

# The Mastermind Event State of the Profession Report

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**2018 Network Marketing Market Report** courtesy of The Mastermind Event®

MastermindEvent.com • All Social @MastermindEvent



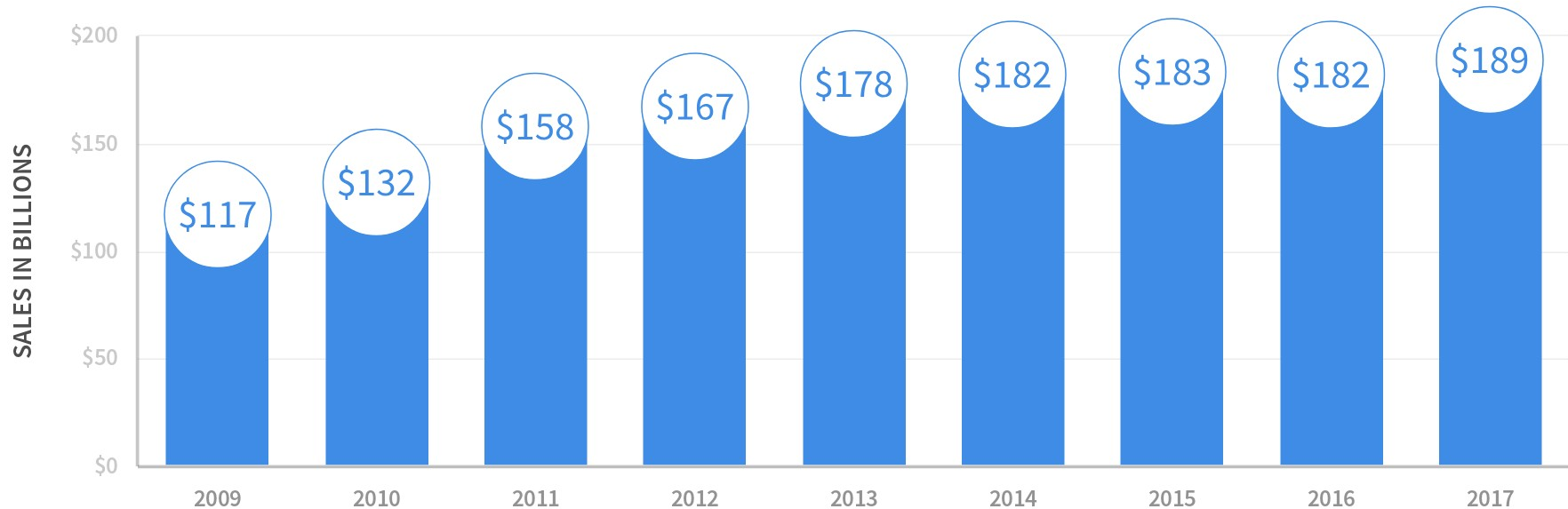
**2017 WAS A BREAKOUT YEAR!**

**THE NUMBER OF NETWORK MARKETING  
DISTRIBUTORS GREW TO 116 MILLION  
AND SALES GREW TO \$189 BILLION  
— BOTH RECORD HIGHS!**

**—Art Jonak**  
**Mastermind Event Founder**

# NETWORK MARKETING GLOBAL SALES

In 2017, Network Marketing hit a RECORD **\$189.6 BILLION** in Global Retail Sales



Data Source: WfDSA | Graphic: MastermindEvent.com

# \$76 BILLION Paid To Distributors In 2017

Network Marketing companies share a large percentage of their sales with their distributors



## COMPANIES SHARE THEIR PROFITS

- Network Marketing companies hit a record \$189.6 Billion in sales in 2017.



## \$76 BILLION IN COMMISSIONS

- Network Marketing companies paid over \$76 Billion to their distributors in 2017.



## \$208 MILLION A DAY

- Network Marketing distributors earned over \$200 MILLION A DAY in commission.



\$1.5  
TRILLION

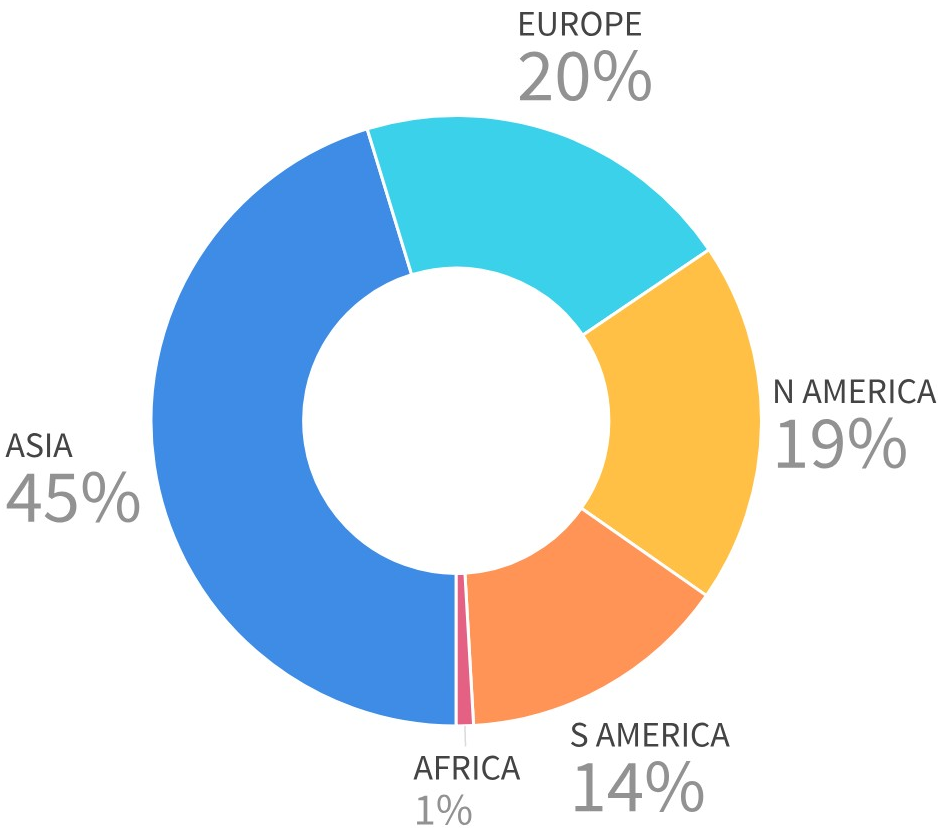
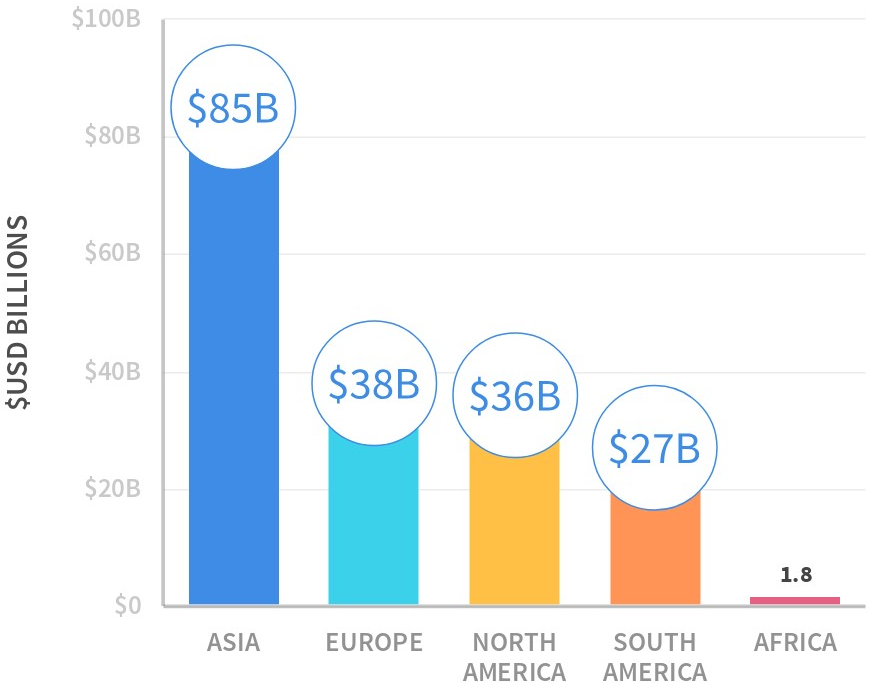
Network Marketing companies generated nearly  
1.5 TRILLION dollars in sales since 2009.

\$600  
BILLION

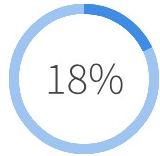
Network Marketing **DISTRIBUTORS** have been paid  
over \$600 BILLION in commissions since 2009!



# 2017 NETWORK MARKETING SALES BY REGION

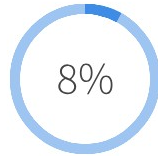


# 2017 TOP 10 NETWORK MARKETING MARKETS



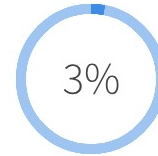
18%

1. UNITED STATES



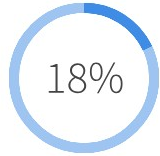
8%

5. JAPAN



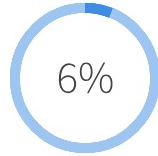
3%

9. MALAYSIA



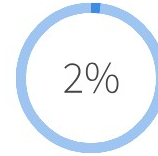
18%

2. CHINA



6%

6. BRAZIL



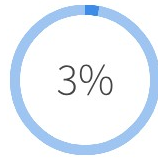
2%

10. TAIWAN



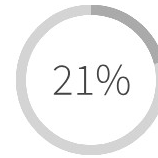
9%

3. KOREA



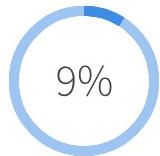
3%

7. MEXICO



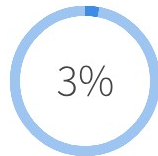
21%

ALL OTHER COUNTRIES



9%

4. GERMANY



3%

8. FRANCE

# 2017: NETWORK MARKETING **BILLION DOLLAR** MARKETS

Global Rank 1-12 • Source WfDSA

- United States • \$34.9B
- China • \$34.3B
- Korea • \$17.2B
- Germany • \$16.7B
- Japan • \$15.3B
- Brazil • \$11.9B
- Mexico • \$5.89B
- France • \$4.99B
- Malaysia • \$4.67B
- Taiwan • \$3.94B
- United Kingdom • \$3.70B
- Italy • \$3.23B



# 2017: NETWORK MARKETING **BILLION DOLLAR** MARKETS

Global Rank 13-24 • Source WfDSA

- Russia • \$2.82B
- Thailand • \$2.79B
- Colombia • \$2.36B
- Argentina • \$2.22B
- Canada • \$1.99
- Peru • \$1.76
- India • \$1.51B
- Indonesia • \$1.42B
- Philippines • \$1.31B
- Ecuador • \$1.19B
- Poland • \$1.09B
- Australia • \$1.06B

# 2017 NETWORK MARKETING BILLION DOLLAR MARKETS BY REGION

## AMERICAS

1. United States (down 1.8%)
2. Brazil (down 1.1%)
3. Mexico (up 2%)
4. Colombia (down 4.4%)
5. Argentina (up 36.5%)
6. Canada (up 1.4%)
7. Peru (up 2.9%)
8. Ecuador (up 9.4%)

## ASIA PACIFIC

1. China (up 3%)
2. Korea (down 0.9%)
3. Japan (up 0.4%)
4. Malaysia (up 0.3%)
5. Taiwan (up 2.1%)
6. India (up 7.0%)
7. Indonesia (up 20.3%)
8. Philippines (up 11.5%)
9. Australia (down 3.6%)

## EUROPE

1. Germany (up 3.7%)
2. France (up 3.5%)
3. United Kingdom (up 1.0%)
4. Italy (up 2.5%)
5. Russia (up 5.9%)
6. Poland (down 2.4%)

# WHICH COUNTRY WILL BE THE **TOP** GLOBAL NETWORK MARKETING MARKET IN 2018?

## UNITED STATES

YEAR	SALES	CHANGE
2014	\$34.47	5.5%
2015	\$36.12	4.8%
2016	\$35.54	1.6%
2017	\$34.90	-1.8%

\* Sales in US\$ Billions

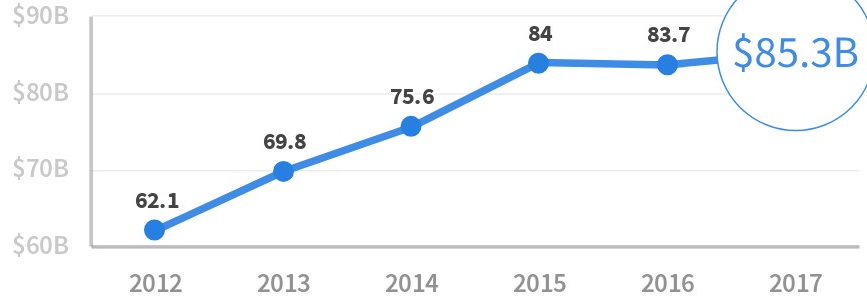
## CHINA

YEAR	SALES	CHANGE
2014	\$27.45	18.6%
2015	\$32.67	9.0%
2016	\$33.29	1.9%
2017	\$34.29	3.0%

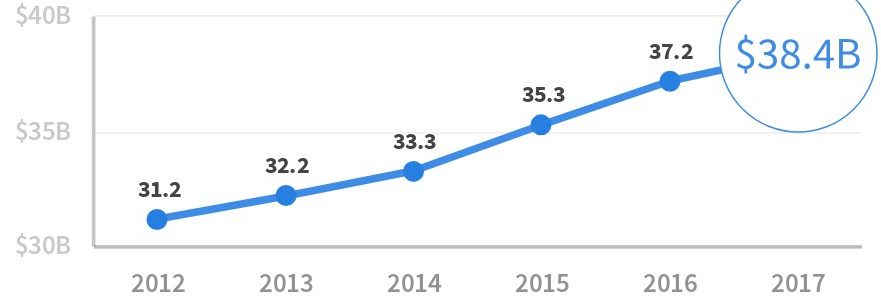
\* Sales in US\$ Billions

# NETWORK MARKETING GROWTH BY REGION

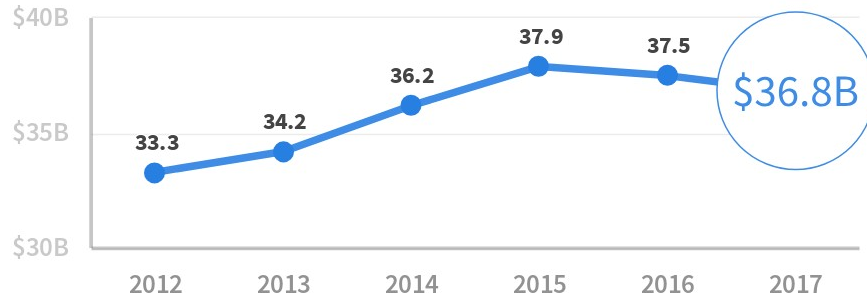
## ASIA



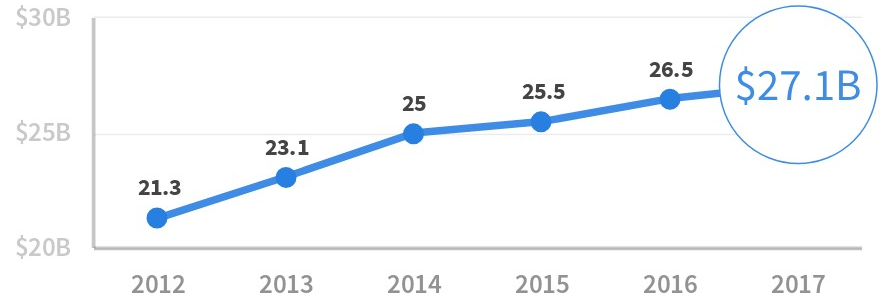
## EUROPE



## N. AMERICA

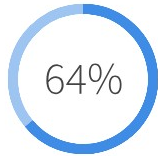


## S. AMERICA

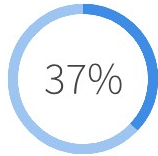




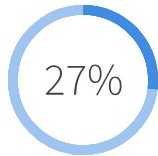
# 2012-2017 NETWORK MARKETING GROWTH BY REGION



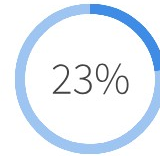
**AFRICA/MIDDLE EAST**  
\$1.1B to \$1.8B



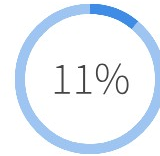
**ASIA**  
\$62.1B to \$85.3B



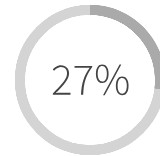
**SOUTH AMERICA**  
\$21.3B to \$27.1B



**EUROPE**  
\$31.2B to \$38.4B

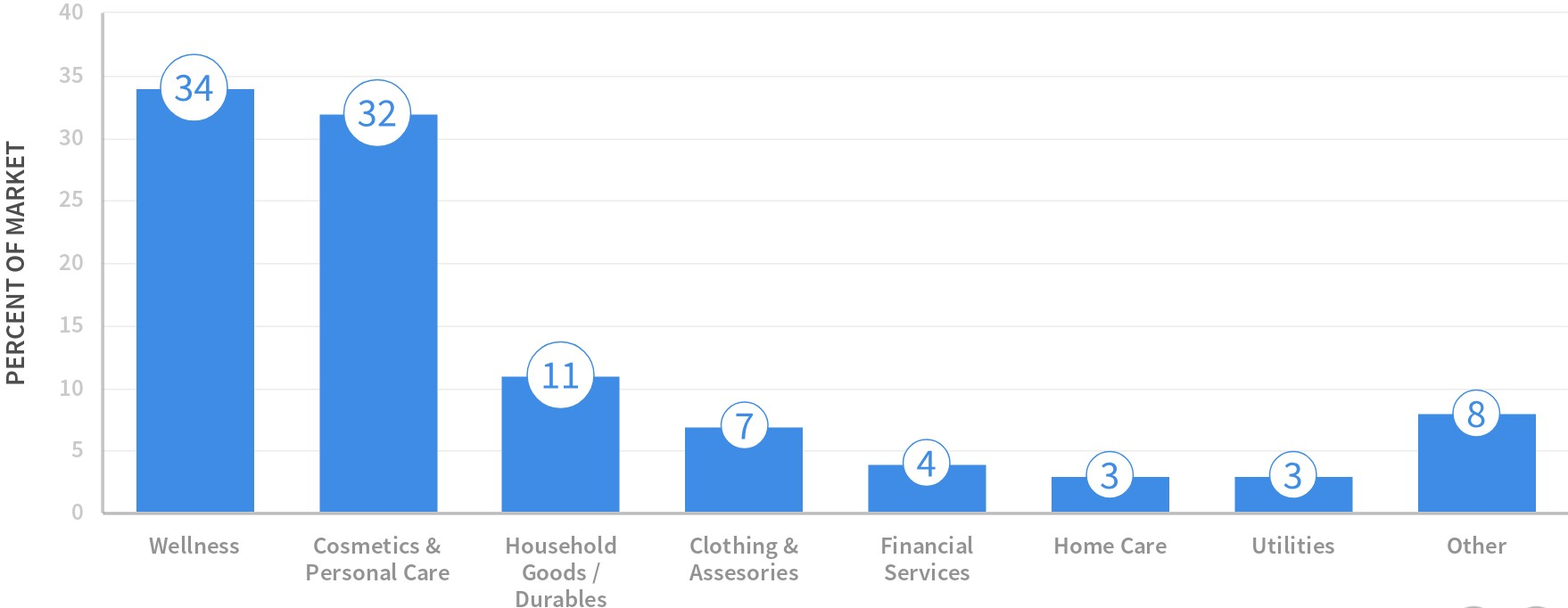


**NORTH AMERICA**  
\$33.3B to \$36.8B



**GLOBAL**

# 2017 NETWORK MARKETING GLOBAL SALES BY PRODUCT



# SHIFTING MARKET SHARE FOR NETWORK MARKETING

Future Growth: People in **emerging markets** are increasingly turning to Network Marketing.





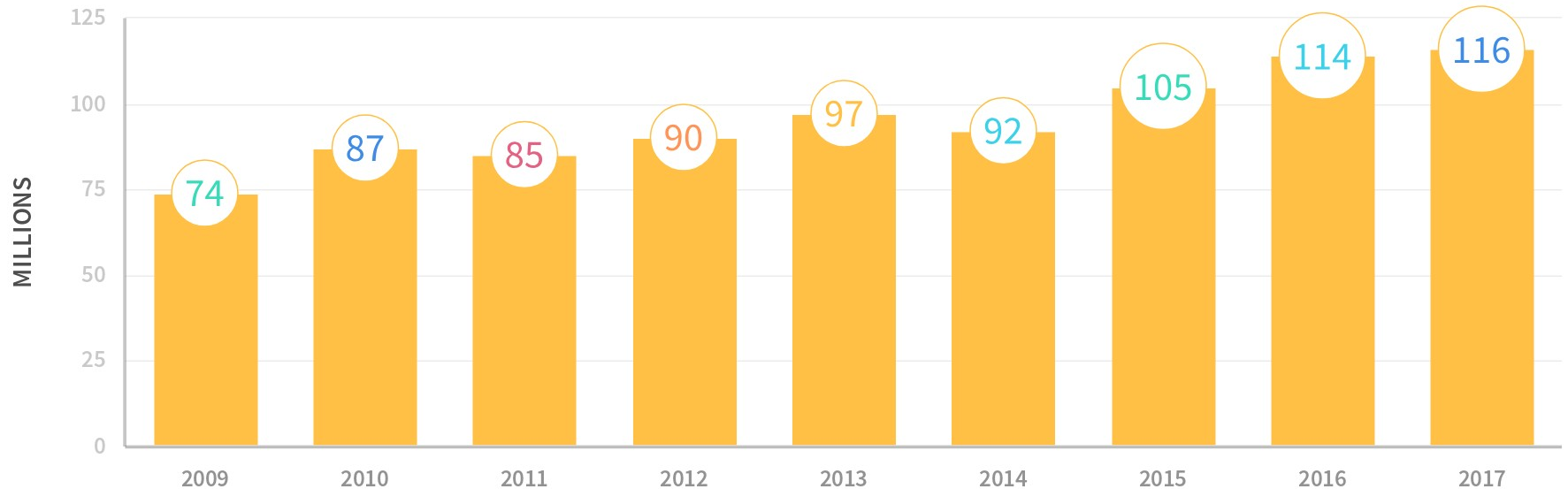
**NETWORK MARKETING**  
**IS ONE OF THE**  
**SIMPLEST PATHS TO**  
**ENTREPRENEURSHIP**

**—Art Jonak**  
**Mastermind Event**  
**October 2010**



# NETWORK MARKETING GLOBAL DISTRIBUTORS

Network Marketing reached a **RECORD 116.7 MILLION distributors** in 2017



Data Source: WfDSA • This does NOT include registered or retail customers.

# 3.7% COMPOUND ANNUAL GROWTH

Network Marketing is up nearly \$20 Billion since 2014, resulting in a 3.7% global compound annual sales growth rate (CAGR) over the 3-year period from 2014 to 2017. This shows sustained growth in the Network Marketing channel over time.

## **BOTH SALES AND DISTRIBUTOR NUMBERS SET NEW GLOBAL RECORDS**

Further evidence of the popularity of Network Marketing as a convenient way for customers to shop and discover new products, and for Network Marketing distributors to earn additional income.

# NETWORK MARKETING DISTRIBUTOR CATEGORIES



Distributors include entrepreneurs building their own businesses.

Earning a full-time income — even a dream-lifestyle leveraged income.



Distributors include part-time entrepreneurs building a business.

Earning an extra or supplemental income to help them get ahead financially faster.



Some distributors choose only to enjoy and use the products — not to sell or build a team.

In the future, this class of distributors could be designated as customers.

# THE CUSTOMER SHIFT

Many Network Marketing companies have taken or are taking steps to **clearly distinguish between distributors and customers** and to **increase their customer to distributor ratio** — this strengthens the business model and helps protect against potential government regulatory concerns.

In addition to creating more customers, placing “customer distributors” into the “customer” category can increase the “average sales volume per distributor” figure.



## DISTRIBUTORS

Actively engaged in building their business  
— and also enjoy and use the product.



## CUSTOMER DISTRIBUTORS

Signed up as distributors but now only  
buy product and don't build their business.



## CUSTOMERS

Never signed up as distributors — only  
want to buy and enjoy the product.

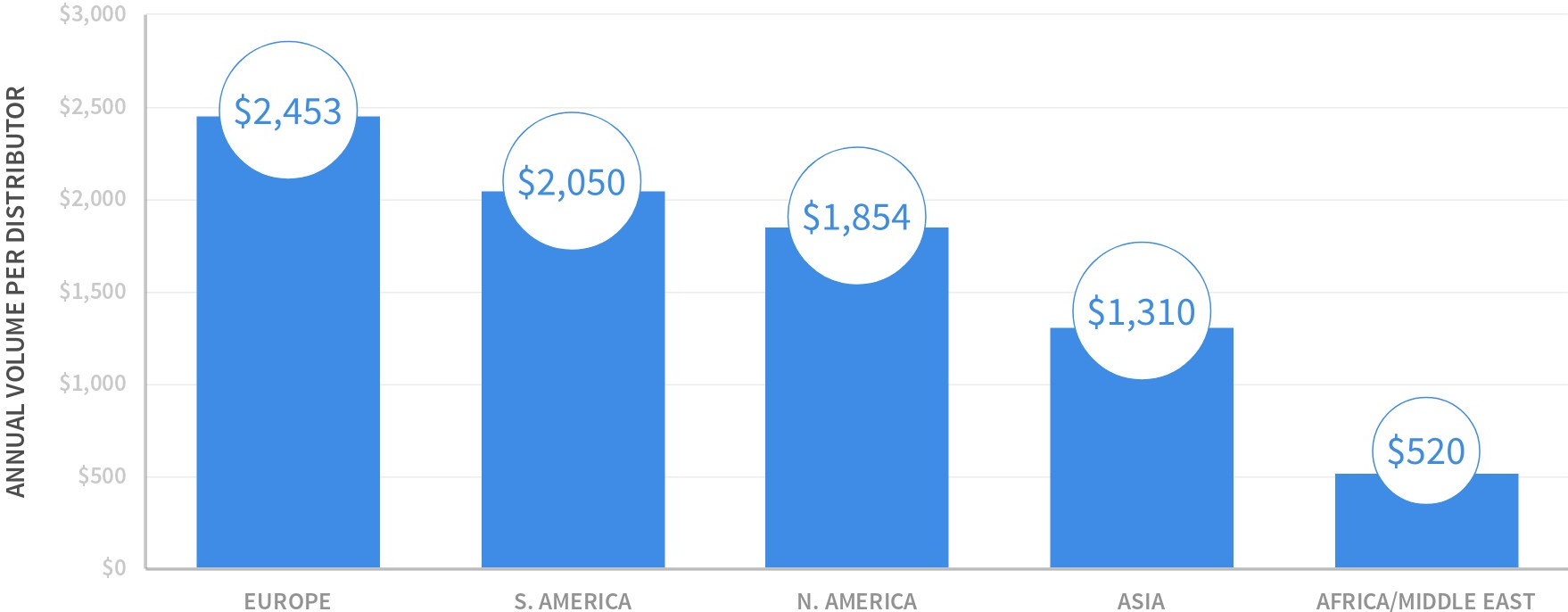


# \$1600 per Distributor

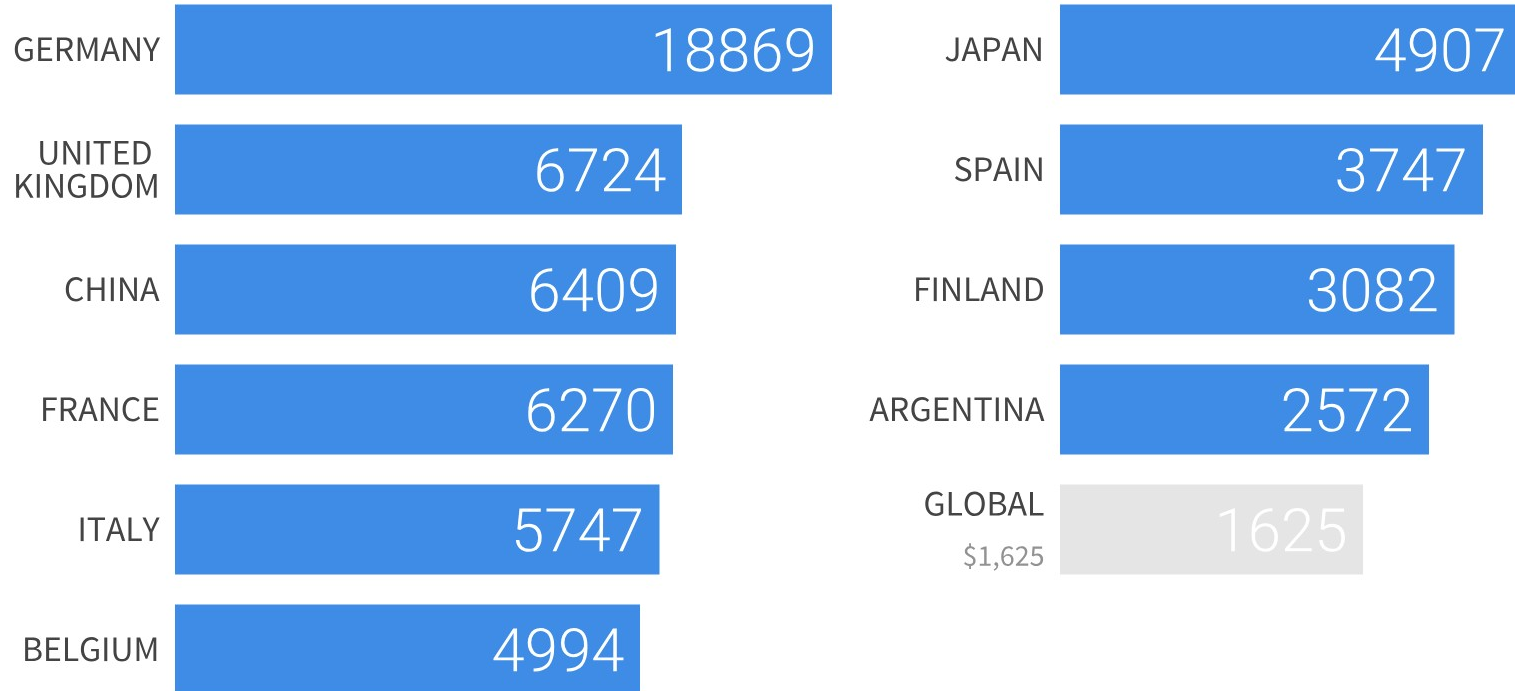
Globally, on average, each distributor generates over \$1600 IN SALES VOLUME per year.  
For every 100 distributors, that's \$160,000 in volume per year.

The \$1600 includes products purchased by the distributor and by their personal customers.  
This figure should increase as distributors increase their number of active personal customers.

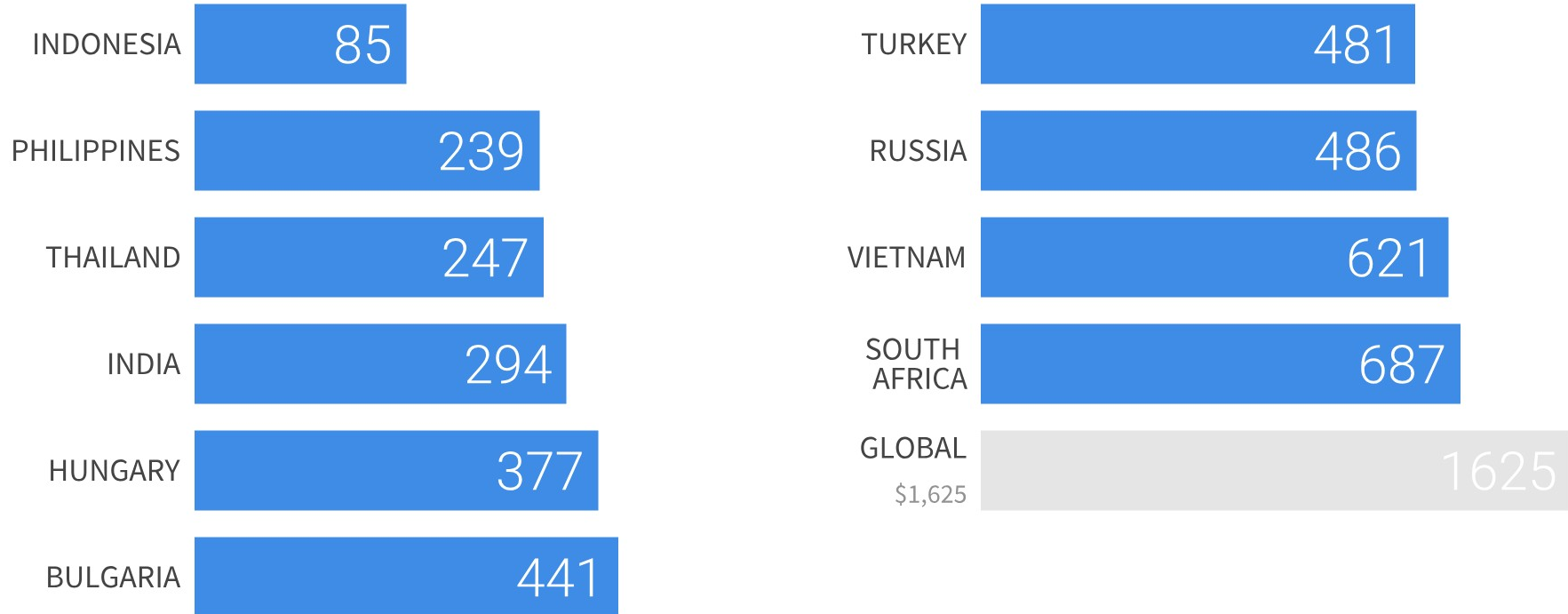
# 2017 SALES PER DISTRIBUTOR (BY REGION)



# 2017 SALES PER DISTRIBUTOR 10 HIGHEST (in USD)



# 2017 SALES PER DISTRIBUTOR 10 LOWEST (in USD)



A woman with blonde hair is speaking into a microphone on stage. She is wearing a dark, patterned dress. To her right, a man in a dark suit and pink tie is smiling. The background is a solid blue color. A large, bold text overlay is centered across the middle of the image.

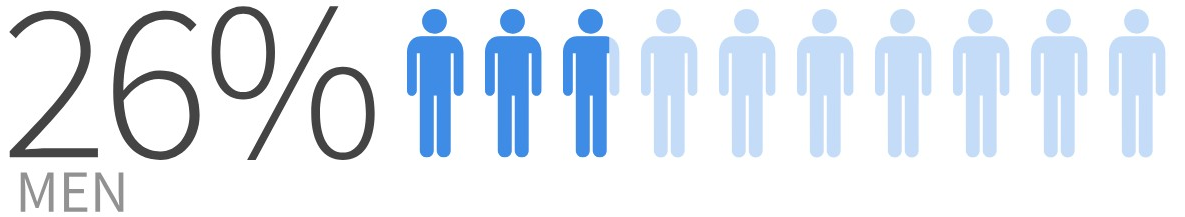
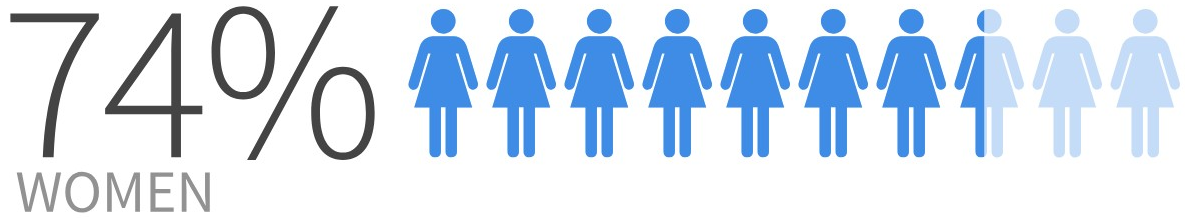
**NETWORK MARKETING IS ONE OF THE  
FEW PLACES WHERE WOMEN EARN  
DOLLAR FOR DOLLAR WHAT MEN EARN**

ART JONAK  
MASTERMIND EVENT MAY 2005



# 2017 NETWORK MARKETING BY GENDER (GLOBAL)

Data Source: WfDSA

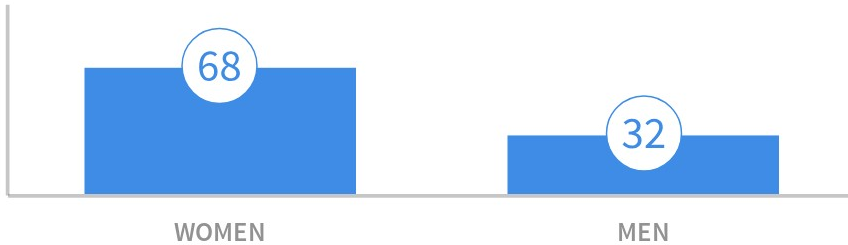




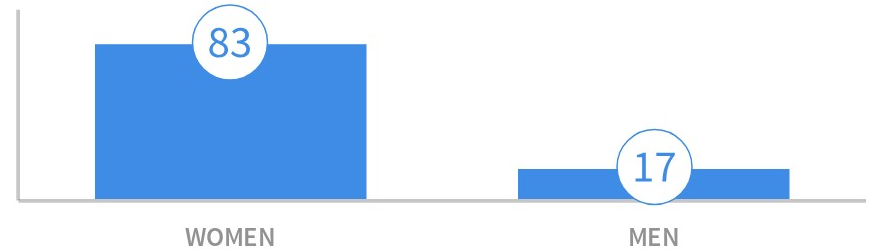
# 2017 NETWORK MARKETING BY GENDER (BY REGION)

## PERCENTAGE OF WOMEN AND MEN

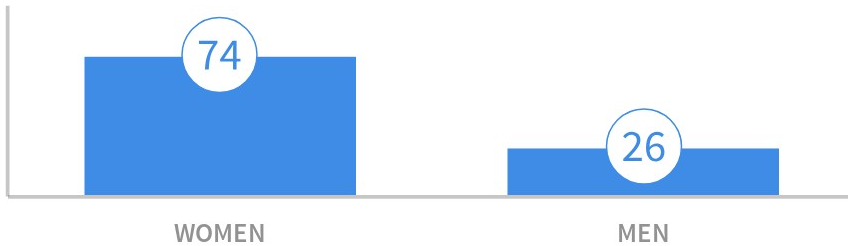
### ASIA



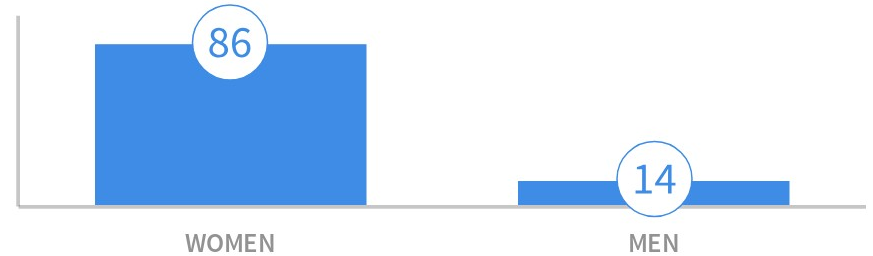
### EUROPE



### N. AMERICA



### S. AMERICA



# Who Are The **Top Earners** in Network Marketing



- The majority of **Top 20% income earners** in Network Marketing are **women** and **couples**.
- Men are more likely to seek “income recognition” and to speak publicly about their earnings. This could create the misconception that “most top earners are men.”
- Network Marketing is a “merit-based income system,” one where team sales volume directly determines commissions. This levels the playing field and helps to **minimize the Gender Pay Gap** still common in many professions.

“Men want statues of themselves, women don't.” —Ann Jonak

# NETWORK MARKETING IN THE UNITED STATES



# NETWORK MARKETING SALES (UNITED STATES)

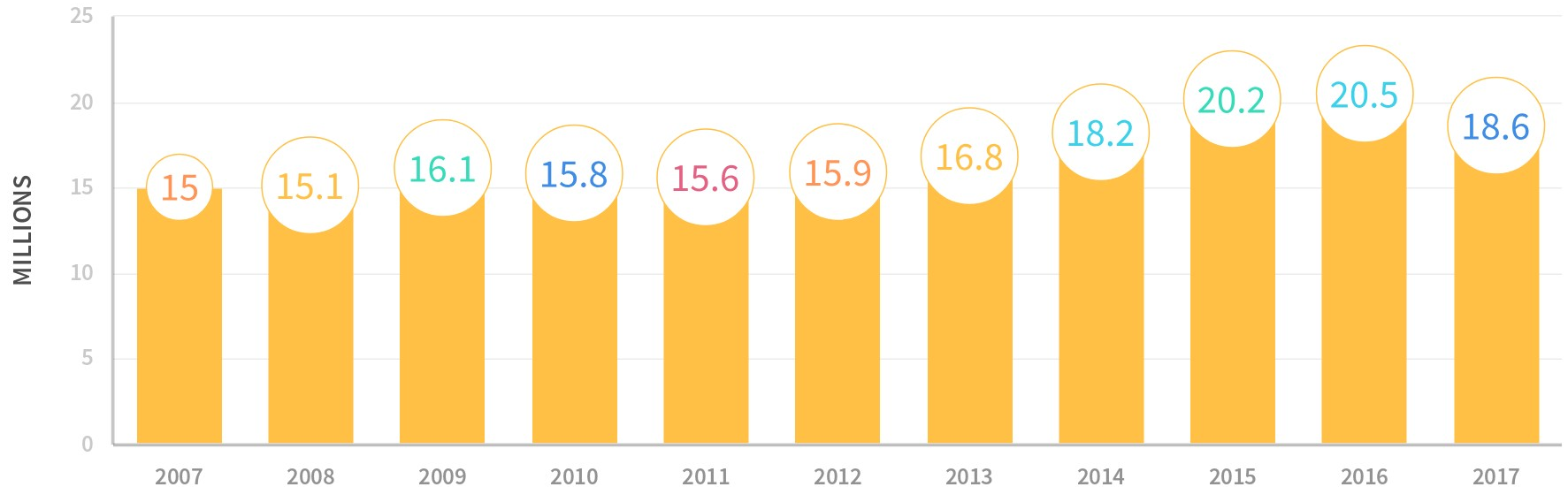
In 2017, Network Marketing Retail Sales hit an estimated **\$34.9 BILLION** in the United States



Data Source: DSA

# NETWORK MARKETING **DISTRIBUTORS** (UNITED STATES)

In 2017, there were approximately **18.6 MILLION Network Marketing distributors** in the United States

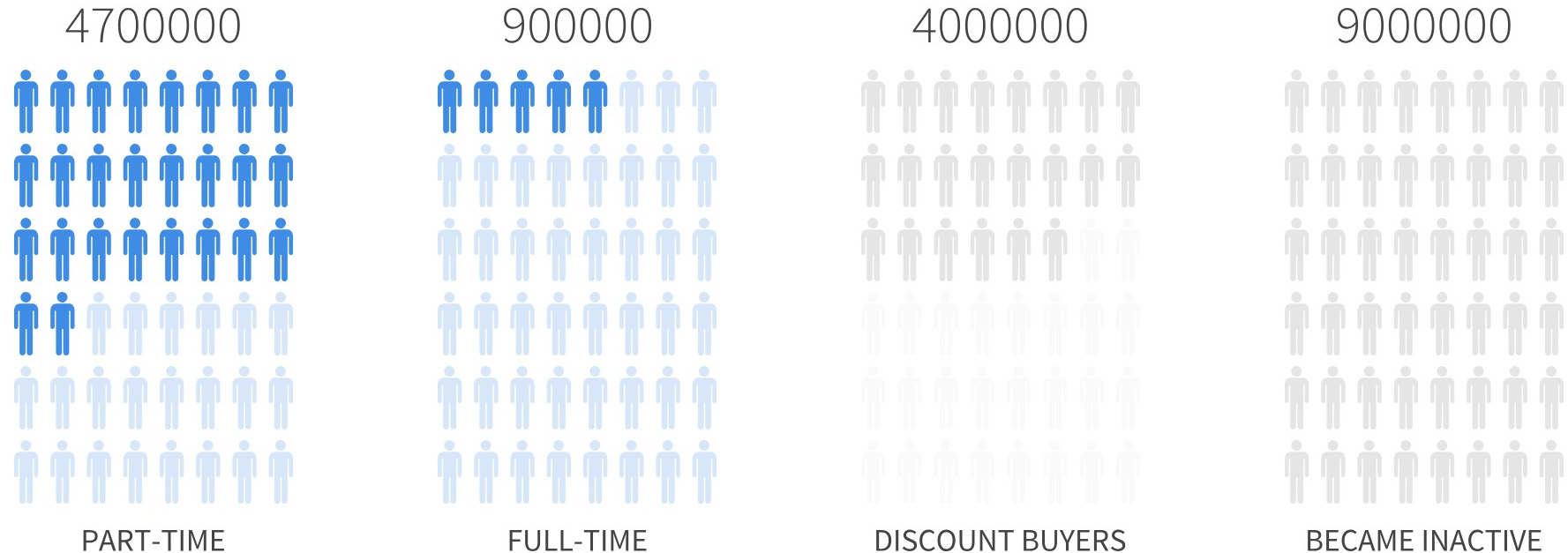


Data Source: DSA • This does NOT include registered or retail customers.



# NETWORK MARKETING BUSINESS ACTIVITY (U.S.)

In 2017, approximately **5.6 million distributors** were part-time or full-time business builders  
(This does not include preferred, registered or retail customers)





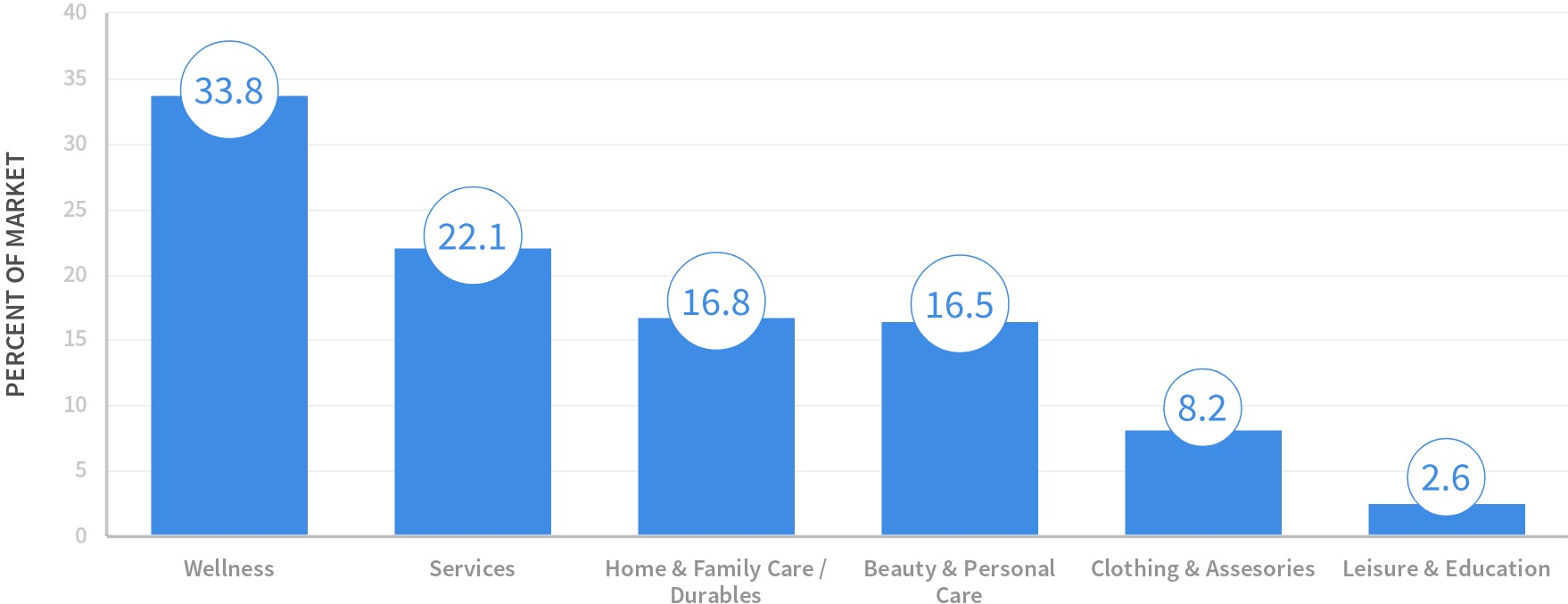
# \$6200+ per Distributor

In the United States, on average, each distributor generates over \$6200 IN SALES VOLUME per year.  
For every 100 distributors, that's \$620,000 in volume per year.

The \$6200 includes products purchased by the distributor and by their personal customers.  
This figure should increase as distributors increase their number of active personal customers.



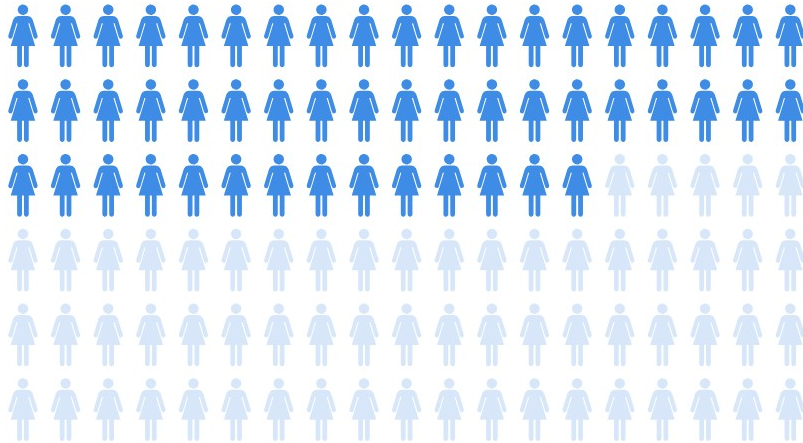
# 2017 NETWORK MARKETING SALES BY PRODUCT (U.S.)



# NETWORK MARKETING **BY STATE** (UNITED STATES)

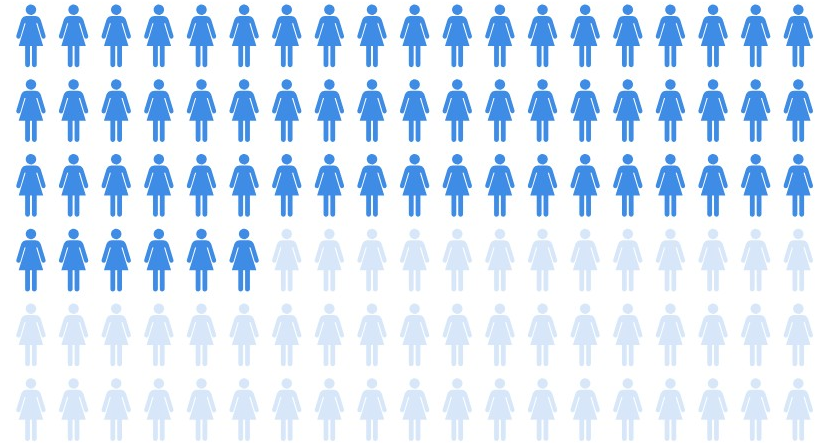
The TOP 5 STATES were Texas, California, New York, Florida and Illinois and collectively accounted for nearly 45% of all U.S. sales in 2017 with \$16.1 Billion.

TEXAS, CALIFORNIA, NEW YORK,  
FLORIDA and ILLINOIS



45%

ALL OTHER U.S. STATES AND  
TERRITORIES

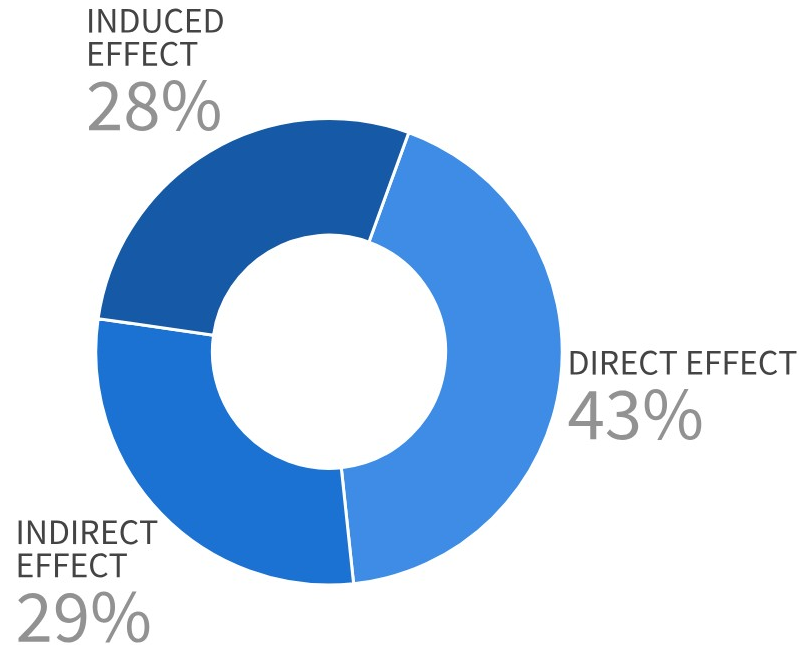


55%

# TOTAL ECONOMIC IMPACT: **\$83.11 BILLION**

The \$35.54 Billion in Network Marketing sales in the U.S. contributed \$83.11 billion to the economy in 2016.

Direct Effect: \$34.54 Billion • Indirect Effect: \$24.06 Billion • Induced Effect: \$23.52 Billion



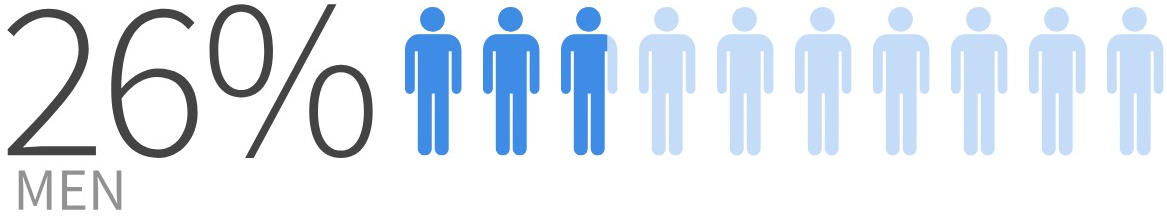
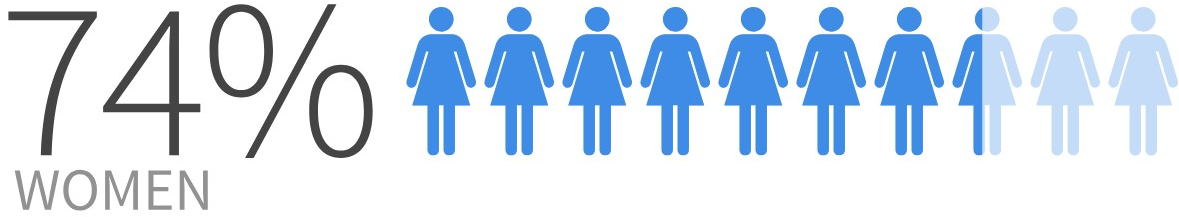




**NETWORK MARKETING OFFERS  
EVERYONE AN EQUAL OPPORTUNITY,  
REGARDLESS OF AGE, SEX, RACE,  
RELIGION OR LEVEL OF EDUCATION.**

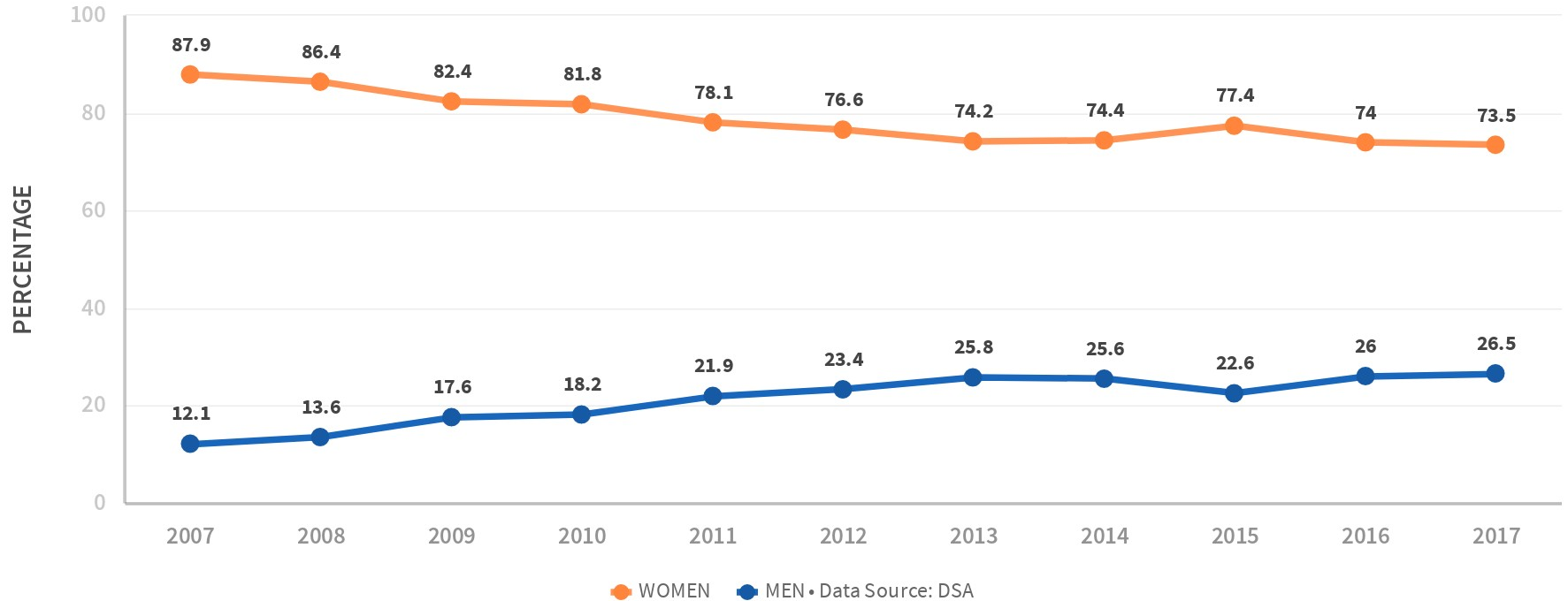
**—Art Jonak**  
**Mastermind Event**  
**May 2005**

# 2017 NETWORK MARKETING BY GENDER (UNITED STATES)

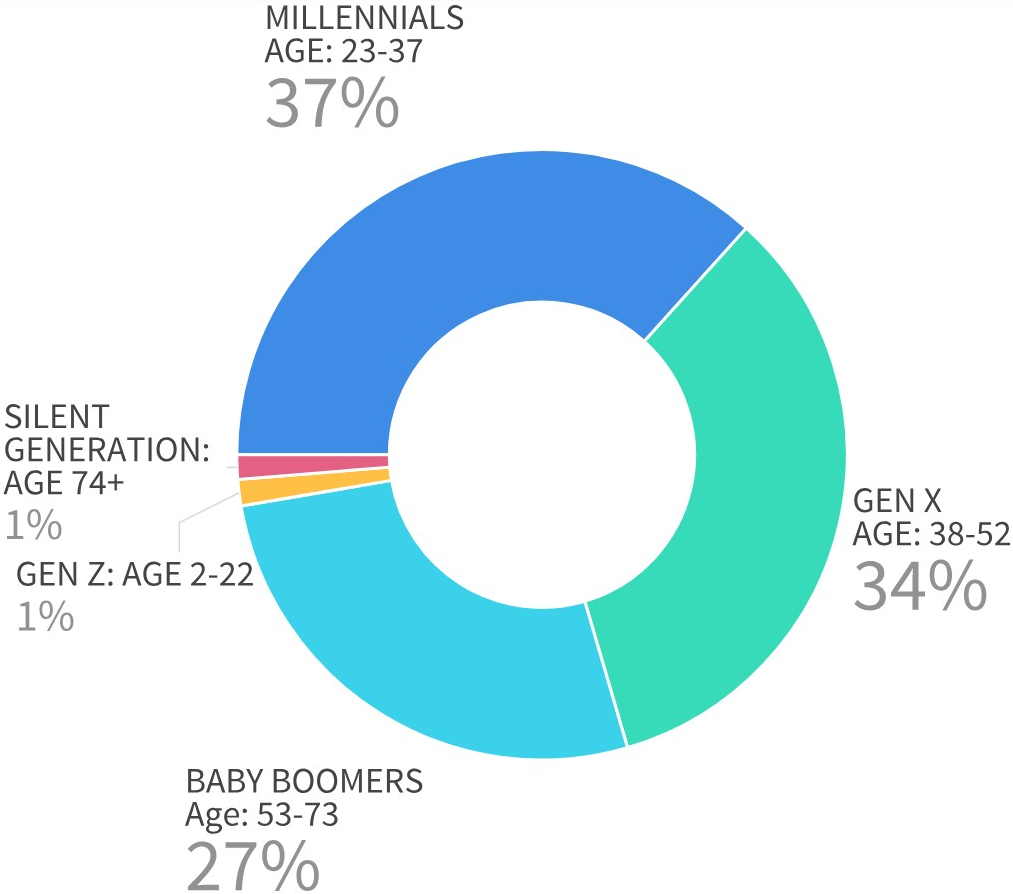




# NETWORK MARKETING BY GENDER (UNITED STATES)



# 2017 NETWORK MARKETING BY AGE (UNITED STATES)



# NETWORK MARKETING IS GEARED FOR GROWTH

\$1 TRILLION  
NEXT 5 YEARS

Network Marketing is on pace to generate over  
1.5 TRILLION dollars in sales over the next 5 years.

\$400 BILLION  
IN COMMISSIONS

Network Marketing DISTRIBUTORS are  
on pace to earn over \$400 BILLION in  
commissions over the next 5 years.

# Network Marketing is No Longer on Trial

**It's a proven and viable profession.**

A profession that's helping millions of people get ahead financially and moving many closer to their dreams. —Art Jonak



TO ALL NETWORK MARKETERS IN THE WORLD

# THANK YOU

The Mastermind Event®



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