

**A STUDY ON AWARENESS AND ATTITUDE TOWARDS NETWORK
MARKETING WITH REFERENCE TO YOUTH IN LUNGLEI**



*A report submitted to Department of Commerce, Higher And Technical
Institute, Mizoram (HATIM) for the academic year 2021-22*

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CERTIFICATE

This is to certify that the dissertation entitled “*A Study on Awareness and Attitude Towards Network Marketing With Reference to Youth in Lunglei*” submitted to the Mizoram University for the award of the degree of Bachelor of Commerce, is a record of research work carried out by Vanlalbiakdika under my supervision. He has fulfilled all the requirements laid down in the MZU regulations of Mizoram University. This dissertation is the result of his investigation into the subject. Neither the dissertation as a whole nor any part of it was ever submitted any other University for any degree.

Date: 27/04/2022

(C.LALRINSANGI)

Place: Lunglei, Mizoram

Supervisor

DECLARATION

I, Vanlalbiakdika, hereby declare that the subject matter of this dissertation is the record of work done by me, that the contents of this dissertation did not form to anybody else, and that the dissertation has not been submitted by me for any research degree in any other University or Institute. This is being submitted to the Mizoram University for the degree of Bachelor of Commerce.

Date:27/04/2022

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Vanlalbiakdika

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CHAPTER – 1 (INTRODUCTION)

CHAPTER-1 INTRODUCTION

Network Marketing is the business of the 21st century. It is a business strategy that involves a multilevel of inter-connected individual that generates money through direct sales on new members affiliations .It is a model that promotes the creation of networks of individual on companies to grow the business. There are many well-known companies around the globe whose business has blown up, whose business model is based on Network Marketing . Avon, Amway, Assure etc. Are those business companies that can be used as an example. This companies has different levels or tiers, when a new member is added to the network ‘New Levels’ are created. It can also be classified into three tiers such as Single tier, Two tier or to the Multi-level but it also depends on the number of levels that system have.

When a company recruits an individuals that become direct affiliates and benefit from discount and sales commissions it is known as a single tier. In a two tier, a model can involve the creation of a new level below the first affiliate, establishment by members recruited by the individuals. Under this model , each person is entitled to some benefits that comes from the sales of this additional level of the network. Finally, there are Multi-level schemes that work with many levels below the initial affiliate, entitling them to benefits coming each stage below them. Some of this structure has been questioned in the past because of alleged false advertising, contrast between branches and Ponzi schemes, nevertheless many re-owned companies are successful because of this marketing technique.

Network Marketing is one of the marketing methods that has waves the past few years. Unfortunately , network marketing has also been on the wrong end of the business scams and frauds. Nevertheless Network Marketing continues to be a very effective tool to increase the visibility of the business organisations not only to their customers but also to the potential clients.

Network Marketing is also called as multilevel marketing or pyramid selling, it is a business models that follows the massive recruitment of individuals in which the said individuals cannot earn or be compensated as they are not able to recruit other people. The pyramid starts with a person. A recruiting person B and C.

Legitimate Network Marketing business rely on products and not on peoples. Legitimate network companies use a combination of products and human resources to sell their brands, but products still take a front seats over anything else. Human resources are more utilised to recruit, sell products and create strategies on how to sell them. The more they sell and the more they recruit, the more commissions they receive.

Network Marketing is not about recruiting the next person you see on the street, but passing on the benefits of the products you are selling to them. The more the recruits see the benefits of the products, the easier it is for them to sell the products as well as recruit other people to join the network organisation.

1.1 Literature Review

Griffith, R. et al (2003). Has been described about, increased attention to crosscultural consumer behaviour contributed to several studies focused on country-of origin biases, diffusion of products, and the influence of national culture on buying behaviour.

Hayes, A (2006). In this author has described some of these principles and applying them to the analysis of a multi-level data set on doctor-patient communication during medical consultation.

Jones,R et al (2013). The author writes about the social networks and supply-chain or business networks. This studies seeks to explore strategic networks from an entrepreneurial marketing and value creation perspective in the business-tobusiness (B2B) context to ascertain the value generated by strategic groups of network actors.

Constantin, C. (2009). In this paper the author writes about MLM is a methods of selling goods of distributors system and associated partners (down line) who is always associated with bonuses and commissions, and every MLM has its own calculation method.

Mary Merlin, F. (2012). In this paper the author talks about Multi-level Marketing include Network Marketing and Refferal Marketing. Commonly the sales people are expected to sell products directly to consumers by means of relationship through refferals marketing. Some people use direct selling as a synonym of MLM , although MLM is only one type of direct selling.

Sayed, H. & SHARMA,R. (2014). In their research paper titled “ On creating a Life Line for the marginalized Populace through Multi-level Marketing” started that Multi-level Marketing provides a steady source of income (if undertaken seriously) and helps the people involves to keep out of the growing army of unemployed (as Marxists would put it). In the process they posit a theoretical expose of MLM.

Stephen, A. et al, (2014). In this article author writes about the International relationships performance. The author adopt Hofstede's dimensions of culture to conduct a comprehensive, multivariate, meta-regression analysis of 47,864 relationships across 170 studies, 36 countries , and 6 continents.

Basu, R. (2014). In this research author has discussed about Entrepreneurship education is considered as one of the most influential forces that determine the health of the economy. Hence, ignoring, controversies on whether entrepreneurship can be taught, the majority of the top business schools in India offer entrepreneurship education with tailored elective courses.

Rani, R. & Kumar, R. (2013). In this paper the author talks about good salesmanship and team building ability. The present papers deals with this problem and attempts to differentiate MLM from Pyramid schemes and also helping the interesting person to choose legitimate MLM companies to work with.

Udhyakumar, J. & Pridarshini (2014). In this research of paper authors have developed concept of Marketing. Products and Durable goods have become strong with increase in potential of consumption of variety of products and services, for many products the rural market provides a promising field. Durable goods is a huge market, but dispersed.

Veena, P. & Murthy, C. (2014). In this study authors has stated, the various problems faced in rural marketing are lack of transportation, lack of promotional strategies, lack of consumer awareness, lack of brand awareness etc. which affect the marketing, mix such as products, place, price and promotion for the specified region.

Bobalca, C. & Soponaru, C. (2015). In this studies authors has stated the purpose of the research is to investigate the relation between direct selling through salesmen or catalogues and direct marketing.

RIZWAN, V T, M (2015). Now a days there are lot of ways to earn in the world, all of them are not agreeable in Islamic view. Some of them are agreeable while another is not agreeable. Islam compared interest loaded marketing as fire loaded marketing.

Juman M. & Christopher 2, J. (2015). In their research paper started that problems arises impact of direct selling in Kerala with special reference to Amway. This studies is focused on the present and the upcoming marketing trends of the direct selling companies in the Calicut area and offers suggestive measures in order to improve the direct selling in the study to highlight the benefits and challenges associated with direct selling in India.

Baker, A. Et al. (2016). This study defines a WOM conversation about a brand asan interactive exchange of information between two or more consumers that is not commercially motivated. This definitions consistent with historical marketing literature on word to mouth (Arndt 1967), but some clarification is necessary to define the boundaries imposed by the definition we use herein.

Khare, A & Verma, P. (2016). In this article author described about the Multi-level Marketing, first made popular by Amway Corporation, in 1950s in USA is now gaining momentum in India. The total turnover of Multi-level marketing companies in India was estimated at INR 71641 million in 2012-13 with an annual growth rate of 12 percent.

Eisend, M. Et al. (2016). In this article author discussed about Marketing and technologies capabilities. Prior research has suggested that marketing capabilities outperform technological capabilities. Although in general, marketing capabilities have a stronger influence than technology capabilities on new product performance, this effect is moderated by institutional context factors.

1.2 Statement Of the Project

Network Marketing is an extremely appealing suggestion for the youth as it sums up as an advantage along with their studies. This business doesn't need high funding which makes it viable for them to join this business. Given digital connectivity, today's youth can scale it up to much more prominent degrees.

In the MLM business if an individual can use their time and resources, they can grow by empowering more individuals. Being in proximity to students, faculty and staff give them a wide scope of Network. This way they can cater to a varied audience and add to their scope of products.

In under five years, individuals working in the top network marketing companies have reached top tiers and earn decently. On top of it, most of them enjoyed all paid vacations, goodies and gift hampers and so on. As it is a sizable income you can take home, there is no stopping on how much you can earn.

One of the greatest benefits of this business is that youth can earn while in the safety of their homes given the COVID – 19 pandemic. Working from home ensures a decent side pay which encourages them to work harder and empower themselves to fulfil their aspirations. They can supply to their customers directly through the company and keep the commission to themselves. With technology advancing, the need to stock inventory has also reduced multi – folds.

Now is the time when digital solutions of network marketing have been deployed in full force and served its purpose. The loopin network marketing tool is one such tool that can help ease the lives of people and give them an endless digital ecosystem to market their products.

1.3 OBJECTIVE OF THE STUDY

1. To study the profile of respondents.
2. To study the attitudes of the respondents towards Network Marketing.

1.4 RESEARCH METHODOLOGY

1.4.1 Data Collection

The data were collected through different sources. Such sources include journals, articles and from the various website of the internet and questionnaire , which have been very helpful in understanding and meeting the objectives.

1.4.2 Sample Size

Sample size denoted the number elements selected for the study. For this study, 42 respondents participate and share their opinions and experiences regarding the topic.

1.5 Limitations of the Study

1. The findings of the study are applicable only in the selected study areas and cannot be generalised for other areas.
2. The respondents may not be very truthful to the questionnaire handed out to them and may reply with false information.
3. The study is conducted within a limited short time. Therefore, there is not enough time to cover more sample.

1.6 CHAPTER PLAN:

These are the chapter plan for the study:

Chapter 1: INTRODUCTION

- 1.1 Literature Review
- 1.2 Statement of the project
- 1.3 Objective of the study
- 1.4 Research Methodology
- 1.5 Limitations of the study
- 1.6 Chapter Plan

Chapter2: DATA ANALYSIS AND INTERPRETATION

Chapter3: RESULTS AND DISCUSSION

Chapter4: CONCLUSIONS AND SUGGESTIONS

APPENDIX

CHAPTER-2

DATA ANALYSIS AND INTERPRETATION

CHAPTER-2

DATA ANALYSIS AND INTERPRETATION

The researcher had studied the profile of the respondent, regarding their attitude towards Network Marketing in Lunglei town.

1. Gender

GENDER	NO. OF RESPONDENTS
Male	10
Female	32
Total	42

The above table shows that there are 42 respondents in total in which 23.81% of the respondents are Male and 76.19% are Female. It shows that Female are more into Network Marketing than Male.

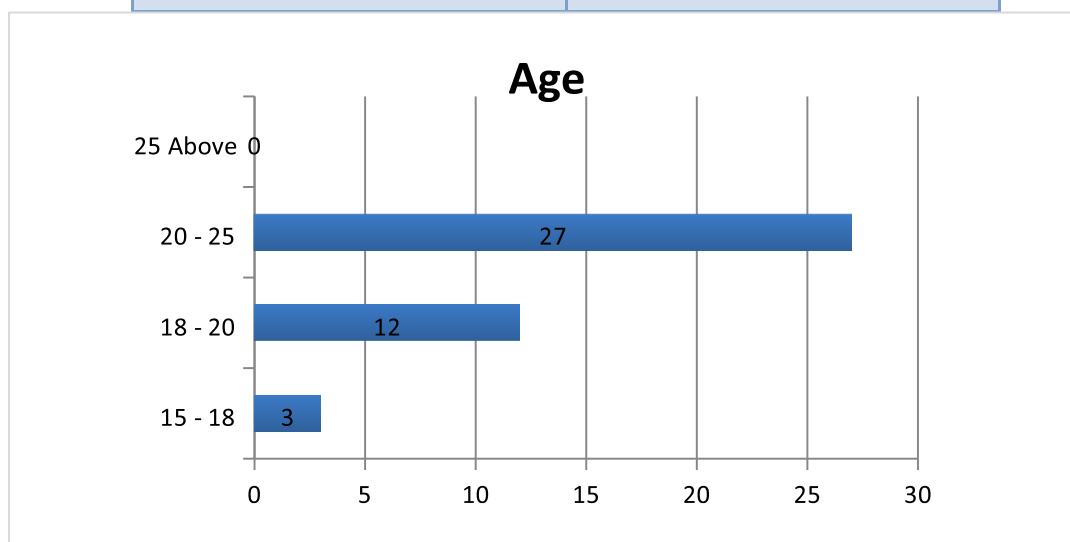
1.1 Interpretation

From the above chart we can see that the number of Female respondents are much more better than Male.

2. Age

This section is the study about the age of respondents in regards to the attitudes towards Network Marketing in Lunglei town.

Age	No. of Respondents
15 – 18	3
18 – 20	12
20 - 25	27
25 above	0

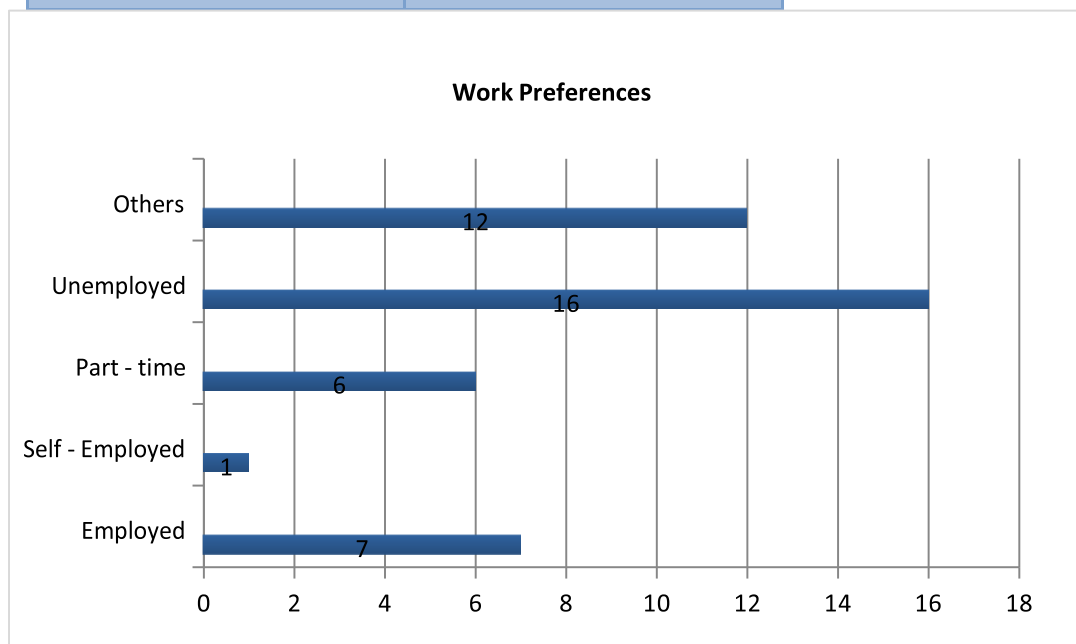


2.1 Interpretation

From the above data, it can be seen that the majority age group 20 – 25 years and only few of them are less than 20 years of age.

3. Work Preferences

Option	No. of Respondents
Employed	7
Self - Employed	1
Part - time	6
Unemployed	16
Others	12



4. Comfortable, clear, and well Organise Knowledge and Responsive.

A comfortable, clear and well organised as well as knowledge and responsive is very importable. So in this section we are going to study the attitude of the respondents towards Network Marketing.

4.1 Respondents who know Network Marketing.

Option	No. of Respondents
Yes	38
No	4

90.48% percent of the respondents know what Network Marketing is.

4.2 A study on how respondents are introduced to Network Marketing.

Option	No. of Respondents
Random E-mail	0
Direct E-mail	0
Social Media	16
Friend/ Family/Acquaintance	20
Online Advertisement	7.14
Others	1
No Answer	2

From the above figure, it can be seen that most of the respondents came to know Network Marketing from Friends/Family and Acquaintance.

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4.3 The idea of respondent who thinks that they will have a secured future if they are in Network Marketing business.

Option	No. of Respondents
Agree	24

Disagree	18
----------	-----------

57.14% percent believed that Network Marketing business will help them build a secured future, while 42.86% percent disagree.

4.4 Network Marketing is a form of recruiting people first for his/her own benefit.

Option	No. of Respondents
Agree	31
Disagree	11

73.81% percent of the respondents agree with the statement that Network Marketing is a form of recruiting people just for his/her own benefits. 26.19% percent of the respondents disagree with the statement.

4.5 Network Marketing as one of the most cost – effective routes to Market.

Page14

From

Option	No. of Respondents
Agree	34
Disagree	8

the above

table we can see that 80.95% percent of the respondents Agreed that network marketing is one of the most cost – effective routes to market. 19.08% percent disagree.

CHAPTER-3 RESULTS AND DISCUSSION

CHAPTER-3

RESULTS AND DISCUSSION

MAJOR FINDINGS

This chapter finally highlights the findings of the study from the data collected from 42 respondents.

Demographic profile of the respondents

The demographic status of the respondents is one of the objectives that this research tried to find out.

- ☐ It shows that out of 42 respondents in total 23.82% are Male and 76.19% are Female. We can see that Female are more into Network Marketing than Male.
- ☐ It can be seen that the majority age group 20-25 years of the respondents and only few of them are less than 20 years of age.
- ☐ Most of the respondents are Unemployed and the others are having work Part-time, Employed, Self-employed, or some other work.

Attitudes of the Respondents towards Network Marketing

- ☐ 90.48% of the respondents know what Network Marketing is, which shows that it is very common and popular in today's world.

- ☐ We can see that most of the respondents came to know Network Marketing from Friends/Family or Acquaintance.
- ☐ 57.14% believed that Network Marketing business will help them build a secured future, while 42.86% disagree in the statement.
- ☐ 73.81% of the respondents agree with the statement that Network Marketing is a form of recruiting people just for his/her own benefits, while 26.19% of the respondents disagree with the statement.
- ☐ We can see that 80.95% of the respondents agreed that Network Marketing is one of the most cost-effective routes to market, while 19.08% disagree to the statement.

The majority of the respondents are female and most of them are in the age group of 20-25 which means the youth are more attracted and interested in Network Marketing and most of the respondents are Unemployed that came to know what Network Marketing is.

In today's modern world Network Marketing takes place almost everywhere, we can say that 2/3 of the population in Lunglei will know about Network Marketing. It is very common and trending business in today's world. It is a relaxing and productive type of work but this type of work should be done Part-time only which means we should not depend on it for our future, because we don't know what our future holds.

Nowadays, the youth are very interested in this business because it can be done part-time successfully. We can do it without quitting our studies or other work we have to do, we can do our jobs without Network Marketing disturbing it. It is a great business to earn extra income apart from our regular income.

Chapter-4

conclusion AND SUGGESTIONS

CHAPTER-4

CONCLUSION AND SUGGESTIONS

CONCLUSIONS

After studying about Network Marketing, i realised that this kind of job is great as it is it gives an opportunity to earn money without doing much work for many peoples as well as the youths.

Now a days, every job interview requires a very high degree to get the job but in this modern world Network Marketing has takes place nearly every where on earth. It helps many people to earn profit or we can say it supply their needs after joining Network Marketing. In this study we can see that many people at young age are interested in Network Marketing even though they are just students or a person who have a current job because this type of job can be done part-time successfully as the workers does not have to do much work to earn.

In Network Marketing they sell differents type of products which give them points on their job which help them to get promotion. On the other hand they recruit peoples which will be their Down-Line which will also give them points from the work done by them. In this study we get to know that most of the respondents know Network Marketing and are introduced to Network Marketing by Friends/Family/Acquaintances. This type of work is easy and very relaxing than Gov.t Work.

SUGGESTIONS

1. I would like to suggest people to join Network Marketing as soon as they can.
2. I would recommend this job only for part-time because the company of the Network Market can be closed at anytime due to some issues. So, I suggest to have another regular job.
3. Let us not try to join all Network Marketing company which we know because it maybe a scam. There are many well known companies which are popular and safe. I would recommend to examine the company first.
4. Try to avoid people who just try to recruit you for their own benefits. I mean who recruit you to the Marketing but doesn't try and help you.

(ENGLISH)

APPENDIX

This is an academic mini research/project being undertaken by Vanlalbiakdika 4th Semester B.COM, HATIM for the award of Bachelor of Commerce. I would be very grateful if you could respond to the understated questions. All information will be treated as confidential and will be used for academic purpose only.

☐ Age:

- a. 15-18
- b. 18-20
- c. 20-25
- d. 25 and above ☐ Gender:

Male	
Female	

Work preferences:

- a. Employed
 - b. Self-Employed
 - c. Part-Time
 - d. Unemployed
 - e. Others
1. Do you know network marketing?
- a. Yes
 - b. No
2. If yes,how were you first introduced to network marketing?
- a. Random email
 - b. Direct email
 - c. Social Media
 - d. Friend,Family or Acquaintance
 - e. Online advertisement
 - f. Others

3. At present, what is your way of living?
 - a. Business
 - b. Job
 - c. Career
 - d. Others

4. By any chance, are you interested to join network marketing?
 - a. Agree
 - b. Disagree

5. Are you open to an idea that your future will become secured if you are in network marketing business?
 - a. Agree
 - b. Disagree

6. Do you believe that you can generate big income in network marketing business rather than being employed?
 - a. Agree
 - b. Disagree

7. Network marketing is a good substitute for employment?
 - a. Agree
 - b. Disagree

8. Can network marketing can be done successfully part-time?
 - a. Agree
 - b. Disagree

9. Network marketing can help people to earn an extra income and free from their current day job?
 - a. Agree
 - b. Disagree

10. Network marketing is one of the most cost-effective routes to market?

- a. Agree
- b. Disagree

11. Network marketing is a form of recruiting people just for his/her own benefit.

- a. Agree
- b. Disagree