

The Contract: What to Look for

Reputable companies will provide a complete contract that spells out the terms of the working relationship. Before you consider signing a contract, read it thoroughly and make sure it addresses the following key issues:

Employment Status

Door-to-door salespeople are usually independent contractors. Independent contractor status should be specified in the contract or agreement, and you will most likely be responsible for paying your own taxes and insurance.

Income

How will your income be calculated? How, when, and in what form will you be paid? How often will you receive a detailed account statement, including deductions or charges?

Expenses

Will the company pay for living expenses (food, travel, and housing)? If so, will this amount be deducted from your income and, if so, how much? How frequently and how much will you receive for living expenses? Ask for a range or a maximum on your expected expenses, based on past experiences with other salespersons for the company, including transportation and housing costs.

Housing

Where will you stay while selling? Will you have your own room or will you share? How often will you change housing locations, and will the housing situations change?

Travel

Where will you be selling? Will you stay in the same location or travel? How often will you travel to different locations, and how will you be transported there?



Ethical standards matter.

Does the company promote ethical standards for its sales force through both its training and its actions?

- It is unethical and illegal for a sales pitch to contain untrue or misleading statements about the product or the company. For example, an ethical company will not represent itself as a charitable, non-profit organization when it is not.
- It is unethical to use high-pressure tactics such as intimidating or threatening customers or refusing to leave until they buy something.
- Federal law requires that salespeople tell customers who purchase more than \$25 worth of goods in a person-to-person manner that they have a “cooling off” period of three business days in which to cancel the order. This right to cancel must be clearly stated on the customer’s purchase order or receipt.

The Bottom Line: Protect Yourself

If you do not receive satisfactory answers to your questions, do not sign an agreement. If you do sign a contract, be sure you get a signed copy.

Watch Out for #1: Safety Tips

It is critical to take safety precautions with any job, whether in a fixed location or door-to-door situation. As you may be working alone, carrying cash, or have merchandise with you, you could be a target for crime. Here are some tips to help you stay safe when selling door-to-door:



- Carry a wireless phone, a form of identification, and emergency contact information, including a name and telephone number, with you at all times.
- If you find yourself in a dangerous or uncomfortable situation, enter a business or a religious establishment for help. Entering a private home is a last resort.
- If a home visit becomes uncomfortable, trust your instinct and leave immediately.
- Be prepared for inclement weather — carry water on hot days, take breaks indoors on cold days, and dress appropriately.
- If you find yourself in a bad situation with the company and feel intimidated about leaving, contact the local police.



Being a door-to-door seller can be an enjoyable and rewarding experience if you choose the right company and treat your customers ethically.

Remember, companies operating traveling sales crews often:

- Pressure you to make a work commitment immediately. Discourage parental involvement in the recruiting process and contact with family once the salesperson is on the job.
- Hire salespeople over the phone and send them a bus ticket to the nearest crew location, which could be several states away.
- Do not offer a contract at all, or offer an incomplete contract with important work and wage information missing.

Learn More

- ▶ www.ncinet.org/travelingsales
For more information for young people considering taking a traveling sales job and for consumers who encounter door-to-door salespeople.
- ▶ www.dsa.org
For the Direct Selling Association’s Code of Ethics for member companies, and what that means for salespersons and consumers.

Door-to-door Sales: Opportunities and Risks

A Long and Respected History

Selling house to house has a long and respected history in the United States. In fact, several companies that use a door-to-door sales model have been around for more than 100 years! Today, salespeople sell products such as cosmetics, kitchen items, clothing, and educational materials to consumers in their homes. Sometimes, however, it is hard to distinguish between legitimate door-to-door selling companies and traveling sales crew scams.

Door-to-door sales are some people's first work experience. In many situations, selling products door-to-door can help develop skills that will later help them become more successful in whatever they do. However, those who become involved with a company that puts its profit motives ahead of concern for its sellers often find themselves exploited and practicing unethical sales tactics.

Beware Traveling Sales Crews

Young people often learn difficult lessons when they get involved with companies operating traveling sales crews. In these cases, disreputable companies lure potential workers through promises of lavish pay and exotic travel to work on a crew. Salespeople are dropped off in neighborhoods to sell products such as magazine subscriptions and home improvement services door-to-door. These salespeople often experience sub-standard working and living conditions, abuse, and hard work with little or no pay.



Although you might recognize the product, such as the names of magazines or cleaning supplies, this does not prove that the company selling these products is reputable. A recommendation from a trustworthy friend who has been involved with the company and has had a good experience is also valuable.

Look Before You Leap

Your most important first step is to check out the company's reputation and integrity.

- Find out the name of the company, its address and Web site, and names of the company president, chief executive officer or other executives. If the company representative is unwilling to provide this information before asking you to sign an agreement, it is quite likely that they are not an ethical or legitimate company.
- Visit the Direct Selling Association's (DSA) Web site (www.dsa.org) to see if the company is a member. DSA represents companies that sell in a person-to-person manner, including many companies that sell products and services door-to-door. These companies are thoroughly reviewed and must abide by a strict Code of Ethics.
- Call your local Better Business Bureau or your state's consumer protection agency (often your state's attorney general's office). Ask if the company is in good standing, or if there are unresolved complaints or legal actions against the company.

Learn More About Traveling Sales Crews

what to watch out for when job-seeking and what to do if you find yourself involved in one. ▶ www.nclnet.org/travelingsales



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If you can't spot the difference between a legitimate door-to-door sales opportunity and a traveling sales crew, your income and your safety may be at risk.



Is this Job Right for You?



A jobseeker's guide from the
National Consumers League