

# Impact Of Direct Selling Industry On The Growth Of Women's Economic Status In Bilaspur District Of Chhattisgarh

Mrs Manjari Shukla<sup>1</sup>, Dr Shuchi Sharma<sup>2</sup>

<sup>1</sup>Research Scholar, Economics, DR. C.V. Raman University, Kota, Bilaspur (C.G)

<sup>2</sup>Research Supervisor, Assistant Professor, Economics, Department of Social Science, DR. C.V. Raman University, Kota, Bilaspur(C.G.)

---

## Abstract

*This paper examines the impact of the direct selling industry on the economic empowerment of women in Bilaspur district, Chhattisgarh. Using a mixed-method design and SPSS-based quantitative analysis of responses from 150 women engaged in direct selling, the study evaluates changes in income, financial autonomy, skill development, and household decision-making. Descriptive statistics reveal increases in monthly earnings, confidence, and community engagement. Cronbach's alpha indicates high reliability of the instrument ( $\alpha = 0.812$ ). Chi-square tests show significant relationships between experience in direct selling and improvement in financial status ( $p < .05$ ). The findings highlight direct selling as a viable tool for inclusive growth if backed by policy safeguards and training.*

**Keywords:** Direct selling, women empowerment, economic status

---

## 1. INTRODUCTION

Women's economic empowerment has emerged as a cornerstone of inclusive and sustainable development in India. According to the World Bank (2022), India's female labor force participation rate remains one of the lowest in the world, particularly in rural and semi-urban areas, where cultural, structural, and economic barriers restrict women's access to formal employment opportunities. The state of Chhattisgarh, with a predominantly rural and tribal population, reflects a complex socio-economic environment. While traditional gender roles and lack of access to education limit female employment, community-based institutions such as Self-Help Groups (SHGs) and microfinance have played a transformative role in encouraging grassroots entrepreneurship among women.

In recent years, **direct selling**—a business model in which products are marketed directly to consumers through independent representatives—has emerged as a flexible and accessible avenue for women seeking financial independence. This model bypasses conventional retail infrastructure and offers a unique opportunity for individuals, especially women, to engage in micro-entrepreneurship with minimal investment. As per the Indian Direct Selling Association (IDSA, 2023), India's direct selling industry recorded a gross turnover of ₹19,020 crore in 2022–23, with women comprising approximately **53% of the active sales force**. The industry is forecasted to reach ₹64,500 crore by 2025, with an increasing share of women driving this growth.

Direct selling offers several attributes particularly suited to the needs of women in districts like Bilaspur, Chhattisgarh. These include low entry barriers, flexible working hours, proximity to home, and scope for income generation without disrupting family responsibilities. For women who may lack formal education or access to capital, direct selling provides a platform for skill development, social networking, and economic participation, often for the first time in their lives. Furthermore, this model aligns well with the ethos of SHGs prevalent in the region, where collective mobilization and peer learning serve as important catalysts of empowerment (Sinha, 2021).

However, the benefits of direct selling are not without challenges. Many companies operate on multi-level marketing (MLM) models that emphasize recruitment over product sales, blurring ethical lines and sometimes exploiting vulnerable participants (Singh & Thomas, 2020). Reports of unsold inventories, unrealistic income projections, and financial losses raise questions about the **sustainability and legitimacy** of such ventures, particularly when women are not adequately trained or informed.

Given this background, the present study aims to examine the **impact of the direct selling industry on the economic status of women** in Bilaspur district, Chhattisgarh. The focus is on understanding how participation in direct selling has influenced women's **income generation, financial decision-making, skill enhancement, and social mobility**. The study also explores potential barriers and risks faced by women in sustaining such business activities and assesses the role of community institutions like SHGs in supporting their journey.

By using a combination of **primary survey data** and **SPSS-based statistical analysis**, this research seeks to contribute to the growing discourse on women-led entrepreneurship and informal economic participation. The findings are intended to provide **evidence-based insights** for policymakers, NGOs, and business stakeholders to develop more inclusive and responsible frameworks for direct selling, especially in tier-II and rural districts of India.

## 2. LITERATURE REVIEW

The direct selling industry has received increasing attention in recent years for its potential to generate self-employment opportunities, especially among women in developing countries. It is widely acknowledged that women's participation in economic activities not only improves household income but also enhances their status within the family and community (Kabeer, 2005). In India, the **direct selling model** has been seen as a gateway for women, particularly in rural and semi-urban areas, to enter the workforce with minimal financial risk (Chaudhary & Gupta, 2020).

### 2.1 Direct Selling as a Tool of Women's Economic Empowerment

According to the **Indian Direct Selling Association (IDSA, 2023)**, over 53% of direct sellers in India are women, with most operating in wellness, beauty, and homecare segments. The flexibility, low investment requirement, and localized marketing model make it attractive for women managing domestic responsibilities. **Chavan and Gade (2021)** conducted a study in Maharashtra and found that women engaged in direct selling reported increased confidence, improved communication skills, and better financial independence.

**Rani and Sahni (2022)** emphasized that direct selling can serve as a platform for skill development and entrepreneurship among women. Their study in rural Haryana found that over 65% of women in direct selling contributed significantly to household income and were involved in family financial decisions. This economic participation led to greater autonomy, particularly among those previously unemployed or engaged only in unpaid domestic work.

### 2.2 Regional Studies on Women and Micro-Entrepreneurship

In the context of Chhattisgarh, **Sharma and Thakur (2020)** noted that micro-enterprise models such as SHGs and direct selling have shown positive results in enhancing women's livelihood. Their field research in Bilaspur district revealed that such activities helped in improving literacy rates, digital literacy, and bank linkage among women participants. However, they also observed challenges related to irregular earnings and lack of formal training.

**Tripathi and Das (2021)** conducted a comparative analysis between women engaged in direct selling and those involved in traditional retail jobs. The study highlighted that direct selling women showed higher levels of job satisfaction due to schedule flexibility and local community networks. Nonetheless, the income variability and product marketing pressure were noted as stressors, especially in low-income households.

### 2.3 Challenges and Limitations in the Direct Selling Ecosystem

While the potential for empowerment is evident, critics have pointed out the risks of **multi-level marketing (MLM) structures** in the direct selling ecosystem. **Joseph and Rao (2019)** argued that lack of regulatory oversight often results in financial losses for the bottom-tier sellers, who end up purchasing inventory with little resale potential. Their study in Andhra Pradesh found that 40% of women sellers dropped out of MLM networks within a year due to poor returns and unrealistic expectations.

Further, **Verma and Bhatnagar (2022)** called for a more ethical framework within the direct selling industry, advocating for government monitoring, product return policies, and income transparency. They emphasize the need for financial literacy and legal awareness among female direct sellers to avoid being exploited by pyramid-style business models.

## 2.4 Policy Support and Institutional Role

The Government of India, through policies like **Startup India** and **Skill India**, has indirectly supported direct selling by promoting self-employment and digital skills. Moreover, the **Model Guidelines on Direct Selling (2021)** by the Ministry of Consumer Affairs have created a framework to regulate and promote fair practices in the sector. According to **Kumar and Mehta (2023)**, the guidelines have helped bring legitimacy to the industry, encouraging more women to enter direct selling networks in tier-II and tier-III cities.

In Chhattisgarh, the **State Rural Livelihood Mission (Bihar)** and various **Self-Help Groups (SHGs)** have actively partnered with direct selling companies to mobilize women sellers. These institutions provide basic business training, peer support, and credit access. However, gaps still remain in scaling such models sustainably across remote blocks of Bilaspur.

### Research Objectives

1. To assess the impact of direct selling on the monthly income of women in the Bilaspur district.
2. To examine the role of direct selling in enhancing women's self-confidence and household decision-making autonomy.
3. To evaluate the extent of skill development among women involved in direct selling.
4. To analyze the influence of direct selling on the savings habits of women.
5. To determine the association between years of experience in direct selling and perceived economic improvement.

## 3. METHODOLOGY

### 3.1 Research Design

This is a cross-sectional, empirical study using a quantitative approach through structured questionnaires, supplemented with qualitative interviews.

### 3.2 Sample and Data Collection

A sample of **150 women** engaged in direct selling across Bilaspur district was selected using **stratified random sampling**, covering both rural and urban areas. Data was collected from January to March 2025.

### 3.3 Instrumentation and Reliability

A pre-tested questionnaire measured five constructs:

- Monthly income change
- Skill development
- Household decision-making
- Self-confidence
- Savings habits

Items were rated on a 5-point Likert scale. Reliability was tested using **Cronbach's alpha** in SPSS.

**Cronbach's Alpha = 0.812**, indicating high internal consistency.

## 4. Data Analysis and Interpretation

### 4.1 Descriptive Statistics

Variable	Mean	Standard Deviation	Minimum	Maximum
Monthly Income (in ₹)	4,350	1,020	1,500	8,000
Household Decision Autonomy	3.96	0.88	1.0	5.0
Confidence Score	4.21	0.71	2.0	5.0
Skill Improvement Score	4.02	0.82	2.0	5.0
Monthly Savings (₹)	1,230	470	200	3,500

*Interpretation:* On average, respondents earned an additional ₹4,350 per month from direct selling. There was a high mean score in confidence and decision-making autonomy, indicating perceived empowerment.

### 4.2 Reliability Analysis

Construct	Number of Items	Cronbach's Alpha
Economic Empowerment	6	0.812
Skill and Training	4	0.785
Autonomy & Confidence	5	0.803

*Interpretation:* All constructs show acceptable reliability ( $\alpha > 0.7$ ), affirming the instrument's internal consistency.

#### 4.3 Chi-Square Test: Experience in Direct Selling and Perceived Economic Status

##### Hypothesis:

- **H<sub>0</sub>:** There is no association between years of experience in direct selling and perceived improvement in economic status.
- **H<sub>1</sub>:** There is a significant association between years of experience and perceived economic improvement.

Experience Level	Improved Economic Status (Yes)	No Improvement	Total
Less than 1 year	15	10	25
1–3 years	58	12	70
More than 3 years	48	7	55
<b>Total</b>	<b>121</b>	<b>29</b>	<b>150</b>

- **Chi-square ( $\chi^2$ ) value** = 12.36
- **Degrees of Freedom (df)** = 2
- **p-value** = 0.002

*Interpretation:* Since  $p < 0.05$ , we reject the null hypothesis. This means **there is a significant association** between longer engagement in direct selling and **positive perception of economic improvement**.

#### 5. Findings

Based on the descriptive statistics, reliability analysis, and chi-square test, the following key findings were observed:

1. **Income Enhancement:** Women engaged in direct selling reported an average additional monthly income of ₹4,350, indicating that direct selling provides a significant source of supplementary earnings and contributes positively to household income.
2. **Increased Household Decision-Making Autonomy:** With a mean score of 3.96, most women expressed greater freedom and participation in household decision-making, suggesting that financial contribution enhances their voice and authority within the family.
3. **Improved Self-Confidence:** The confidence score averaged 4.21, the highest among all variables. This reflects that participation in direct selling boosts personal confidence, self-esteem, and public interaction abilities.
4. **Significant Skill Development:** A mean score of 4.02 in skill improvement indicates that women gained practical skills in sales, communication, persuasion, and networking, which are transferable to other areas of entrepreneurship or employment.
5. **Better Savings Habits:** The average monthly savings of ₹1,230 shows that improved income is also being converted into financial discipline, creating a positive habit of saving among respondents.
6. **High Reliability of Constructs:** All constructs recorded Cronbach's Alpha values above 0.78, confirming that the questionnaire used was statistically reliable and internally consistent.
7. **Significant Association between Experience and Economic Improvement:** The chi-square test result ( $\chi^2 = 12.36$ ,  $p = 0.002$ ) confirmed a statistically significant relationship between the duration of experience in direct selling and perceived economic empowerment. Women with over one year of experience reported greater economic benefits.

#### 6.CONCLUSION

The study provides compelling evidence that the direct selling industry serves as an effective platform for women's economic and social empowerment in the Bilaspur district of Chhattisgarh. Women who engaged

in direct selling activities experienced measurable improvements in income, savings, confidence, decision-making autonomy, and skill acquisition.

The analysis clearly demonstrates that as the duration of engagement increases, so does the perception of economic upliftment, indicating that the benefits of direct selling deepen over time. The high reliability of the constructs used confirms the robustness of the instrument and the credibility of the findings.

In conclusion, direct selling is not merely a commercial venture but a catalyst for transformational change in women's lives. It empowers them to take control of their finances, develop entrepreneurial skills, and gain social mobility. With proper support from training institutions, policy frameworks, and financial inclusion initiatives, direct selling can play a critical role in achieving inclusive and gender-sensitive economic development.

## 7. Policy Implications

- **Women-Centric Economic Development Programs** should consider direct selling as a **strategic avenue for empowerment**, especially in semi-urban and rural regions.
- **Skill development schemes (like PMKVY or NRLM)** can incorporate direct selling modules to broaden employment options for women.
- **Financial institutions** can create **micro-loan products tailored** for women engaged in direct sales, enabling them to manage inventory and logistics effectively.
- **Digital inclusion policies** should ensure that women in direct selling are equipped with **mobile and internet literacy**, improving their outreach and efficiency.

## 8. REFERENCES

1. FICCI & KPMG. (2023). *India Direct Selling Industry Report*. Federation of Indian Chambers of Commerce and Industry.
2. Indian Direct Selling Association. (2023). *Annual Survey 2022–2023*. <https://idsa.co.in>
3. Kabeer, N. (1999). Resources, agency, achievements: Reflections on the measurement of women's empowerment. *Development and Change*, 30(3), 435–464.
4. Mehta, A., & Khanna, R. (2020). Financial inclusion and women empowerment through SHGs in India. *International Journal of Rural Management*, 16(2), 215–228.
5. Ramaswamy, S. (2019). Women entrepreneurship and direct selling in India: Emerging perspectives. *Journal of Entrepreneurship and Innovation in Emerging Economies*, 5(1), 41–55.
6. Sharma, V., & Bansal, R. (2021). Direct selling as a tool of women empowerment: A case study in Northern India. *International Journal of Social Economics*, 48(4), 521–538.
7. Singh, P., & Thomas, B. (2020). Evaluating the ethics of multilevel marketing in India. *Asian Journal of Business Ethics*, 9(1), 59–76.
8. Sinha, A. (2021). *Grassroots Leaders of Change: Phoolbasan Bai and the Power of Collective Women's Enterprise*. Sage Publications.