endorsements, but not all tags necessarily qualify as such.

The Commission also included language to emphasize that it would consider fake reviews and reviews by non-existent entities to be endorsements.

**Quotations Matter and Advertiser Liability Is on the Table**

One of the changes to the Guides involves the use of quotations from endorsers in advertisements. The new guideline clarifies that an ad must use an endorser's exact words only when it represents that it is presenting the endorser's exact words, such as through the use of quotation marks.

The FTC is also addressing the liability of advertisers in the context of misleading or unsubstantiated statements made through endorsements.

While some commenters supported the proposed revision, others argued that advertisers should not be held liable for what endorsers say unless there is a contractual relationship. However, the FTC disagrees and expects advertisers to be responsible for monitoring the actions of their endorsers.

The updated guidelines also cover the liability of endorsers and intermediaries involved in advertising transactions. The FTC is adopting a suggestion to address the liability of reviewers who falsely represent that they personally used a product or service.

Additionally, the revised guidelines specify the entities intended to be addressed as "intermediaries" and clarify their potential liability for deceptive endorsements.

**Performance and Typicality Claims**

The Commission has proposed revisions to its guidelines on performance claims in advertisements made through endorsements.

The proposed changes emphasize that advertisers must possess adequate substantiation, including scientific evidence if necessary, to support claims made through endorsements. This principle applies to both express and implied claims, as clarified by the FTC in response to comments from one supportive commenter.

Regarding typicality claims, the FTC's current guidelines require advertisers to disclose the generally expected performance when an endorser's experience is not representative of what consumers will achieve. A proposed addition

states that the disclosure of generally expected performance should not misrepresent what consumers can expect.

Additionally, the FTC highlights that effective disclosures should alter the net impression of an advertisement to avoid being misleading.

Introducing a new guideline for advertisers' handling of consumer reviews of their products or services, the NPRM addresses advertisers procuring, suppressing, boosting, organizing, or editing reviews in a way that distorts or misrepresents consumers' opinions.

While several commenters supported this addition, others expressed concerns about the FTC's scope of regulation. The FTC clarifies that the guidelines are administrative interpretations, not regulations, and do not create inconsistencies with other laws.

**Expert Endorsements**

The NPRM also addresses the use of expert endorsements in advertising, noting that an endorser must have actually demonstrated the expertise that they are portrayed or presented as having.

In other words, if an individual is represented as possessing a specific level of knowledge or skill in a particular area, they must have genuinely utilized that expertise in evaluating the product features or characteristics they are endorsing.

This requirement ensures that expert endorsements are based on real expertise and not merely a superficial or misrepresented claim of knowledge.

**Material Connections**

When there is a connection between the endorser and the

seller of the advertised product that might materially affect the weight or credibility of the endorsement, and that connection is not reasonably expected by the audience, such connection must be disclosed clearly and conspicuously.

"A material connection needs to be disclosed when a significant minority of the audience for an endorsement does not understand or expect the connection," as emphasized by the revised guidelines.

Material connections in endorsements encompass various aspects, including business, family, or personal relationships. These connections involve monetary payments, free or discounted products (even unrelated to the endorsed product), or other benefits such as early access, potential payment, prizes, or media appearances.

The revised Guides emphasize that while disclosures must convey the connection's nature clearly, they need not provide exhaustive details, allowing consumers to assess its significance.

**Endorsements Directed to Children**

The Commission addresses the unique concerns regarding endorsements in advertisements targeted at children. Practices that might not raise questions in ads directed at adults may be questioned when aimed at children due to the character of the audience. Several public comments supported this new section.

Some commenters urged the Commission to provide more detailed guidance on impermissible techniques and practices for children, while others called for a ban on targeted and influencer advertising to children and teens.

The Commission believes the new section is beneficial in establishing a general principle without imposing duplicative requirements on marketers. Further research on children's cognitive development and advertising to children in digital media, including endorsements, is being explored by Commission staff.

**Commission Seeks Clarity and Transparency**

These guidelines provide essential clarity and updates to ensure transparency and fairness in advertising practices. With these revisions, the FTC aims to safeguard consumer trust, promote informed decision-making, and maintain ethical standards in the evolving landscape of advertising and endorsement practices.



David Bland is the publisher of *Social Selling News*.

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## Retaining the Field Through Crisis Reputation Management

Veteran leaders share insight on keeping distributors during tough times

By Jenna Lang Warford

Though the U.S. direct selling channel had \$40.5 billion in sales in 2022, it seems like every month there is a company facing negative publicity—some from company crises, others from docu-dramas, the Federal Trade Commission, class action lawsuits, or from aspersions cast by Truth in Advertising (TINA), even a groundswell from social media.

Grinding through these reputation management crises can test the mettle of any executive, but by prioritizing several things, an executive team can maintain the confidence of the field as well as its customers.

Al Bala, whose 16-year tenure with **Mannatech Inc.** has encompassed a publicized lawsuit with a founder, scrutiny by regulatory agencies, and even fall out from a political candidate's supposed association with the company, resulting in media attention from *The Wall Street Journal* and Bloomberg News.

Bala says, "The executive team needs to respond promptly and transparently to address the concerns raised by the negative media coverage." He believes their top priorities should include swift crisis management, open communication and rebuilding of trust.

**Denying or disregarding the issue at hand only prolongs the crisis.**

— Al Bala, CEO and President, Mannatech

"Developing a comprehensive crisis management plan that outlines clear strategies and actions to address the issues at hand should include communication protocols, internal training, and coordination with legal advisors to ensure compliance with regulations," he says.

In-person meetings as well as an online strategy can be used to retain distributors and customers. Key, he believes, is establishing open channels of communication with distributors and customers to address their concerns and provide accurate information.

"Timely updates, town hall meetings, and online forums can facilitate dialogues to build trust and foster a transparent environment."

This conversation is crucial to rebuilding trust, according to Bala.

"Working towards rebuilding trust among distributors and customers should be a primary focus. This can be achieved through a combination of sincere apologies, corrective actions, and a commitment to rectifying the issues that led to the reputation crisis."

Ginger Greenberg, vice president and general counsel at Sunwest Communications, says that the question isn't if a crisis will occur, but when it will, and that the best response depends on the situation.

"It's important to communicate early and often," she says. "Your employees and sales force appreciate the notice and thoughts on how to manage questions should they receive them."

Sunwest Communications CEO Crayton Webb says, "You don't want to say anything that will hurt your case in court, but it's

just not enough in this day and age to say, 'No comment' or 'We can't say anything while we're in pending litigation.'

You have to be able to say something that explains your values and where you're coming from as an organization without hurting your case in court. It's critical that your organization be able to answer that question today."

### The Pause

Shellie Sullivan, chief sales officer of **Urban Retreat**, faced a reputation crisis of an unusual sort. After launching in the U.S. and Canada on Jan. 1, the company suffered a catastrophic fire in its U.K. distribution center, which burned to the ground on March 13. The company had over 5,000 sales consultants and nothing to sell.

When faced with the media attention that was bringing the negative impact to the immediate awareness of consultants and customers alike, Sullivan knew that the company's response would set the tone for rebuilding.

"Our top priority had to be to pause," she says. "We needed to circle the wagons, pause, look, listen, and think broadly. We had to get our

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bearings because at the end of our day, the most important thing was that our consultants can generate an income, that they can put food on the table. We understood that by pausing, the focus could be not ‘How do we get this business back up and running? Not ‘How much is this going to cost us?’ Or even, ‘What’s the negative impact going to be?’ But the most important questions of all: ‘How can we take care of our Consultants; what do we need to do so they’re prioritized?’”

**The Right People**

Sullivan believes that this pause is key in situations other than total-loss fires.

“Maybe there’s a lawsuit in the news, but a lot of times in our channel, the negative press is a groundswell that might happen inside a company, or as a result of a move that didn’t please the field.

“Even if it’s that, I think it’s even more critical to stop, pause, bring all the right people in the room, and become aligned on what’s important, what approach you are going to take, who is going to speak and a timeline.”



“There needs to be a locking of arms and agreement that we’re going to do this together, because one rogue email—that might even be a mass autoreply—can really throw a wrench that causes more churn, making the noise swell.”

— Shellie Sullivan, Chief Sales Officer, Urban Retreat

The right people, she says, include a cross-functional team. “I’m a firm believer in the importance of that. I grew up in sales, but fortunately I had mentors that put me in situations to learn about supply chain, about distribution, operations, legal compliance.

“That’s really helped shape me, and through all of that, I’ve seen how critical it is that in that room I need the legal team, I need supply chain, I need distribution, I need marketing, I need training, I need field; because I need us all to be on the same page about how we’re communicating, as well as who we’re communicating to.

“This depends largely on knowing what our values are, what our goals are, what our core focus is,” she says. “Then there needs to be a locking of arms and agreement that we’re going to do this together, because one rogue email—that might even be a mass autoreply—can really throw a wrench that causes more churn, making the noise swell.”

Sullivan, who was hired by founder John Miller specifically for her passion and prioritization of the field, believes that in addition to

pausing to regroup, transparency is key to succeeding.

“I went out the very first day and said, ‘Look, we’ve had a fire and we don’t know a lot. We’re going to need some time. We’re asking you for grace. Please know that we care deeply for you, and we’re going to give you all the information when we can.’ Just being very forthright and very honest with them.”

**Transparency, Integrity and Accountability**

Greenberg says the most important and impactful actions should be occurring before the negative story or issue comes to light.

“Top leaders and the executive team should be working to build goodwill with their audiences before a crisis comes to light. Once the crisis occurs—not if but when—leaders will need to embrace transparency and communicate early and often until the crisis abates.”

Bala reiterates that transparency is just one of the keys to managing a crisis well. “Top leaders must set the tone for the entire organization by displaying integrity, transparency, and accountability.

Their actions should reflect their dedication to addressing the crisis and implementing corrective measures.”

Bala believes that decisive actions demonstrate commitment to resolving the situation; in addition to setting the example, leaders should provide support and reinforce training and compliance.

“(Executive) leaders should offer support to distributors by actively listening to their concerns, providing guidance, and ensuring their voices are heard within the organization. Clear communication channels and mentorship programs can help foster resilience and renewed confidence.

Also, emphasizing the importance of training and compliance helps protect the company’s reputation in the long run. Strengthening educational resources and providing ongoing training on compliance policies can help distributors navigate future challenges more effectively.”

Actively listening to the field is an important component, Sullivan agrees. “Communication is absolutely everything in

our business to avoid the ‘telephone game,’ the stories, the embellishments, and any drama. Make sure that you’re communicating strongly and that you have one good, strong voice to the field.”

The “who” and timing of that voice can be key to impact, also. She says, “Earlier in my career, at a company that encountered a major tech crisis, I offered to do an announcement early on in the crisis, and somebody said to me, ‘Not yet, you don’t need to be associated with this crisis yet.’ So they held me back for a month or so. I didn’t immediately become the voice, and that allowed me to work behind the scenes, and to have a greater effect when I did address the field with it.”

**What to Avoid**

Greenberg, with legal as well as public relations expertise, says, “Living with a belief that it won’t happen to you — is what I would recommend avoiding. The best defense when up against a crisis is developing the best offense.” In part, that is building the goodwill she mentioned above,

but also includes having a team that responds thoughtfully and immediately to crisis.

Bala says it’s crucial to avoid three key things during a reputation crisis: denial, reacting and neglecting relationships.

“Denying or disregarding the issue at hand only prolongs the crisis. Acknowledging the problem and taking responsibility is essential for initiating the recovery process.” He adds that reactive measures are also unwise. “Taking impulsive actions without careful assessment and strategic planning may lead to further complications. It’s important to take the time to analyze the situation and devise a thoughtful response.”

Last but not least, Bala says that failing to prioritize the needs and concerns of distributors can exacerbate the situation. “Maintaining open lines of communication and providing regular updates are vital to nurturing these important relationships.”

Sullivan says, “When you’re facing problem after problem,



pride and arrogance can keep a crisis going.”

It’s key that executive leadership has established a culture that allows the team to share their insights.

“You have to be able to speak up; I usually do, but there have been times in the past where, in retrospect, I wish I’d said more. I think some things have to be established in a corporate culture before the crisis hits.

“One key to the foundation here at Urban Retreat is the field is the priority. It was easy during the pause to know what the focus would be due to that (foundation).”

**Resources**

Greenberg says, “The best resource in a crisis is the crisis team you’ve created before the crisis arrives on your doorstep. Keeping this team prepared and ready to go is your best resource, by far.”

To Sullivan, one of the most important resources during a crisis is gaining outside perspective.

“I’m a big proponent of being progressive, innovative and thinking differently. I believe wholeheartedly that to do that we have to look outside our industry so we don’t recycle the same ideas and concepts.

“Whether you’ve got a marketing issue or PR issue, get both inside and outside counsel and coaching from mentors and people that might have experienced something similar. Don’t operate in your bubble, get an objective perspective. Then the key is you have to make your own decisions; you can’t blindly follow what a consultant or marketing firm tells you.”

Bala agrees that external expertise can be highly useful. “Seek guidance from consultants or experts with experience in

reputation management and crisis communication. Their unbiased perspectives can help the executive team make informed decisions and implement effective strategies.”

He also believes that effective communication and then adding training and education are useful. When it comes to communicating, he says, “Utilize email newsletters, social media platforms, and webinars to provide timely updates, share important information, and engage with both distributors and customers.

“Develop training modules, online courses, and workshops that focus on compliance, crisis management, and ethical business practices. Empowering distributors with the necessary knowledge allows them to navigate challenges with confidence,” Bala says. These can also have the tertiary effect of helping prevent future crises.

“Successfully retaining and engaging the sales field and customers during a reputation crisis requires a well-planned approach,” he adds. “By prioritizing open communication, decisive leadership, and rebuilding trust, network marketing companies can navigate through these challenging situations while laying a solid foundation for future growth. It’s the actions taken during times of adversity that truly define an organization’s commitment to its stakeholders and its ability to overcome challenges.”



Jenna Lang Warford is a Social Selling News Contributor.

# Navigating Crises with Innovation

## Urban Retreat's unusual solution

By Jenna Lang Warford

The devastating fire that burned **Urban Retreat's** distribution center in the U.K.—and all its inventory—to the ground came just 73 days after the launch of business in the U.S. and Canada. (The company had a presence in 25 countries total and a well-established field in the U.K.) In the weeks following, it became clear to the executive team that it would be about six months before the company was operational again.

Chief Sales Officer Shellie Sullivan, knowing she had field members who were relying on the income they had created with Urban Retreat, made a bold move. “I reached out to a couple of friends of mine in the industry—one in the U.S. and one in Canada—and said, ‘I have this crazy idea. Here’s what I’d like to do. I’d like to have the two of you come in front of my community, and I want you to foster my people. I want to tell them it is okay to work with you.’”

This was a particularly bold move because one of those companies, **BELLAME**, is a direct competitor, vying for the same caliber of consultant. Sullivan was particularly touched by BELLAME's founder and CEO, Melissa Thompson. “Melissa said, ‘First I’m going to tell you that I am so proud of you. And second, yes, I’m in. I will absolutely do this with you.’”

Bonnie Hunt, an executive with Canada's **GelMoment**, was also fully on board with the unusual approach.

### A Foster System

Sullivan set up a video call with Hunt, Thompson and the field. “On

the call I said to the field, ‘These are my friends. I trust them. They have graciously offered to welcome you into their business, knowing full well you may not stay, knowing full well that you might decide to come back to Urban Retreat in six months.’”

The response was mixed. “I had consultants that were upset by it because—and it’s a beautiful thing—they love our brand so much and said ‘I can’t put another

skincare product in front of my customers.’ I had some that didn’t understand it. But I had many that did. I do know I have one leader who isn’t coming back in September.

“I knew that was a risk, and I had to be okay with it. Is it challenging sometimes to look at social media and see my people recruiting or promoting another brand? Yes. But we encouraged them to find what they needed to take care of their

families for the next six months and let them know that we would welcome them back with open arms no matter what.”

Urban Retreat has an open policy, with no restrictions on who Consultants can represent, a policy many Gen Z and Millennials view as opening stakes when considering companies to partner with, according to research done earlier this year by the Bridgehead Collective.



“Often we don’t trust our field enough, and sometimes they just need permission. That doesn’t mean they’re going to do it, but when they don’t have permission there’s resistance.”

— Shellie Sullivan, Chief Sales Officer, Urban Retreat

Sullivan says, “I think Melissa’s the one that coined the term ‘omni marketing.’ I’m a firm believer in that. Often we don’t trust our field enough, and sometimes they just need permission. That doesn’t mean they’re going to do it, but when they don’t have permission there’s resistance. Omni marketing, having an open policy, removes that resistance.”

### Leader Concerns

Not surprisingly, Sullivan encountered leaders who were worried about the risk of partnering with the other companies. “I told them a lot will happen in six months. And you know what the two most likely outcomes are? That they are going to have an experience that doesn’t match up (with Urban Retreat’s), and they’re going to come back, or the other is they go somewhere that’s a perfect match for them, and they make tons of money and they’re super happy. How can you grieve that? How can you be upset over that? Really? Is it sad that you no longer have that person on your team? Sure. But did you just watch somebody thrive?”

Sullivan and her team have been ramping up for the September relaunch, with the distribution center relocated to France, where

the manufacturing is. “One of the surprising outcomes that I’m pleased with is the number of consultants who have been so loyal and committed during all of this,” she says. “We kept our Facebook community open and alive. It was kind of quiet and almost eerie when I didn’t have a lot to say in April. Then I began going in every week. And I partnered with Brandon Barber who has been doing a weekly training. Now there’s a consultant every single day doing a live training, and I have a waiting list of consultants that want to train in our group.

“I’m amazed that there are still a thousand active people in that group. That was my hope and my vision, but I’ve been amazed that it worked and that they’re there and still so excited—some still promoting products that they can’t even sell yet.”

Sullivan adds, “I didn’t have a roadmap here. Figuring out how much to communicate, how much freedom and space to give them, how/what kind of conversations to have; the results of all of that remains to be seen. But from past experience, I’ve learned you always have to follow your gut and your heart, speak up and say what you need to say.”

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## THE RANKS

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RANKED BY NUMBER OF DIRECT SELLING CLIENTS INVOICED IN PAST 12 MONTHS

Each month, *The Ranks* spotlights companies, people or trends that are important to the direct selling channel. This month, *The Ranks* lists executive search companies that work specifically in the direct selling realm, ranked by number of direct selling clients invoiced in the past 12 months. *The Ranks* will vary monthly in type of information and in number of items included. Ranks data is not audited and relies on the good faith responses from participating companies.

RANK	COMPANY NAME & LOCATION	NUMBER OF CLIENTS INVOICED IN LAST 12 MONTHS	KEY CONTACT	REPRESENTATIVE CLIENTS	WEBSITE	CONTACT INFO
<u>1</u>	Direct Sales Experts Inc. Orlando, FL	29	Craig A. Fleming	J. Hilburn LiveWave IM Academy	DirectSalesExperts.com	407-489-3351 Craig@DirectSalesExperts.com
<u>2</u>	Serendipity Executive Search Scottsdale, AZ	26	Kristina Swift	Nature's Sunshine Limelife One Hope Wine	SerendipityExecutiveSearch.com	315-222-6623 Kristina.serendipity@gmail.com
<u>3</u>	Hanna Shea Executive Search Chandler, AZ	22	Sean Eggert	Green Compass Color Street PM International	hannashea.com	844-344-7177 info@hannashea.com
<u>4</u>	C3 Executive Search VA and CA	19	Kate Gardner and Michele McDonough	USANA Princess House Vorwerk	c3executivesearch.com	TX 214.908.7570 / CA 949.466.2707 kateandmichele@ c3executivesearch.com
<u>5</u>	Driggs Search International South Jordan, UT and Mesa, AZ	16	Scott Driggs	Forever Living Melaleuca LifeVantage	driggssearch.com	801-253-1818 scott@driggssearch.com
<u>6</u>	Pam Anthony Recruitment Rawtenstall, Rossendale, Lancashire, UK	7	Pam Anthony	LR Health & Beauty Younique Europe Synergy	pamanthony-recruitment.co.uk	00-44-(0)1706 231354 Pam.anthony@ pamanthony-recruitment.co.uk

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## — WHAT'S NEW ▶▶

### Herbalife's Latest Sustainability Report Shows Continued Progress

Herbalife released "Global Sustainability Report: Live Your Best Life," its second such report on sustainability. The report focuses on the impacts made by the company from 2021-2022 and shares its sustainable business practices and commitments across three priority areas: quality product, healthy people and communities, and a thriving planet. This strategy is aligned with the United Nations Sustainable Development Goals (SDGs). During the mentioned time period, the company launched 27 new products, receiving recognition for quality and excellence. While supporting people and communities, it was awarded for its focus on workplace diversity, educational training through its app, as well as its partnership with more than 20 programs and nonprofits focused on health and nutrition worldwide. To help the planet, the company recycled 5,475 metric tons of plastic and materials and removed 322 metric tons of "virgin plastic" from product packaging. It also improved efficiencies in its facilities in China, the U.S., and Mexico and converted its Costa Rica office space to solar power.

### Avon Receives Cruelty-Free Approval with Leaping Bunny

To reinforce its commitment to animal welfare while maintaining product quality and safety, **Natura's Avon** brand has partnered with Cruelty Free International (CFI) and been approved for the Leaping Bunny Program. The program is the globally recognizable gold standard for cruelty-free products. Avon, which claims to be the first global beauty brand to end animal testing 30 years ago, met the program's requirements by making an official pledge to end animal testing at all stages of product development with "rigorous auditing to ensure compliance," including an annual commitment. This requires companies to implement a monitoring system over its supply chain and internal manufacturing. The first of Avon's products to gain approval are its fragrances as well as Avon Care and Anew. All other Avon product ranges are due to obtain approval within 12 months. CFI is part of the Coalition for Consumer Information on Cosmetics (CCIC), which was formed in 1996 to establish a single standard to override the "confusing, and sometimes misleading" language around the term "cruelty-free."

### LifeVantage Visits NYC's Time Square to Ring the Nasdaq Closing Bell

Health and wellness brand **LifeVantage Corp.** paid a visit to the Nasdaq MarketSite in Times Square as it celebrated the launch of its LV360 transformation initiatives and LifeVantage's Activate 2023 Weekend. In recognition of the event, President and CEO Steve Fife, along with executive staff and top independent consultants, were invited to ring the Nasdaq closing bell on July 21. The invitation to participate in the iconic bell ringing ceremony came on the heels of the company's launch of a new compensation plan in March (a major component of the LV360 initiative), as well as a customer loyalty program, rewards, business tools, and products. LifeVantage's Activate 2023 Weekend, which was to be aired as a global virtual event for consultants the following day, included company and product announcements, market-specific trainings, and the launch of new digital tools and platforms for consultants.

### SELDIA Survey Reveals 85% of Direct Sellers in Europe Feel Connected to Products

**SELDIA, the European Direct Selling Association**, joined **Direct Selling Europe (DSE)** to commission Ipsos for an online survey of 25,896 European direct sellers throughout 12 EU countries, including Czech Republic, Estonia, France, Germany, Italy, Netherlands, Latvia, Lithuania, Poland, Slovakia, Spain and Sweden. According to survey results, 89% of direct sellers in Europe are women, with three out of five respondents reporting being aged 45 or above. Nearly half (49%) of those surveyed have been engaged in direct selling for seven or more years. In addition, 85% reported feeling connected to the products or services they offer, while 82% described themselves as aligning with their company's values and purpose. More than two-thirds (68%) pursue direct selling along with another occupation. As a whole, European direct sellers expressed satisfaction with their experience (78%), and 72% said that direct selling met or exceeded their initial expectations. The survey showed that while face-to-face meetings remain the primary channel, sellers under 45 are more likely to choose social media as an effective method for selling.

### Zurvita Gets Closer to Its Goal of Providing 1 Million Meals

According to its mission, feeding hungry families worldwide is built into **Zurvita's** foundation. Through a partnership with SERV International, the company has provided nearly 1 million meals to date with the Zeal for Meals Program. For every canister sold of its natural health drink powder Zeal, Zurvita donates three meals, as well as two meals with its newest products, Zurge and Zundora. SERV International is able to then distribute meals within the U.S. as well as worldwide to those with the greatest need, particularly in East African countries such as Kenya, South Sudan, Uganda, Mozambique, and Jordan. According to Jay Shafer, co-founder and CEO of Zurvita, this food assistance has enabled SERV to also provide medical help, orphanages and clean water to impoverished areas. To meet its 1 million-meals goal even faster, Zurvita committed to doubling its donation across all products sold from July 21 to July 31.

### DSSRC Recommends Pure Haven Discontinue Salesforce Member Earnings Claims

The **Direct Selling Self-Regulatory Council (DSSRC)** of BBB National Programs has made the recommendation that **Pure Haven LLC** discontinue certain earnings claims made by salesforce members on social media, including Facebook, YouTube and TikTok. The inquiry into Pure Haven came as part of DSSRC's regular monitoring of advertising and marketing claims in the direct selling channel. The earnings claims that brought attention and formed the basis of the inquiry included: "financial freedom" and "Residual income?...Part time and full time." Per DSSRC's "Guidance on Earnings Claims for the Direct Selling Industry," some words and phrases often used in earnings claims can have a high risk of being misleading to consumers. When DSSRC opened its inquiry and informed Pure Haven of its concern, Pure Haven did not contest DSSRC and promptly responded to take steps to have the salesforce member posts removed. While some were immediately discontinued, DSSRC recommended that Pure Haven continue its efforts to have the remaining posts discontinued.

WHAT'S NEW ▶▶

**Oriflame Reports \$430.3 Million in Sales for First 6 Months of 2023**

**Oriflame** shared its Interim Management Statement for the first six months of 2023, ending June 30, 2023. Per the report, the company's total sales for the three months ended June 30, 2023, were \$200.6 million, a drop of 14%, or 7% in local currency. Adjusted EBITDA for the same period was \$13.1 million, and the adjusted EBITDA margin was 6.6%. Adjusted operating profit was \$6.5 million with an adjusted operating margin of 3.3%. For the six months ending June 30, 2023, sales were \$430.3 million, a decline of 12%, or a local currency sales decrease of 9%. Adjusted EBITDA totaled \$31.6 million with an adjusted EBITDA margin of 7.4%. Significant events included the appointment of Anna Malmhake as CEO and president, due to the previous CEO Magnus Brännström stepping down after 18 years in the role. The company also sold 100% of its assets of Cetes Cosmetics in Russia. With cash and shares, the total transaction resulted in a net gain of \$8.9 million.

**4Life Europe Makes Progress Offsetting Carbon Footprint and Emissions**

Following its joining of the UPS Carbon Neutral Program in February 2020, **4Life Europe** has taken major steps in its commitment to offset the impact of emissions from its transportation services. As part of that commitment, the company participates in sustainability efforts through relevant projects in areas such as reforestation, elimination of greenhouse gases from landfills, wastewater treatment, and reduction of methane emissions. In the past year, through this program, UPS has mitigated 119.85 metric tons of carbon dioxide emissions. 4Life is also looking to offset its carbon footprint by neutralizing emissions generated by its leadership incentive flights to Athens, Greece, in 2023. To make this happen, the company will be planting trees in Viu de Llevata, Lleida, in collaboration with the organization Bosques Sostenibles. As 4Life continues to reinforce its care for the environment on behalf of 4Life Green, the company will remain focused on sustainability for its trips.

**QuiAri Gets Approval to Operate in South Korea**

As **QuiAri** continues its planned global expansion, the company has obtained its license to operate in South Korea. According to Founder and CEO Bob Reina, the licensing was made possible with the hiring of local executive Sungah Lim, who has experience as a country manager and general manager for direct sellers in the region. She will continue to lead QuiAri's operations in South Korea as general manager. South Korea is the third-largest market in Asia. Per the company, over 10% of the country's population is involved with direct selling and more than 40% of its total industry sales are in the health and wellness category. Preparing for launch QuiAri has made translations into Korean for its free mobile app, portal, self-replicating website, training guide, marketing videos and opportunity presentations.

**APLGO to Open New Production Facility in Moldova**

While **APLGO** already has one production facility in Moldova, the company is building a second one to accommodate increased product demand. Currently its first facility ships products throughout Europe, the U.S., South America and Africa. The second plant, which was built on property owned by APLGO, will make products for Russia and CIS countries. Measuring about 28,000 square feet, it will have capacity to produce 320,000 boxes per shift. With the equipment being installed at this time, the line will be fully automated. Top APLGO leaders have already visited the manufacturing facility and participated in planting trees at its entrance. Per the company, the additional plant will help it to manage product cost, increase sales and maintain independence from suppliers. APLGO is an 11-year-old company based in Europe that began expansion in the U.S., Latin America, the Philippines and South Korea in the past two years.

**Healy World Launches Operations in Mexico**

Germany-based **Healy World** has officially launched in the Mexico market after a soft launch in April. On June 24, the company opened with a live event including around 1,000 attendees in Mexico City. Key speakers during the opening were CEO Christan Dorner; CCO Luciano Garcia Rangel; CMO Martina Kling; Country Manager Karla Davalos; Executive Vice President Christiaan J. Peters; and Senior President Max Gloeckner. According to the company, Mexico is ranked No. 7 worldwide in direct selling in terms of volume. Healy World was founded by Marcus Schmieke and Christian Halper in 2019 with a focus on frequency, exercise, and nutrition. The startup's wearable products operate with individualized microcurrent frequency (IMF) based on research by Prof. Robert O. Becker, a researcher in the field of electrotherapy, and the late Prof. Björn Nordenström, M.D., a professor in diagnostic radiology at Karolinska Institute, Sweden.

THE SUPPORTERS ▶▶

MEET OUR PARTNERS

Below is a listing of all of the suppliers who placed display advertising in this month's issue. We are grateful for their participation and support in bringing news and information to the social selling channel.

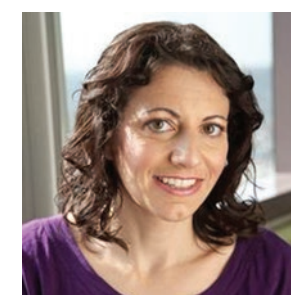
EXIGO.....	02	TRINITY.....	11	HANNA SHEA.....	20, 28
MOMENTUM FACTOR.....	04, 24	METRICS GLOBAL.....	14	JENKON.....	31
IPAYOUT.....	08	THATCHER.....	19	INFOTRAX.....	32

PEOPLE ON THE MOVE ▶▶

People on the Move



**JEN ORLANDO, ARBONNE**  
**Arbonne International**, owned by **Groupe Rocher**, has promoted **Jen Orlando** to CEO. Orlando returned to the Arbonne executive team in March as chief growth and innovation officer after serving as chief sales officer at **Plexus Worldwide**. She has worked more than 18 years in sales and marketing and with in beauty and wellness.



**VANESSA DAVIS, LEGALSHIELD**  
**LegalShield** has appointed **Vanessa Davis** as vice president of product management. The legal services technology veteran will head product development and implementation. Davis has held numerous senior corporate leadership roles, spending 12 years at LegalZoom as well as working at Litera Microsystems and One Legal.



**JEAN-DAVID SCHWARTZ, GROUPE ROCHER**  
**Group Rocher**, owner of **Arbonne**, has named **Jean-David Schwartz** as CEO. Schwartz will take on the role previously performed by **Bris Rocher**, who is delegating his executive duties to concentrate on group strategy as chairman. Schwartz will be responsible for operational management.



**DAVID LIDDICOAT, PARTNER.CO**  
**David Liddicoat** has joined **Partner.Co** as chief financial officer (CFO). Liddicoat has over 25 years of finance and operations experience. Most recently, he spent nearly nine years at Genesys after working with Intuit and Symantec. As CFO, he will focus on building a financial organization to prepare for the company's growth plans.



**JEFF SINGER, DOTERRA**  
**DoTerra** has hired **Jeff Singer** in the role of chief operating officer. Singer will join the company's Executive Council. He has spent more than 20 years helping companies grow top-line revenues in a wide range of industries, including NASDAQ, SAP, and YBA Kanoo, in the U.S. and in the Middle East.



**STEVEN LEE ELDER, MANNATECH**  
**Mannatech** has hired **Steven Lee Elder** as senior vice president of sales and marketing. Elder will lead and implement the company's sales and marketing strategies, with the goal to increase its brand presence and drive growth. He brings over 20 years of executive experience to his role, including time with **Pure Haven** and **Xyngular**.



**TRAVIS GARZA, JUICE PLUS+**  
**Juice Plus+** has appointed **Travis Garza** to global CEO. Garza is a channel veteran with over 20 years' experience driving strategy, growth, and innovation. He last served as president of global sales, marketing, and customer success at **Plexus Worldwide** and will now focus on driving global orders through new business and field engagement.



**WOLFGANG KLAER, PM-INTL.**  
**PM-International** has named **Wolfgang Klaer** as chief administrative officer. Klaer most recently served as area general manager. He joined PM-International in 2003 as assistant to the founder and has worked in sales and international services. Klaer will lead strategic planning, international sales and global human resources.

# People on the Move



**ARTURO MONTALVÁN, ORIFLAME**  
 Arturo Montalván has joined Oriflame as general manager of its Peruvian market. With a background in finance and marketing, Montalván has worked in industries such as FMCG, retail, and beauty, serving as executive director for three companies. He specializes in P&L management, customer centric transformation, and team building.



**DAVID SOKOLOWSKI, TRANONT**  
 David Sokolowski has joined Tranont as vice president of technology. Sokolowski has spent over 25 years within information, security, and technology, working with brands such as **Unicity** and **Modere**. He will oversee IT, including back-end systems, front-end website and replicated sites, global infrastructure, and information security.



**LILIYA AMARO, APLGO**  
 APLGO has hired Liliya Amaro as marketing manager of its U.S. region. In her new role with APLGO, Amaro will head marketing in product updates, site localization, communications, and events. Prior to joining APLGO, she had marketing roles in companies such as **Tupperware**, **Jeunesse Global**, **ACCO Brands**, and **MGA Entertainment**.



**CARMEN LOPEZ, APLGO**  
 Carmen Lopez has joined APLGO as general manager of its U.S. business. She has over 20 years' experience, having worked as a regional and district sales leader for **Avon Products**, **Rodan + Fields** and **Isagenix**. Lopez brings expertise in business development, client relationship cultivation, and strategic partnership building.



**KEVIN GUEST, DSEF**  
 Kevin Guest has been named chairman of the **Direct Selling Education Foundation (DSEF)**. Guest joined USANA in 1992 and currently serves as executive chairman. He also served as DSA chairman for the past two years. Guest will now work with the academic community to support research related to direct sales.



**NEW BOARD OFFICERS, DSA**  
 DSA elected 2023 officers for its board of directors. Serving one-year terms are: Chairman: **Danny Lee**, president and CEO, **4Life**; Vice Chairman: **Cindy Monroe**, founder, **Thirty-One Gifts**; Vice Chairman: **Joni Rogers-Kante**, founder and CEO, **Senegence International**; Treasurer: **David Merriman**, executive vice president, **ACN**; Immediate Past Chairman: **Kevin Guest**, executive chairman, **USANA Health Sciences**; Past Chairman: **Ryan Napierski**, president, **Nu Skin Enterprises**.

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