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Depth of a Salesman: Exploring Personality as a Predictor of Sales Performance in a Multi-Level Marketing Sample

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Abstract

Despite its growing prevalence in the realm of sales occupations, multi-level marketing (MLM) and its primary participants are not very well understood. In particular, there is a dearth of understanding in terms of the differentiating characteristics of individual sellers who are financially successful in comparison to those who perform poorly. This study sought to fill in some of these research gaps by exploring the antecedents of sales success by examining the validity of personality as a predictor of sales performance in the context of MLM. While significant relationships were indeed observed between certain facets of personality (specifically components of conscientiousness, extraversion, and resilience) and sales performance, they were weaker than those found in existing literature. In some cases (e.g., excitement seeking) the relationships were in the opposite direction of those found in samples of conventional sales reps. Overall, due to the low amount of variance explained by personality, on a practical level it may not be the best predictor of performance in this context.

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Multi-Level Marketing Sample

Often characterized according to the 80-20 heuristic (in which only 20% of the

sales force account for 80% of the generated profit) the world of sales is far from

propitious (Crittenden & Crittenden, 2004). As such, the question is often raised, what

differentiates those who are fruitful from those who flounder?

If such a question were posed to Mr. Loman, businessman and central character to

Arthur Miller's iconic play *Death of a Salesman*, he would insist that the secret to sales

success is inherently tied to the possession of a charming personality ("…Be liked and

you will never want"; Miller, 1949, p. 21). Similar in sentiment, a popular essay

published by the *Harvard Business Review* profiles the successful businessman as a

"habitual wooer" (McMurray, 1961). Despite such classic perceptions, with changing

business structures, enhanced education efforts, and increasingly heterogeneous

participants, the occupational application of the term "sales" and "salesman" has become

much more diverse (Sojka, Gupta & Hartman, 2000). The Bureau of Labor Statistics

actually lists ten distinct professions (complete with subgroups) under the general

umbrella of "sales occupations."[1] One such subgroup is that of direct sales.

Exemplified by companies such as Mary Kay, Avon, and Tupperware, the direct

sales approach can be described as marketing products through person-to-person contact,

away from a fixed retail setting. Those involved are also often engaged as part of a

network of independent sellers (Peterson & Albaum, 2007). Among direct selling

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[1] U.S. Department of Labor, 2014

organizations, multi-level marketing (MLM) has emerged as the most popular form. As of 2009 there are estimates that upwards of 94.2% of direct selling firms were using such an approach,[2] up from 25% in 1990 (Brodie, Stanworth & Wotruba, 2002). In 2013 this accounted for $30 billion in revenue, generated by 13.3 million MLM sales reps in the United States alone.[3] With the ability for selling networks to grow rapidly and at low cost this pattern of explosive growth is only expected to continue (Sparks & Schenk, 2001). Despite this growing prevalence, much of the existing research on MLM focuses primarily on the structural (e.g., the distribution channel process) or controversial facets (e.g., propensity to develop into close-knit social groups, misrepresentation of earning potentials) of this career route (Sparks & Schenk, 2006; Bhattacharya & Mehta, 2000).

It has really only been within the past 10 years or so that interests have begun to shift more from the selling to the seller aspects of MLM (Crittenden & Crittenden, 2004). Low barriers to entry, high rates of underperformance, turnover, and burnout are considered inherent to MLM (Crittenden & Crittenden, 2004). Of the sellers who do succeed, one of the only consistent characteristics of these individuals (as noted by top executives of MLM companies), is that there really aren't any consistencies that they are able to pinpoint (Crittenden & Crittenden, 2004). With such a large dearth of understanding and empirical research in this area, this study seeks to better understand the antecedents of "success" in the context of MLM. This will be accomplished by measuring and comparing objective sales performance outcomes and personality traits of current multilevel marketers. Along with filling empirical research gaps, this research

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[2] Direct Selling Association, 2009
[3] Internal Revenue Service, 2014

may also provide insight on whether or not certain successful traits could be "inherent" to sales as a whole (as Mr. Loman would like to believe).

Literature Review

The Multi-Level Marketing (MLM) Approach

Technically, MLM is a type of compensation structure. Also known as network marketing, what distinguishes multilevel marketing from other forms of direct selling is that sellers are rewarded not only for their own sales, but also for those made by sellers who they introduced to the company (Msweli & Sargeant, 2001). Distributors purchase a product from the MLM firm, sell it for a markup, and receive a commission on that sale. In addition, they also receive commissions based on the sales made by those in their "selling network" (Peterson & Albaum, 2007). A representative's selling network is comprised of their upline (their sponsor, their sponsor's sponsor, etc) and their downline (those who the representative recruits to generate sales). This recruitment and training of new distributors is known as "sponsoring" (Internal Revenue Service, 2014; Msweli & Sargeant, 2001). Sponsors are expected to share their knowledge and expertise with their downline. In return for this investment, they earn that commission on their recruit's sales (this is the "multi-level" aspect). In this way distributors are not only incentivized to sell, but also to expand their network (Msweli & Sargeant, 2001).

People often choose to begin selling as an MLM because it allows for a flexible work schedule, they receive earnings that are proportional to their performance, it allows for socialization, and it is a chance to own a business (Crittenden & Crittenden, 2004). That being said, MLM has notoriously high turnover rates, with most of this attrition

taking place during the first few months of becoming a member (Msweli and Sargeant 2001; Brodie, Stanworth & Wotruba, 2002*)*. Although there are no direct costs to the organization for sellers to join (as individuals pay their own startup fees and subsequent taxes), the constant turnover is financially and socially detrimental to these organizations (Msweli & Sargeant, 2001). MLM focused organizations are also characterized by their fluid structure, with low to no supervision of their distributors (Sparks & Schenk, 2006). This makes it difficult to standardize any of the personnel-focused processes (Crittenden & Crittenden, 2004). Not only could these developments help MLM organizations from "scaring off" potential distributors, but improved selection methods could also uniquely benefit this sector, due to the large deviation of success between those who do well and those who do poorly (Crittenden & Crittenden, 2004;Vinchur, Schippmann, Switzer & Roth, 1998). By targeting (and subsequently recruiting for) successful seller components, these organizations could significantly influence their bottom line (Vinchur, Schippmann, Switzer & Roth, 1998).

Personality as a Performance Predictor

In application to job performance as a whole, personality is often referenced. This is because not only is it recognized as an antecedent of skill, motivation, and knowledge, it has also been found to have predictive validity of performance that is above and beyond cognitive ability (i.e., is relatively independent of cognitive measures) (Tett & Burnett, 2003; Furnham & Fudge, 2008). One particularly noteworthy tool is the Five Factor Model (FFM) of personality. With its five primary domains of Neuroticism, Conscientiousness, Extraversion, Agreeableness, and Openness to Experience, this trait taxonomy model comprehensively represents research consensus on the most general

personality components (Rothmann & Coetzer, 2003; McCrae & Costa, 1987). In addition to this measure's predictive value there is evidence of the FFM's validity across theoretical frameworks, cultures, and instruments (Furnham & Fudge, 2008).

Although personality is considered a stable trait it is not necessarily stable across contexts. Researchers such as Warr, Bartram & Martin (2005) discuss how situational characteristics can influence the relationship between personality and job performance. More specifically, these may be related to the tasks of a job (e.g., need for interpersonal interaction), group and people components (e.g., the extent to which rewards are based on individual or team achievement), as well as the organizational context of the job (e.g., norms, missions, values) (Warr, Bartram & Martin, 2005). In addition, the degree to which these situational components and demands restrict/dictate behavior (described on a scale of "strong" to "weak") also may influence how personality is behaviorally expressed (Barrick & Mount, 1993). Due to the relationship between personality and performance being so complex, it has recently been argued that the FFM's aggregation of the subscales of personality could detract from the overall utility of each factor (Warr, Bartram & Martin, 2005; Minbashian, Bright & Bird, 2010). For example, conscientiousness (which outlines aspects of dependability and achievement orientation), has consistently been found to be a valid predictor of job performance across occupations. As such, it is often lauded as the primary personality predictor for use in personnel selection (Vinchur, Schippmann, Switzer & Roth, 1998; McCrae & Costa, 1987; Furnham & Fudge, 2008). It is understood that this is because its miscellaneous components (e.g., being persistent, a hard worker, planful, etc) are attributes that are important for accomplishing any sort of work task (Furnham & Fudge, 2008). While

enlightening, this is not necessarily of help in differentiating among subtle group differences. It is instead suggested that research should look more closely at the facets that make up the larger factors, as this added richness may help illustrate the nuances between these differing occupations, positions, and situations (Hough, 1992; Warr, Bartram & Martin, 2005; Minbashian, Bright & Bird, 2010).

One application of this is in relation to the study of sales. Overall, there are several unique components of sales-related positions that influence the relationship between personality and performance (Vinchur, Schippmann, Switzer & Roth, 1998). One of these components is the degree of autonomy that is inherent to sales. As sellers usually operate without close supervision there is a need for such individuals to be self-starting (Vinchur, Schippmann, Switzer & Roth, 1998). In addition, due to the large rate of unsuccessful sales, skill in overcoming feelings of rejection from a failed pitch is also an important personal component (i.e., need to be resilient) (Vinchur, Schippmann, Switzer & Roth, 1998; Furnham & Fudge, 2008). This skill is considered dispositional (Bartone, Ursano, Wright & Ingraham, 1989).

Taking a closer look at the "Big Five" in particular, meta-analytical evidence also suggests that extraversion and conscientiousness are valid predictors for both objective and subjective measures of performance (Vinchur, Schippmann, Switzer & Roth, 1998). Extraversion is a measure of "the quantity and intensity of interpersonal interaction",[4] and is often described using adjectives that include talkative, outgoing, animated, exhibiting assertiveness, sociable, and having high energy levels (Vinchur, Schippmann, Switzer & Roth, 1998). In sales, interpersonal interactions are a significant component of

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[4] Vinchur, Schippmann, Switzer & Roth, 1998, p. 588

the job itself, which may be indicative as to why extraversion is often found to be one of the most useful predictors in such occupations (Rothmann & Coetzer, 2003). This personality measure's facets of potency and affiliation have also proven particularly useful in differentiating high and low sales performers (Vinchur, Schippmann, Switzer & Roth, 1998). In a meta-analysis of personality and sales, potency was found to predict both subjective (.28) and objective sales performance (.26) better than the general FFM extraversion measure (ratings=.18, sales=.22) (Vinchur, Schippmann, Switzer & Roth, 1998). It is suggested that potency may be a better predictor due to the need for influence and energy when being a self-starter and dealing with the high level of autonomy in sales (Vinchur, Schippmann, Switzer & Roth, 1998). Despite these promising results, very little additional research on this has been conducted.

More so than extraversion, conscientiousness has often demonstrated the strongest predictive relationship with sales outcomes (Vinchur, Schippmann, Switzer & Roth, 1998). With the widespread relevance of conscientiousness to work performance as a whole, this is another example in which a closer examination of personality subfacets provided additional outcome richness. The meta-analysis conducted by Vinchur et al (1998) considered the two facets of dependability (i.e., reliability, organization, and respect for authority) and achievement (striving for competence in one's work) (Vinchur, Schippmann, Switzer & Roth, 1998). Through this analysis, it was found that the facets of achievement better predicted both subjective (.25) and objective sales performance (.41) better than the general FFM measure of conscientiousness (ratings=.21, sales=.31) (Vinchur, Schippmann, Switzer & Roth, 1998). An additional study found similar results, with conscientiousness related sales outcomes most influenced by the subscale of

achievement orientation rather than dependability, indicating the importance of more

distinctly honing in on the subcomponents that comprise more general personality

measures (Warr, Bartram & Martin, 2005).

Although to a much lesser degree, the FFM measure of agreeableness too has a

reoccurring appearance in the realm of sales literature. In general, the correlation between

sales performance and agreeableness has been found to be highly variable (Tett &

Burnett, 2003). Associated with someone's degree of likeability, agreeableness is

comprised of traits that include kindness, sympathy, trust, tolerance, and non-

confrontation (Vinchur, Schippmann, Switzer & Roth, 1998). With its sense of

relationship building and trust, research demonstrates that agreeableness is most relevant

in contexts where teamwork and dyadic service interactions are important to performance

(e.g., managerial roles) (Mount & Barrick, 1998; Rothmann & Coetzer, 2003). That being

said the available body of research is not clear on how agreeableness may play into roles

that include both sales and managerial performance components.

Predicting Performance in the Context of MLM

Similar to general sales positions, MLM distributors must combat high rates of

failure and rejection. Distributors must take particular ownership for their success as their

individual contractor status gives the primary organization extremely limited control over

them (Msweli & Sargeant, 2001). As multilevel marketing is defined by its weak and

fluid structure, personality research may be a good place to begin building

understandings of the precursors of success this sales context (Sparks & Schenk, 2006;

Barrick & Mount, 1993). There are several distinguishing characteristics of MLM that

may affect the influence of personality on performance.

One such aspect is that of the complexity of the social interactions at play. The hierarchical payment structure results in the development of an array of complex social networks that often evolve into business alliances (Sparks & Schenk, 2006). Such connections are considered an "essence" of MLM, with members of these informal working groups often meeting for support and exchanging of ideas (Peterson & Albaum, 2007; Sparks & Schenk, 2006). These gatherings often even described as having a "party-like" atmosphere (Bhattacharya & Mehta, 2000). Such selling and recruiting among acquaintances just does not occur in corporate sales (Bhattacharya & Mehta, 2000). In lieu of the evidence that the predictive nature of extraversion is moderated by the nature of the sales job itself (i.e., certain facets may be more predictive than others), it is possible that MLM's focus on social interaction may be indicative of the importance of the affiliation facet (Warr, Bartram & Martin, 2005).

Another consideration is that of conscientiousness. Brodie et al (2002) surveyed 22 direct selling companies and compared single-level and multilevel seller responses to several work-related dimensions (Brodie, Stanworth & Wotruba, 2002). One of the study findings was that single-level sellers put significantly more importance on job characteristics with the theme of "proving themselves to others" (e.g., earning respect/recognition from others, have specific opportunities to develop selling skills) as compared to multilevel sellers (Brodie, Stanworth & Wotruba, 2002). Additionally, multilevel sellers reported significantly higher levels of organizational commitment that single-level sellers (of note: it is possible that this may be interpreted as commitment to the organization these sellers are creating as they recruit and add more sellers to their downline) (Brodie, Stanworth & Wotruba, 2002). Another study also found evidence that

an organized "planning approach" to work was significantly positively related to self-reports of sales levels in a MLM sample (Wotruba, 1989). In combination, these results have a greater focus on the previously discussed dependability facet of conscientiousness.

Despite not often relating to general sales performance, the personality domain of agreeableness may have particular relevance to MLM. In addition to their selling roles, multilevel marketers also have quasi-managerial/administrative duties (Brodie, Stanworth & Wotruba, 2002). Technically these sponsors lack formal authority (e.g., can't fire people, can't direct work activities) as their recruits too independently run their own distribution line; they basically are a distributor, manager, and entrepreneur all in one (Sparks & Schenk, 2001). Teamwork and service interactions are also important components of MLM sales positions. Unlike more traditional sales roles that are more transactional in nature ("one and done"), MLM positions have a need for seller-client relationships that instead build credibility and trust, with buyer education being a key component (Crittenden & Crittenden, 2004). This is especially true since many of MLM distributors begin to build their client based with individuals with whom they have an existing non-commercial tie with (e.g., friends and family) (Crittenden & Crittenden, 2004). While some have argued that utilizing these non-commercial relationships for commercial purposes creates pressure and a sense of social burden, others (such as DiMaggio and Louch, 1998) suggest just the opposite (Peterson & Albaum, 2007; DiMaggio & Louch, 1998). They reason instead that social networks actually act as a form of governing structure for their transactions. This is based upon buyer survey results indicating that consumers of direct seller products believe that those they have pre-existing non-commercial ties with will give them the best deal, as well as believe their

personal relationship with the seller better protects them against uncertainty (DiMaggio & Louch, 1998). A survey of Polish consumers of MLM products found similar results. Participants indicated that they preferred this form of seller-consumer relationship as they could receive more complete information about the products, make a purchase at their home, and could see a presentation of the product (Sypniewska, 2013). With this close relationship between the buyer and the seller, MLM representatives are held to high standards of agreeableness components (Crittenden & Crittenden, 2004).

Hypotheses

Based on the aggregation of the aforementioned research, the following hypotheses are proposed:

Hypothesis 1: Resilience will be positively related to sales performance.

Hypothesis 2: Extraversion will be positively related to sales performance.

H2a: Friendliness will be positively related to sales performance.

H2b: Gregariousness will be positively related to sales performance.

H2c: Assertiveness will be positively related to sales performance.

H2d: Activity Level will be positively related to sales performance.

H2e: Excitement Seeking will be positively related to sales performance.

H2f: Cheerfulness will be positively related to sales performance.

Hypothesis 3: Conscientiousness will be positively related to sales performance.

H3a: Self-Efficacy will be positively related to sales performance.

H3b: Orderliness will be positively related to sales performance.

H3c: Dutifulness will be positively related to sales performance.

H3d: Achievement will be positively related to sales performance.

H3e: Self-Discipline will be positively related to sales performance.

H3f: Cautiousness will be positively related to sales performance.

Hypothesis 4: Agreeableness will be positively related to sales performance.

Hypothesis 5: A further exploratory research question is: which personality facets are most predictive of performance?

Method

Participants

Participants were current members of a large multi-level marketing firm based out of Bradenton, Florida. All participants were recruited via a top-level distributor in the company who endorsed the survey and encouraged participation. Out of the 3000 members initially emailed only 475 returned a completed survey; for a response rate of 15.83%. Of these there were two cases of reoccurring distributor IDs so these four survey responses were removed. In addition, one participant was removed for not providing a complete distributor ID, and 10 were removed for not having available performance data. A final sample of 460 was retained for the analysis of the study (15.3%).

The sample was predominantly female (97.2%) with ages that ranged from 19 – 67 years old (M=30.8, SD=7.13). Most participants identified as white (97.2%) and were in their first few months as a seller (see Table 1).

Measures

Extraversion. Extraversion was assessed using the International Personality Item Pool (IPIP; Goldberg, 1999). This measure groups the items for each personality domain by subfacets. For extraversion, these subfacets consisted of friendliness (five items),

gregariousness (five items), assertiveness (five items), activity level (five items), excitement seeking (eight items), and cheerfulness (eight items) – for a total of 36 items. All items were scored on a 5-point Likert scale, with possible answers ranging from 1 ("Strongly Disagree") to 5 ("Strongly Agree") as participants were asked to indicate the extent to which they agreed a given statement described their personality. Examples of this measure's items include: "I enjoy being part of a group" and "I seek to influence others".

Conscientiousness. Conscientiousness was assessed similarly to extraversion, using the facets outlined by the International Personality Item Pool (IPIP; Goldberg, 1999). The subfacets of conscientiousness included self-efficacy (six items), orderliness (five items), dutifulness (five items), achievement-striving (seven items), self-discipline (five items), and cautiousness (three items) – for a total of 31 items. All items were scored on a 5-point Likert scale, with possible answers ranging from (1) "Strongly Disagree" to (5) "Strongly Agree" as participants were asked to indicate the extent to which they agreed a given statement describes their personality. An example item from this scale is: "I do things according to a plan".

Agreeableness. Agreeableness was also measured using scales made available by the International Personality Item Pool (IPIP; Goldberg, 1999). Consisting of ten items, this measure is an aggregate of the subfacets of agreeableness. It was used to determine a general (as opposed to a more specific) sense of participant levels of this personality trait since the literature on the applicability of such a measure is not as clear. Sample items from this measure include: "I make people feel at ease" and "I respect others". All items were scored on a 5-point Likert scale, with possible answers ranging from (1) "Strongly

Disagree" to (5) "Strongly Agree" as participants were asked to indicate the extent to which they agreed a given statement described their personality.

Resilience. Resilience was assessed using items from the Dispositional Resilience Scale (Bartone, Ursano, Wright & Ingraham, 1989). This measure is comprised of 30 items that asks participants to indicate how true of them each statement is using a 4-point Likert scale. Sample statements include: "No matter how hard I try, my efforts usually accomplish nothing" and "It bothers me when my daily routine gets interrupted". Anchors ranged from (1) "Not at all true" to (4) "Completely true".

Performance Criteria. In this study, performance was operationalized using objective measures of sales outcomes that focused on the first 30-90 days of enrollment as a distributor. Not only was a large portion of the study sample relatively new to their seller position, but this time period is also the most helpful in terms of differentiating distributors who will have continued success (Crittenden & Crittenden, 2004). Participant's selling network was assessed by the number of people they enrolled to be distributors within their first 60 days and 90 days as a seller. Participant performance was also assessed by their average PBV (personal business volume) during their first 90 days of their enrollment as a seller. Seller's PBVs from their first two months were assessed this way in order to make up for the fact that no data was provided in regards to when during the month an individual was initially enrolled (e.g., the first day of the month, the last day of the month).

These outcome measures were pulled from participant's electronic records using their seller distribution ID.

Procedure

Surveys were distributed to 3,000 individuals via email. Recipients were given two weeks to respond before their survey link expired. In exchange for their voluntary participation, respondents were given the option to partake in a drawing for one of forty $25.00 gift cards.

Results

Hypothesis Testing

Hypothesis 1 predicted a significant and positive relationship between resilience and sales performance outcomes. While a one-tailed correlational analysis indicated that there was a slight positive relationship between resilience and both the amount of distributors enrolled in 30 days ($r=.09$, $p<.05$) and 90 days ($r=.14$, $p<.05$), resilience was not significantly related to a seller's average PBV ($r=.01$, $p>.05$). As such, hypothesis 1 was only partially supported.

The results of a correlation analysis between the facets of extraversion and MLM performance outcomes may be found in Table 5. To further test hypothesis 2 (regarding the predictive relationship between extraversion and sales performance), the outcome variable "average 2 month PBV" was regressed on the six facets of extraversion. The overall model was significant [$F(6, 448)=2.3$, $R^2=.03$, $p<.05$] but only accounted for about 3% of the variance in this outcome measure. In addition, "excitement seeking" was the only significant variable and was found to have a negative relationship with this selling outcome ($\beta=-.14$, $p<.05$). A second regression was run in order to test the relationship between the amount of distributors a seller enrolled within their first 30 days and the facets of extraversion. The overall model was not significant ($p>.05$). A third and

final regression was run in which the amount of distributors a seller enrolled within their first 90 days was regressed on the facets of extraversion. This model was significant and indicated that differences in measures of extraversion play a predictive role for this particular performance outcome [$F(6, 387)=6.19$, $R^2=.09$, $p=.000$]. More specifically, the variables "excitement seeking" ($\beta=-.25$, $p=.000$) and "assertiveness" ($\beta=.16$, $p<.05$) demonstrated significant predictive value in this context. In sum, only hypothesis 2b was partially supported.

Hypothesis 3a-3f predicted that the relationship between the facets of conscientiousness and the three measures of sales performance would be significantly positive. To test this, a multiple regression was run in which average PBV was regressed on the six facets of this personality measure. The overall model was not significant ($p>.05$). The same was found when the number of distributors enrolled in 30 days was regressed on the facets of conscientiousness ($p>.05$). When a regression model was run to predict the 90 day amount of enrolled distributors from seller conscientiousness, the model instead was significant [$F(6, 389)=4.38$, $R^2=.06$, $p=.000$]. Of the six predictive variables entered, only self-efficacy was statistically significant ($\beta=.16$, $p<.05$). Hypothesis 3 (specifically 3a) was only partially supported.

To test whether or not the personality measure "agreeableness" is related to MLM sales performance, a one-tailed Pearson's correlation was run between agreeableness and the three outcome measures of sales performance. A summary of these results may be found in Table 5. As none of these analyses returned significant results hypothesis 4 was not supported ($p>.05$).

Exploratory Analysis

As part of an exploratory analysis the question, "which personality facets are most predictive of performance?" was posed. For this, a hierarchical regression was run for each of the three outcome measures and for which all personality measures were considered for predictor variables. While a full summary of these results may be found in tables 7-9, highlights of significant results include: possessing higher levels of self-efficacy and lower levels of excitement seeking accounted for about 2% of the variance in sellers' 2 month average PBV (see table 7), self-efficacy appeared to be the only significant predictor of 30 day enrollment numbers (see table 8), and the best predictive model for the number of distributors enrolled by a seller in their first 90 days was comprised of self-efficacy (β=.18, p<.05), excitement seeking (β=-.24, p<.001), gregariousness (β=.15, p<.05), and assertiveness (β=-.12, p<.05). The combination of these predictors accounted for about 10% of the variance in this performance outcome [$F(4, 389)$=10.74, R^2=.099, p<.001].

Table 1.
Approximate Number of Months Participants Have Been Distributors for "It Works!"

Months	Frequency	Valid Percent	Cumulative Percent
Less Than 1	4	.9	.9
1	48	10.5	11.3
2	158	34.4	45.8
3	1	.2	46
4	30	6.5	52.5
5	29	6.3	58.8
6	20	4.4	63.2
7	28	6.1	69.3
8	24	5.2	74.5
9	26	5.7	80.2
10	31	6.8	86.9
11	18	3.9	90.8
12	17	3.7	94.6
13	5	1.1	95.6
14	5	1.1	96.7
15	3	.7	97.4
16	4	.9	98.3
17	3	.7	98.9
19	1	.2	99.1
20	1	.2	99.3
22	3	.7	100

M=5.42; *SD*=4.31

Table 2.
Reliability Analyses of Aggregate Personality Measures

Scale	Number of Items	Cronbach's Alpha
Extraversion	36	.81
Conscientious	31	.82
Agreeableness	10	.88
Resilience	30	.73

Table 3.
Reliability Analyses of Extraversion Sub-scales

Scale	Number of Items	Cronbach's Alpha
Friendliness	5	.88
Gregariousness	5	.82
Assertiveness	5	.83
Activity Level	5	.79
Excitement Seeking	8	.83
Cheerfulness	8	.89

Table 4.
Reliability Analyses of Conscientious Sub-scales

Scale	Number of Items	Cronbach's Alpha
Self-Efficacy	6	.87
Orderliness	5	.85
Dutifulness	5	.77
Achievement	7	.90
Self-Discipline	5	.86
Cautiousness	3	.68

Table 5.
Intercorrelations Among Study Variables

	Variable	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1.	Extraversion	3.92	.46																		
2.	Conscientious	4.16	.42	.56**																	
3.	Agreeableness	4.18	.5	.52**	.49**																
4.	Resilience	3.05	.25	.49**	.32**	.39**															
5.	Friendliness	4.1	.66	.81**	.37**	.32**	.36**														
6.	Gregariousness	3.81	.72	.79**	.31**	.42**	.4**	.67**													
7.	Assertiveness	4.03	.6	.65**	.49**	.23**	.3**	.43**	.35**												
8.	Activity Level	4.18	.6	.65**	.52**	.28**	.36**	.43**	.35**	.43**											
9.	Excitement Seeking	3.25	.64	.69**	.33**	.37**	.35**	.42**	.5**	.3**	.27**										
10.	Cheerfulness	4.15	.57	.81**	.4**	.54**	.44**	.52**	.48**	.28**	.33**	.42**									
11.	Self-Efficacy	4.2	.5	.55**	.75**	.4**	.37**	.37**	.29**	.51**	.52**	.3**	.39**								
12.	Orderliness	4.12	.64	.19**	.69**	.17**	-.06	.07	.06	.23*	.22**	.07	.08	.35**							
13.	Dutifulness	4.43	.46	.44**	.69**	.51**	.34**	.32**	.32**	.3**	.38**	.24**	.39**	.45**	.33**						
14.	Achievement	4.31	.53	.57**	.82**	.43**	.18**	.38**	.31**	.54**	.49**	.33**	.39**	.64**	.39**	.53**					
15.	Self-Discipline	3.83	.69	.41**	.8**	.33**	.18**	.29**	.25**	.3**	.36**	.31**	.28**	.45**	.51**	.49**	.52**				
16.	Cautiousness	3.86	.64	.31**	.64**	.36**	.23**	.18**	.14**	.18**	.28**	.19**	.28**	.37**	.38**	.35**	.44**	.48**			
17.	PBV_2 mnth_avg	282.85	145.87	-.01	-.02	-.04	.01	.03	.02	.04	.07	-.1*	-.08	.06	-.04	.01	.01	-.07	-.07		
18.	Dist_enroll_30	.29	.79	.07	.11*	.04	.09	.05	.06	.09*	.07	.00	.03	.13**	.1*	.02	.09*	.09	.05	.17**	
19.	Dist_enroll_90	1.95	2.71	.15**	.2**	.08	.14**	.15**	.13*	.19**	.17**	-.08	.08	.22**	.13*	.17**	.19**	.09	.06	.27**	.45**

*p<0.05 (two-tailed)
**p<0.001 (two-tailed)

Table 6.
Correlation Analysis between Number of Months as a Distributor and Sales Performance

Variable	Pearson Correlation
PBV_2mnth_avg	.08
Dist_enroll_30	.05
Dist_enroll_90	.17**

**p<0.001 (two-tailed)

Table 7.
Regression of Average PBV on Study Variables

Model Variable(s)	β
Excitement Seeking	-.14*
Self-Efficacy	.1*

$F(2, 452)=4.67$; $R^2=.02$; p<.05

*p<0.05 (one-tailed)

Table 8.
Regression of 30 Day Distributor Enrollment on Study Variables

Model Variable(s)	β
Self-Efficacy	.13*

$F(1, 450)=7.16$; $R^2=.016$; p<.05

*p<0.05 (one-tailed)

Table 9.
Regression of 90 Day Distributor Enrollment on Study Variables

Model Variable(s)	β
Excitement Seeking	-.24**
Self-Efficacy	.11*
Gregariousness	.15*
Assertiveness	.12*

$F(4, 389)=10.74$; $R^2=.099$; p<.001

*p<0.05 (one-tailed)

**p<0.001 (one-tailed)

Discussion

The present study was designed to evaluate the validity of personality traits as predictors of sales performance in a sample of multi-level marketers. Although distinct from more conventional sales roles (e.g., low barriers to entry, lack of organizational structure, high turnover) it was predicted that the overall results would closely mirror previous research on personality and traditional sales (Crittenden & Crittenden, 2004). An additional aim was to explore whether or not focusing on specific facets of larger aggregate personality traits may more precisely identify distinctions among sales outcomes. Overall it appears that personality did demonstrate some predictive value for sales performance, but only to a slight and inconsistent extent.

In examining resilience, the results suggest that greater levels of seller resilience is related to higher numbers of distributor enrollment, but not to the dollar amount of product personally sold in a two-month time frame (average PBV). Although partially reflective of the notion that resilience is an important trait of sellers, it is surprising that these correlations were as low as they were, considering the degree of autonomy and level of failure that is inherent to MLM (Vinchur, Schippmann, Switzer & Roth, 1998; Furnham & Fudge, 2008; Crittenden & Crittenden, 2004). These low observed values may in part be related to restriction in range as participants' aggregate scores of resilience only fell between 2.07 and 3.7 (on an original 1-4 scale). Another possible explanation could be that since multi-level marketers tend to have families, work from home, and associate with customers with whom they are socially familiar, such a situation may lend towards a work environment that is more supportive than that of a typical sales role (Crittenden & Crittenden, 2004; Warr, Bartram & Martin, 2005).

For extraversion, it was found that the only outcome measure that significantly correlated with this aggregate trait was distributor enrollment at the 90 day mark. Although several facets of extraversion also correlated with distributor enrollment (at both the 30 day and the 90 day mark), these relationships were similar to extraversion as a whole. It is of note though that the facets assertiveness and activity level had slightly stronger correlations with distributor enrollment (90 days) than the aggregate measure. Although more support is needed, this is suggestive of previous research that more specific measures of personality (e.g., potency) may be more predictive than general measures (e.g., extraversion) (Minbashian, Bright & Bird, 2010). That being said, the observed relationships in this study were overall were weaker than those found by others (Vinchur, Schippmann, Switzer & Roth, 1998).

In terms of its predictive power, extraversion did not account for differences in the

amount of distributors enrolled in 30 days. This isn't surprising since there was virtually no

variability in enrollment values as 94.3% of participants enrolled one distributor or less during

this time frame. However, around 9% of the variance in a seller's 90 day distributor enrollment

number did appear to be explained by having lower levels of excitement-seeking and higher

levels of assertiveness. Overall it is also a bit surprising that extraversion was not more

predictive of performance as it is often found to be one of the most useful predictors in such

occupations (i.e., sales) (Rothmann & Coetzer, 2003). It is interesting too that all of the

relationships between excitement-seeking and performance were negative, as all of these were

expected to be positive. One possible suggestion is that more successful sellers could be

motivated to succeed for more practical reasons than simply signing up to be a sales rep for the

thrill.

Excitement-seeking also was the only variable to have a significant relationship with

PBV performance (this relationship was negative). Although speculative, perhaps this could be

related to the notion that PBV (money made from the selling of physical product) is one of the

aspects of MLM that most closely resembles traditional selling roles. Those who are not as

comfortable deviating from what they know (e.g., conventional selling techniques) may be more

likely to focus on profit from selling product rather than trying to convince others to enroll as a

distributor (a practice not found in other sales jobs). That being said, fewer excitement-seeking

tendencies only accounted for 2% of the explained variance in seller's PBV performance. As

such it is questionable how useful this measure is on a practical level.

Conscientiousness too was found to have some significant relationships with sales

performance, but again were weaker and less predictive than expected. As a whole there were

more significant relationships between contentiousness facets and performance than any other

personality trait. These results are in line with previous research on MLM (Wotruba, 1989).

Because of this, it was then very surprising that the results of the regression analyses did not

support conscientiousness as a good predictor of selling outcomes. This personality trait was not

significant in explaining either PBV or 30 day distributor enrollment performance differences.

Again, because of the low variance in the 30 day distributor enrollment variable, this may be

why no significant results were found. It however was found that greater levels of self-efficacy

were slightly predictive of greater numbers of distributor enrollment after 90 days. Although

very slight, this personality facet also had slightly stronger positive relationships with the

outcome variables than did the aggregate measure of conscientiousness. Such results again

support the growing research consensus that due to the complexity of personality, it may be

beneficial to home in on specific rather than general personality measures in order to reveal more

subtle differences (Warr, Bartram & Martin, 2005).

To touch briefly on agreeableness, this personality factor did not correlate with or predict

performance in this context. Due to the highly inconsistent findings between agreeableness and

sales, these results are not surprising (Tett & Burnett, 2003). However, these results are also

influenced by some restriction of range as most participants indicated they were highly agreeable

as answers had a mode of 4, and ranged from 2.5 to 5 on a possible scale of 1 to 5.

In addition to this study's specific hypotheses, an exploratory analysis was conducted in

order to generally explore which combination of personality traits is the best predictor of sales

performance. The results were not dissimilar from previously discussed findings as excitement-

seeking, self-efficacy, and assertiveness again appeared to be the most predictive of

performance. More specifically, higher levels of self-efficacy lower levels of excitement seeking

slightly accounted for seller's 2 month average PBV, and greater levels of self-efficacy partially predicted Dist_enroll_30. Despite this significance, the amount of variance explained by these two models were very low, and suggest that personality is perhaps not a very good predictor of MLM performance. Distributor enrollment in 90 days was the outcome variable with the greatest amount of variance explained by personality predictors; high self-efficacy, low excitement seeking, high gregariousness, and high assertiveness accounted for about 10% of differences in this outcome measure.

These findings, although not quite as expected, for the most part are in alignment with previous research. First, these results support the proposition that using more specific measures of personality may be useful, especially in differentiating among subtle group differences (Hough, 1992; Warr, Bartram & Martin, 2005; Minbashian, Bright & Bird, 2010). Although the aggregate measures of personality were useful, it was the more specific facets that demonstrated greater predictive value. In addition, although further research should be conducted, these results partially confirm the notion that multi-level marketers are different from traditional sellers. Unlike conventional sales reps, extraversion, resilience, and conscientiousness did not appear to be very good predictors of performance (Vinchur, Schippmann, Switzer & Roth, 1998). While significant relationships were indeed observed, they were weaker than those found in existing literature, and in some cases (i.e., excitement seeking) were opposite of those found in samples of conventional sales reps, and overall did not indicate a level of predictive power to be practicably applicable.

Although this study was limited by its accessibility to participants (the sample may have been influenced by the fact that they were collected through a single seller) and instances of low response variance, it has contributed to further understandings of those who engage in MLM.

Based on the results, perhaps future studies should focus on components other than personality in terms of differentiating those who perform well in their role as a multi-level marketer. For example, it may be more beneficial to explore the motivation of those who join, or the relationship between household factors and performance. In terms of practical applications, it should be noted that personality is complex. Just because an individual does not appear to exude the stereotypically gregarious "salesman" demeanor, is not a reason in itself to write off an individual in terms of their potential to thrive in an MLM position. Overall, the field of multi-level marketing is indeed making way for a new type of sales rep, but one that is still yet to be better understood.

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