ARTICLES

The Future of Social Media and Direct Selling



Every company that is serious about direct selling has tried to figure out the best way for consultants to use social media, such as Facebook and Twitter. Companies are trying to develop rules protocol for their consultants on the web. Many network marketing companies decided long ago that it was not in their interest – not compatible with direct selling – to have their distributors offering products at shopping sites such as Ebay and Amazon.

Because network marketing is a person-to-

person business, most companies feel as though the personal relationships developed by distributors are undermined if mass merchandising or retail sales replace direct selling. However, social networking websites are communication tools. The industry has faced the *question as to* whether social networking is a true communication tool or a recruiting tool.

The fact that social networking is anonymous and impersonal makes it questionable as to whether it's a valuable business building tool.

Social networking certainly won't enable consultants to gain instant success by simply creating a Facebook page and inviting "friends." A social media account doesn't instantly promise a large sales organization, although occasionally it can help grow a consultant's business. Social media is a clever tool for staying in contact with customers and potential customers; therefore, MLM companies are still adjusting to the flood that is social networking.

Be sure that you read your company's policies and procedures to understand your rights regarding the of use your social networking accounts for business.

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Jeffrey A. Babener, of Portland, Oregon, www.mlmlegal.com, is the principal attorney in the law firm of Babener & Associates. He represents leading U.S. and foreign companies in the direct selling industry. He has been a key advisor to such companies as Avon, Herbalife, Discovery Toys, Nikken, Shaklee NuSkin, Excel, Usana, Fuller Brush, Cell Tech, Enagic, Sunrider, Melaleuca, Nerium International, etc. He is a frequent lecturer and has been interviewed on the industry, and published, in such publications as Money, Inc., Atlantic Monthly, Success, Entrepreneur, Kiplinger's Personal Finance, Home Office Computing, Business Start-Ups, Direct Selling News Magazine, and Money Maker's Monthly. He is editor of the industry publication, Direct

Sales Legaline. Mr. Babener is also the author of the books; Tax Guide for MLM/Direct Selling Distributors, Network Marketer's Guide to Success, The MLM Corporate Handbook, Network Marketing: Window of Opportunity, and Network Marketing: What You Should Know (used as the college curriculum textbook at Utah Valley State course on network marketing). He is editor of one of most frequented network marketing educational web sites, www.mlmlegal.com . He has served as Chair of more than 70 national conferences on starting and running the direct selling company. He serves on the Lawyers Council and Government Relations Committees of the Direct Selling Association (DSA), and he has served as General Counsel and on the board of the MLMIA (Multilevel Marketing International Association). He has lectured at major industry trade meetings and at such educational institutions as the Univ. of Illinois, University of Texas, University of Houston, etc. He is a graduate of the University of Southern California Law School where he served as an editor of the USC Law Review, followed by the appointment as a law clerk to Hon. David Williams, U.S. District Court for the Central District of California.

A number of Babener & Associates client companies have been success stories over the last several decades, including several billion dollar and NYSE companies such as Avon, Herbalife, NuSkin, Usana. Other successful companies, to which the law firm has provided varying level of advisory, have included Melaleuca, Nikken, Enagic, Discovery Toys, Amazon Herbs, TriVita, Nerium International, Shaklee, PrePaid Legal, Tupperware, Primerica, Arbonne, Longaberger, Excel Communications, ACN, etc.

Mr. Babener has served as lead trial counsel for multiple cases on direct selling throughout the U.S. Further background material on direct selling will be found at the website, www.mlmlegal.com, where he is editor.