A Study on Network Marketing and its Impact on their Customers in Bangalore

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Abstract:

Network Marketing is a business model of direct selling of products to consumers through the network of consumer instead of stepping the retail stores. It improves the interpersonal skills of the people and reduce poverty. This paper is based on the scope of Network Marketing in the Bangalore context. 3% of people select scope of Network Marketing as Small, 33% of people select scope of Network Marketing as Medium and 64% of people select scope of Network Marketing as Large. 51% of people selected “Monthly” income because they require time to sell products and recruit new people into Network Marketing. Most of the respondents that are 48% people have chosen stage5 because as advertisement help to promote their products in the Markets. A majority of 57% people selected both advertisement and survey because they believe in both to create awareness. A study on network marketing has both positive and negative impact on their customers. As most of the people are satisfied with their jobs and some people also felt that it is very difficult task to sell their product and to convey their thoughts to the new customers. Network Marketing plays a vital role in the business because it connects people to people and increases their customers. Network Marketing has the high volume of future scope and most of the people believe that it is better career option. At the same time, it also has the negative impact of shortage of investment, lack of convenience, more time consuming, lack in personal interaction and low
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income. Hence it is concluded that Network Marketing has both positive and negative impact on their customers.

**Introduction**

Network marketing is a marketing strategy in which the people are paid not only for sales they generate themselves, but also for the sales of other salesmen they recruit. This business model known as a “down line model” because it has distributors and a hierarchy that involves multiple levels of compensation.

Network marketing is a business model that depends on person to person sales by independent representatives, often working from home.

There are many reputable network marketing operations, but some have been denounced as pyramid schemes. The later may focus less on sales to customers than on recruitment of salespeople who may be required to pay upfront for expensive starter kits.

Companies that follow the network marketing model often create tiers of salespeople- that are salespeople are encouraged to recruit their own networks of salespeople. The creators of a new tier earn commission people in the tier they created.

Thus, the earnings of salespeople depend on recruitment as well as product sales. Those who got in early and are in top tier make the most.

**Review of Literature**

According to Shelby D Hunt, Et al 3(1), 18, 1994, “Marketing Management”, marketing managers must prepare them to deal with the consequences of a global economy and the realities of global competition. Managers must understand the processes involved in establishing,
developing and maintaining successful relationships with all the firms exchange partners. The key structural issue in relationship marketing is the exchange of resources to provide mutual benefits and achieve mutual goals.

According to Evert Gummesson, May 1994, published in International Journal of service industry management. Based on a research project with the purpose of defining the essence and scope of relationship marketing. The marketing mix theory, which constitutes of approaches through the definition of 4ps and extensions of these. The core is a presentation of 30 relationships, the 30Rs, as a way of making the RM philosophy more operational. That 30Rs provide a basis for companies to work out their own specific relationship portfolio as part of their marketing planning process.

According to Adrian Palmer, Et al 2009, published in direct marketing: An International journal 3. Direct marketing fact challenges and opportunities associated with the emergence of social network media. A conceptual model is presented which brings together to need of producers, sellers and communities. Assessment of direct marketing has traditionally emphasized cognitive and behavioral metrics. The purpose of this paper is to provide a review of the changing media landscape of direct marketing and the purpose a model of direct and indirect targeting of buyers.

According to Robert F Henrick, Et al by US patent 6, 055, 510, and 2000. A method for enabling targeted marketing of users on the internet maintains the privacy of the users. The present invention takes advantage of the unique customer knowledge of an internet service provider with respect to both the customer’s identity and their likes and dislikes, while preserving the privacy of those customers. Data mining is performed on customers, including the sites that they visit.
According to Gerald Albaum, Et al published in marketing review, MLM is a retail channel of distribution that has a negative image in the minds of many individuals and increasing scrutiny by Government regulatory agencies around the globe. One major concern being raised increasingly is to extent of so-called internal consumption. This addresses those characteristics of MLM that attack from an objective and not emotional that claims that MLM organization are inherently pyramid schemes and unethical are misplaced.

According to PumelaMsweli, Et al 2001, published in marketing intelligence and planning, on a review of the existing literature from sales force management, turnover and marketing perspectives. In network marketing organizations to predict the duration of the relationship that they might expect to develop with a particular distributor.

According to W Gibb Dyer JR 2001, published in family business review, network marketing organizations are among the most successful organization in 1900’s. Sales in the network marketing organization industry grew from $30Billion to almost three times in year 2000. This paper considers the questions, what network marketing is, how network marketing companies achieve success and how might leaders of family owned company’s use network marketing to grow their businesses.

According to Victoria Bolotaeva ,Et al, Journal of internet social networking and virtual communities 2010. Social networks are websites which allow users to communicate share knowledge about similar interests, discuss favorite topics and products or services etc. even though social network marketing is still in its infancy. It holds a potential success for the marketing mix. This paper discusses the advantages and risks that social network marketing holders.
According to Ruomei Feng, Annals of Tourism Research 34(3) 2007. Marketing programs are important business modes and marketing tools among tourism and hospitality organizations with a paid vacation travel club as the empirical environment the study found that perceived quality and value for the organization have more than one dimension in a marketing setting.

According to Robin Croft (journal of marketing management) 1996. There is little serious material written about network marketing in general and almost none on the subject of its suitability as a channel of distribution in international markets using information included in Amway’s recent Pacific Rim flotations. This article assesses network marketing against six strategic criteria for channel management. It concludes that although it may have certain strengths in particular market.

According to Beon Jun Kim, Et al, 306(2), 2006. Investigate a dynamic model of network marketing in a small-world structure artificially constructed similarly to the watts-strong at, network model. Different from the traditional marketing consumers can also play the role of the manufactures selling agents in network marketing.

According to Rosalind Jones, Et al, journal of marketing management, 2013. This study seeks to explore strategic networks from an entreprevrial marketing and value creation perspective in the business to business context to ascertain the value generated by strategic groups of network actors. This area has received little research investigation, despite the important of network marketing in small to medium sized enterprises.

According to Saga, 1996, an overview of what networks are and how they are used in marketing management practices is provided in this volume. Leading scholars in the field examine various types of relationships including: customer to customer networks; relationships as investment
opportunities; and strategic alliances. They also investigate market dynamics and structure and consumer networks.

According to Michael G Pratt, Et al, Academy of management journal 46(4), 2003. A qualitative study of three network marketing organizations that sell products and services using distributed workforces suggests how these organizations harvest members work family conflict and transform work-related ambivalence into commitment. Implications for theory and practice are offered.

According to Ravi S Achrol Et al, and journal of marketing 63, 2009. As the twenty-first century dawns, marketing is poised for revolutionary changes in its organizational context, as well as in its relationship with customers. Driven by a dynamic and knowledge-rich environment, the hierarchical organizations of the twentieth century are disaggregating into a variety of network forms, including internal networks, vertical networks, aftermarket networks, and opportunity networks.

According to Ravi S Achrol, research article first published December 1, 1996. The marketing environment in the 21st century promises to be knowledge rich and very turbulent. The classic, vertically integrated, multidivisional organization, so successful in the 20th century, is unlikely to survive in such an environment. The evidence indicates it will be replaced by new forms of network organization consisting of large numbers of functionally specialized firms tied together in cooperative exchange relationships. This article explores the characteristics of four types of network organization that may represent prototypes of the dominant organizations of the next century. These include the internal market network, the vertical market network, the aftermarket network, and the opportunity network.
According to Patralekha Battacharya, Et al. Network Marketing Organizations (NMOs) like Amway have been very successful in recent times. Even more surprising than the success of these organizations is the controversy they seem to attract. Average distributors belonging to these NMOs earn very little money but seem to devote a disproportionately high amount of their resources to NMO activities.

According to Catherine Welch, Et al. We argue that the model of relationships and networks proposed by the IMP group in terms of actors, activities and resources (AAR), which forms the basis of much IMP research, needs to be extended to incorporate a fourth dimension of relations and networks, namely that of ideas or schemas. These schemas are the way managers make sense of their world and the interactions taking place with other organizations and represent a different kind of dynamical force shaping relationship and network development.

According to Mosad Zineldin (Associate Professor of Strategic Management and Marketing, School of Management and Economics, University, Sweden). Argues that relationship marketing is not a complete paradigm shift. Without effective use of technology, relationship marketing is not an effective strategy. Hence, relationship marketing, based on technological advances, can be considered as a new paradigm. It is demonstrated that everything companies do to build consumer loyalty is affected by technology. It is shown that traditional, relationship, and technological ship marketing are fundamentally different. The technological ship marketing allows for different types of synergy effects, solutions, different customers, and different types of interactions and relationships.

According to Peter J Vander Nat, Et al, journal of public policy and marketing 21(1), 139-51, 2002. A specific form of direct selling, multilevel marketing, and experienced significant international growth during the 1990’s facilitated in part by the development of
the internet. A corresponding increase in the investigation and prosecution of illegal pyramid schemes occurred during the same period.

According to Anne T Coug Wan, Et al, international journal of research in marketing 15(5), 401-426, and 1998. Network marketing organizations or NMO’S are retail sealing channels that use independent distributors not only to buy and resell products at retail, but also to recruit new distributors into growing network overtime.

**Industry Profile**

Network Marketing has been around for over 50 years. In 1934 California Vitamin Company came up with a concept of Multi-Level Marketing. This company started out as a direct sales company signing up salespeople that would use the product for their personal use and sell it to their family and friends. In the process they would earn an extra $50 per month which was a substantial income at that time. Their friends and relatives not only liked the product, but they started to realize that they could benefit financially themselves by buying the product at the wholesale price and in turn selling it to others.

In 1943, California Vitamins changed their name to Nutralite Corporation which implemented the first true Multi Level Marketing compensation plan. Everyone involved in the company got paid on multiple levels of sales made.

In 1949, Jay Van Andle and Richard Marvin DeVoss joined Nutralite Corporation as Members and for the next ten years the company grew and prospered. They regarded conventional sales jobs as unfair -being paid only once for the work that they did even when the company continued to
make a profit from their labors for many years afterwards, they believed that they should be paid relative to the benefit the company continued to get from their original work, In 1959 Jay and Richard decided to go in a different direction and start their own Multi Level Company called Amway.

In 1975, US consumer protection agency Federal Trade Commission decided to take Amway to court because they thought that Amway was involved in a Pyramid Scheme. A pyramid scheme is when you sell a system without a product. A number of different pyramid schemes sprang up with the advent of MLM.

Because Amway was the biggest MLM distribution company at the time, the Federal Trade Commission decided to make an example of them to prove that Amway was involved in an illegal business, for four years Amway fought in the courts to prove that MLM was a legitimate business finally winning the case in 1979. This paved the way for many more MLM companies to enter the industry.

**Objectives**

1. To evaluate the profit earned by their Customers.
2. To know the taste and preference of Customers.
3. To evaluate the awareness among the People.
4. To access the Trust among Customers.
5. To understand the scope of Network Marketing.

**Scope**
Network Marketing is the future of business in the 21st century. In all good terms, it rightly has evolved over time. Beginning as a part-time job, direct selling has now a proper path in career building opportunities. In a spam of the last five years, it has emerged as a viable source of income and growth in business marketing. Network Marketing growth in India has drastically spiked in recent times.

**Significance**

1. **An Opportunity to Earn Extra Cash**
   
   Every human being has a desire to make extra cash and achieve financial freedom. Network marketing offers you an opportunity to generate income despite your current financial standing. With network marketing you do not need to quit your day job as you can do network marketing as a side hustle.

2. **Residual Income**
   
   Residual income is an easing that you continue to receive based on your earlier efforts. Residual income is based on sales of products and services. This means that, if your network continues to generate repeat sales, then you will get paid for that one sale long into the future. Network marketing is important because it enables you to earn more and work less by building your passive income sources.

3. **Huge Demand for Excellent Products**
   
   Network marketing companies is famous for creating revolutionary products that hit the market by storm. The huge demand for these products makes it easier to sell. Also, the products are designed specifically to generate repeat business. Network marketing has enabled brands to grow
into multi-billion companies through endless chains of agents who ensure that the multiple levels keep growing and advancing progressively.

4. Live a Rewarding Life

One important reason that makes network marketing important is the personal development that comes from helping other people succeed. It is very rewarding to lift other people and watch them become better every day. With network marketing, you grow as your business grows. Your skills, strengths, and experiences are also rewarded with handsome payouts which are very important for both part-time and full-time business distributors.

5. Leveraging

Leveraging is a magnificent tool for building wealth. In network marketing, building your network and watching it grow is of paramount importance. Multi-level marketing helps customers find what they need. When you and your team work together by developing a collective mindset, the business begins to build itself. You start enjoying the benefits of network marketing. For example, you can go for a vacation and make money while at it. When you teach others how to do business you reap the rewards as well, creating win-win relationships.

Limitations

1. Time was Constraint.
2. Language Difference.
3. Lack of Responses.
4. Problem with Communication.
5. Lack of knowledge about Network Marketing.
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Research Gap

Multi-Level Marketing is a very popular business model in the Western countries. It is a kind of hybrid of the method of distribution of goods and the method of building a sales network. It is one of the safest ways of conducting a business activity. The knowledge about functioning of this business model, both among theoreticians and practitioners, is still insufficient in Poland. Thus, the presented paper has been prepared as in the Authors' opinion it, at least infinitesimally, bridges the gap in the recognition of Multi-Level Marketing issues. The aim of the study was, first of all, to describe Multi-Level Marketing, to indicate practical benefits of this business model as well as to present basic systems of calculating a commission, which are used in marketing plans of companies.

Hypothesis

1. H₁ - People living in the city people prefer Network Marketing.
   H₀ - Rural side peoples are not aware of the Network Marketing.

2. H₂ - Network Market sells huge volume products.
   H₀ - Network Market does not sell huge volume products.

   H₀ - Youngsters do not prefer Network Marketing.

4. H₄ - Network Marketing helps in communicating with their Customers.
   H₀ - Network Marketing does not helps in communicating with their Customers.

5. H₅ - Network Marketing considers Customers taste and preference.
   H₀ - Network Marketing does not consider Customers taste and preference.
Table: 1

The table depicting the profits earned by the customer

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-10,000</td>
<td>39</td>
<td>39%</td>
</tr>
<tr>
<td>10,000-50,000</td>
<td>37</td>
<td>37%</td>
</tr>
<tr>
<td>50,000-1,00,000</td>
<td>11</td>
<td>11%</td>
</tr>
<tr>
<td>More than 1,00,000</td>
<td>13</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Data Analysis

The table depicts that 39% of people earned profit up to 10,000, 37% of people earned profit between 10,000-50,000, 11% of people earned profit between 50,000-1,00,000 and 13% of people earned profit more than 1,00,000.

Graph: 1

The graph depicting the profits earned by the customer
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Data Interpretation

The graph depicts that 39% have chosen “0-10000” because it is difficult to sell the products to the customers, 37% of people have chosen “10000-50000” because they have taken Network Marketing as a part time job, 13% of people chosen more than 100000 because they have the good experience of Network Marketing and 11% of people chosen “50000-1000000” because they strategically sell the products to customers.

Table: 2

The table depicting customers earn profits easily

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>31</td>
<td>31%</td>
</tr>
<tr>
<td>No</td>
<td>34</td>
<td>34%</td>
</tr>
<tr>
<td>Maybe</td>
<td>35</td>
<td>35%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Data Analysis

The table depicts that 31% of people opt for easily earned profit, 34% of people selected it’s not easy to earn profit and 35% of people selected that it may be easy to earn profits, that is there maybe possibility to are profits and possibility to not earn any profits at all.
Graph: 2

The graph depicting customers earn profits easily

![Graph Image]

Data Interpretation

The graph depicts that 35% of people chosen may be they are not sure about profits of Network Marketing, 34% of people chosen no because they are aware of competition with other form of marketing, and 31% people chosen yes because Multi-Level Marketing companies have an intense focus on recruiting new members hence they earn profit easily.

Table: 3

The table depicting time required to earn profits

<table>
<thead>
<tr>
<th>particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly</td>
<td>28</td>
<td>28%</td>
</tr>
<tr>
<td>Monthly</td>
<td>51</td>
<td>51%</td>
</tr>
<tr>
<td>Yearly</td>
<td>21</td>
<td>21%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>
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**Data Analysis**

The table depicts that 28% of people earn weekly based profits, 51% of people earn profit which is monthly based and 21% of people earn profits yearly.

**Graph: 3**

The graph depicting time required to earn profits

![Pie Chart](image)

**Data Interpretation**

The graph depicts that average people selected “monthly” income because they require time to sell products and recruit new people into Network Marketing, 28% chosen weekly income because they sell the products on weekly basis and less no of people chosen yearly income because they requires lot of time to convince the people hence they require lot of time.
Table:4

The table depicting the important of advertisement to create awareness among the people

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7</td>
<td>7%</td>
</tr>
<tr>
<td>2</td>
<td>5</td>
<td>5%</td>
</tr>
<tr>
<td>3</td>
<td>13</td>
<td>13%</td>
</tr>
<tr>
<td>4</td>
<td>27</td>
<td>27%</td>
</tr>
<tr>
<td>5</td>
<td>48</td>
<td>48%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Data Analysis**

The table depicts that 7% of people chosen stage 1 as advertisements help to create awareness among people, 5% of people chosen stage 2, 13% of people chosen stage 3, 27% of people chosen stage 4 and 48% of people chosen stage 5.

**Graph: 4**

The graph depicting the important of advertisement to create awareness among the people
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Data Interpretation

The graph depicts that 33% of people gave rating as 5 because they are sure about advertisement helps to promote their product, 27% of people gave rating as 4 because they believe that advertisement incur lot of expenses compare to direct selling, 20% of people gave rating as 3 because they believe that advertisement not work out in Network Marketing, 13% of people gave rating as 2 because they believe in direct selling and directly convincing the people, and 7% of people gave rating as 1 because they deals with small scale Network Marketing and they only deals with family and friends.

Table: 5

The table depicting the methods used to create awareness

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertisement</td>
<td>33</td>
<td>33%</td>
</tr>
<tr>
<td>Survey</td>
<td>10</td>
<td>10%</td>
</tr>
<tr>
<td>Both</td>
<td>57</td>
<td>57%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Data Analysis

The table depicts that 33% of people selected advertisement to create awareness among people, 10% of people selected survey to create awareness and 57% of people selected both advertisement and survey.
**Graph: 5**

The graph depicting the methods used to create awareness

![Graph Image]

**Data Interpretation**

The graph depicts that average of the people chosen both advertisement and survey because they believe in both advertisement as well as survey to create awareness among the people and it helps in team building, 33% of people chosen “advertisement” because advertisement can promote the products easily with the wider range, and minimum number of people chosen survey because survey is the cheapest way to promote the product and also helps in collecting information about the taste and preference of customer.

**Table: 6**

The table depicting the trust among customers

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing reasonable price</td>
<td>11</td>
<td>11%</td>
</tr>
<tr>
<td>Providing quality products</td>
<td>89</td>
<td>89%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>
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**Data Analysis**

The table depicts that 11% people chose providing reasonable price to create trust among people and 89% people chose providing quality products to create trust.

**Graph: 6**

The graph depicting the trust among customers

![Graph showing trust among customers](image)

**Data Interpretation**

The graph depicts that majority of the people chosen “providing quality products” because most of the people believe in quality rather than the price, and minimum number of the people chosen “providing reasonable price” because they cannot afford expensive products and does not believe in quality.
**Table: 7**

The table depicting the importance of creating trusts among customers

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>To earn profits</td>
<td>8</td>
<td>8%</td>
</tr>
<tr>
<td>To satisfy the customers</td>
<td>23</td>
<td>23%</td>
</tr>
<tr>
<td>Both</td>
<td>69</td>
<td>69%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Data Analysis**

The table depicts that 8% of people chosen to earn profit are important to create trust among customers, 23% of people chosen to satisfy the customers are important to create trust among customers and 69% of people set chosen both to earn profit as well as to satisfy the customers.

**Graph: 7**

The graph depicting the importance of creating trusts among customers
**Data Interpretation**

The graph depicts more than average people chosen both earning profit as well as satisfying the customer because it is necessary to create trust among the customer to sell the products, 23% of people chosen “to satisfy the customer” because they believe that satisfaction of the customer is very important to sell the products on regular basis, minimum number of people chosen “to earn profit” because earning profit is very important to the Network Marketing investors, most of the people are worried about their incomes.

**Table: 8**

The table depicting the attraction of brand among customers

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>70</td>
<td>70%</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td>Maybe</td>
<td>27</td>
<td>27%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Data Analysis**

The table depicts that 70% of people are more attracted for the Brand, 3% of people agree that Brand is not important and 27% of people selected Maybe that is they are not sure about it.
Graph: 8

The graph depicting the attraction of brand among customers

![Graph: No of responses]

Data Interpretation

The graph depicts that majority of the people chosen “yes” because most of the people are particular in branding rather than considering the price, 27% of people chosen both because they are attracted for the brand as well as consider the price, and 3% of people chosen “no” because they will not consider the brand but they consider the price of the product.

Table: 9

The table depicting the scope of Network Marketing

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td>Medium</td>
<td>33</td>
<td>33%</td>
</tr>
<tr>
<td>Large</td>
<td>64</td>
<td>64%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>
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Data Analysis

The table depicts that 3% of people select scope of Network Marketing as Small, 33% of people select scope of Network Marketing as Medium and 64% of people select scope of Network Marketing as Large.

Graph: 9

The graph depicting the scope of Network Marketing

<table>
<thead>
<tr>
<th>No of responses</th>
<th>Small</th>
<th>Medium</th>
<th>Large</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3%</td>
<td>33%</td>
<td>64%</td>
</tr>
</tbody>
</table>

Data Interpretation

The graph depicts more than average people chosen “large” because Network Marketing growth in Bangalore drastically spiked in recent times, 33% of people chosen “medium” because they are not aware of direct selling and promoting the products, and minimum number of people chosen “small” because they don’t have proper information about Network Marketing.
Table: 10

The table depicting Network marketing as a good career option

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>59</td>
<td>59%</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td>Maybe</td>
<td>38</td>
<td>38%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Data Analysis

The table depicts that 59% of people chosen Network Marketing as a Good career option, 3% of people chosen Network Marketing are not a Good career option and 38% of people chosen maybe.

Graph: 10

The graph depicting Network marketing as a good career option

Data Interpretation
A Study on Network Marketing and its Impact on their Customers in Bangalore

The graph depicts average people chosen “yes” because they know the future scope of Network Marketing, 38% of the people chosen “maybe” because their current profit is less, and 3% of people chosen “no” because they are not satisfied with the income of Network Marketing. Table: 11

The table depicting the future scope of Network Marketing

<table>
<thead>
<tr>
<th>Particulars</th>
<th>No of responses</th>
<th>No of percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>64</td>
<td>64%</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>35</td>
<td>35%</td>
</tr>
<tr>
<td>Disagree</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Data Analysis

The table depicts that 64% of people are agreed that Network Marketing has a future scope, 35% of people are strongly agreed, 1% of people disagreed and 0% of people strongly disagreed.

Graph: 11
The graph depicting the future scope of Network Marketing

Data Interpretation

The graph depicts that more than average agreed that future scope of Network Marketing is better because in a spam of last five years, it has emerged as a viable source of income and growth in the business marketing, less than average people strongly agreed because Network Marketing growth has drastically spiked in recent times, 1% of the people disagreed because they believe the present earning and present scope.

Findings
1. A majority of 39% agreed that it is difficult to sell products to customers because they don’t have good Marketing experience.

2. More than the majority that is 31% people have chosen Multi-level Marketing companies because they recruit new members hence, they earn profit easily.

3. 51% of people selected “Monthly” income because they require time to sell products and recruit new people into Network Marketing.

4. Most of the respondents that are 48% people have chosen stage 5 because as advertisement help to promote their products in the Markets.

5. A majority of 57% people selected both advertisement and survey because they believe in both to create awareness among the people.

6. Most of the Customers that are 89% of majority people have selected quality products because people believe in good quality rather than price of the goods.

7. 69% of people agreed that both to earn profits and to satisfy the customers because it is necessary to create trust among the customers.

8. More than the majority that is 70% of people is always more attracted for the brand because people are particular in brand of the products rather than price of the products.

9. 64% of Customers agreed that scope of Network Marketing as Large because growth in Bangalore drastically increased in recent years.

10. A majority of 59% agreed Network Marketing as a good career option because future scope of Network Marketing increases direct selling.

11. Most the respondents that is 64% Customers agreed that Network Marketing has a future scope because they have better source of income and growth in the Business Marketing.

Suggestions
Our model shows a Network Marketing has an impact on their customers. Although these insights are indeed useful for understanding the unique challenges of sales force management in Network Market, they also have relevance of social networks to reach till their customers. For example, many people choose advertisement to create awareness about their product and some choose survey. To the extent that these activities reflect the properties of diffusion function. In this paper, we have used the model mainly to describe the general effects on the customers and the network performance. But it can also be used prescriptively on the individual-firm level to make suggestions about profitable differs from customer to customer. The customers also have the perception of time taken is less to buy and sell the products.

Network marketing carries negative connotations in many places. This is because it is often incorrectly associated with deceptive ‘pyramid schemes’, which frequently result in financial ruin for participants and for investors. In contrast, true network marketing involves the development of a legitimate retail selling and distribution network that grows via social networks. Our analysis is based on network marketing and people also suggest that digital marketing is better than Network Marketing. Even people illustrate that network marketing has more opportunities and there are more things to explore in this field. Our work also illustrates that the successful team will be based on the investments made by them. People suggest that it is a good system, but it takes more effort in the beginning till the achievement. People also have the view about their future benefit as Network marketing is best platform to fulfill our dreams and better security of our life.

Conclusion
A study on network marketing has both positive and negative impact on their customers. As most of the people are satisfied with their jobs and some people also felt that it is very difficult task to sell their product and to convey their thoughts to the new customers. Network Marketing plays a vital role in the business because it connects people to people and increases their customers. Network Marketing has the high volume of future scope and most of the people believe that it is better career option. At the same time, it also has the negative impact of shortage of investment, lack of convenience, more time consuming, lack in personal interaction and low income. Hence it is concluded that Network Marketing has both positive and negative impact on their customers.

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Annexure
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1. To what extent has the customers earned the profit?
   - 0-10,000
   - 10,000-50,000
   - 50,000-1,00,000
   - More than 1,00,000

2. Do the customers earn profit easily?
   - Yes
   - No
   - May be

3. Do the customers earn profit easily?
   - Weekly
   - Monthly
   - Yearly

4. Is advertisement important to create awareness among the people?
   - 1
   - 2
   - 3
   - 4
   - 5

5. Which method is used to create the awareness?
   - Advertisement
   - Survey
6. How can you create trust among customers?
   - Providing quality products
   - Providing reasonable price

7. Why is it important to create trust among the customers?
   - To earn profits
   - To satisfy the customers
   - Both

8. Does brand attract the customers?
   - Yes
   - No
   - May be

9. What is the scope of Network Marketing?
   - Small
   - Medium
   - Large

10. Is Network Marketing a good career option?
    - Yes
    - No
    - May be

11. The future scope of Network Marketing is strong?
    - Agree
    - Strongly Agree
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- Disagree
- Strongly Disagree

12. How Network Marketing is better than other form of Marketing?

13. Write your reviews on overall Network Marketing system?