The role of Multi-level marketing on making a purchase decision

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Abstract

This research paper aimed to address the healthy model of multi-level marketing that does not conflict with the ethics and legitimacy of the marketing profession in order to highlight its role on making a purchase decision, this study based on dependent variable (the aspects of MLM (strucleul, effect, relationship and connective aspects)), and independent variable (making a purchase decision) as the study targeted a sample of 110 consumer of MLMO's in Algeria, whose data was processed and analyzed by the spss 22 .

The study concluded that there is a direct correlation between multi-level marketing aspects and the making a purchase decision, Except one aspect so there isn't a statistically significant relationship between Cognitive Aspects and the making a purchase decision.

Keywords: Multi-Level Marketing, Achieve Profits, The Sales Forces, Trust, MLM Mix Marketing .

JEL: M310.

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1. INTRODUCTION

Companies often spend enormous amounts on promotion of their products, in order to transfer information to the consumer, this is why, they look into alternative low-cost methods for promoting and positioning their products in the marks. One of alternative methods is to use human relations wither social network efficiently by using MLM method where the potential buyers will experience a higher level of trust and security in their shopping behavior by obtaining information from people around them, and used the power of interpersonal communication such as friendship, kinship, and long-term cooperation with number of other groups based on relationship in social media.

Through social media use, sellers can build a relationship with existing and new consumers and sells its good's through the people and customers themselves rather than through distribution agents. Thus in this method customers help the producer with the sale task while benefitting themselves take charge of goods marketing and they receive compensation in two fundamental ways. First sales people (distributor) may earn compensation from their personal sales of goods and services to the consumers (non-member of the network). Second, they may earn compensation from sales to purchase from those persons whom they have personally sponsored or recruited into the network(down lines).In this method brands and consumers are connected without any limitation in time, location and means of communication.

Accordingly, it can be said that making a purchase decision is based on personal opinion and experience in the event that the customer is within the distribution network or on the basis of trusting the opinions and experiences of close friends, family and colleagues...etc.

We therefore felt that we should address the issue of multi-level marketing purely by marketing and highlighting its importance on the making decision purchase. By posing the following problem:

What's the role of MLM on making decision purchase?

From the problematic point of view, we have formulated the following main hypothesis:

There's a role of MLM on making decision purchase.

Importance of the study: The importance of the research paper lies in:

- Eliminate confusion on the topic of multi-level marketing;

- Addressing the issue of trust and its importance in marketing practices;

- Improve the role of MLM on making decision purchase.

As for the method of this research paper, we will use the descriptive analytical method to address the basic concepts related to the study variables and the case study method regarding the applied aspect of studying the relationship between the two variables.

1. The concept of Multi-Level Marketing

Multi-Level Marketing is called too Network marketing is a compound noun phrase from two words, marketing, whose defined by Philip Kotler as "Marketing is an administrative and social process through which individuals and groups obtain what they need and desire by the generation, offering and exchange of valuable products with their equals", The second word is multi-level or network, which means that distributors will build a network of people at different levels in order to sell the company's products.

The multi-level marketing (MLM) in her healthy and legal type is a subset of direct marketing, and also known as" multilevel direct selling" or " network marketing". It based at the producer selles its goods through the people and customers themselves rather than through distribution agents. (M.Rezvani, S, & R, 2017, pp. 32-33) Thus in this method customers helps the producer with the sale task while benefitting themselves take charge of the goods marketing, and they receive compensation in two fundamental ways first, sales people (distributor) may earn compensation from their personal sales goods and services to the consumers (non-member of the network). Second, they may earn compensation from sales to or purchase from those persons

whom they have personally sponsored or recruited into the network (down lines).In this way the company employes a network of distribution to sell its products to the final user not at a retail store.   (R & and all, 2013, p. 3)

We can show many definition of network marketing inside:

- Joyce know him that is:"a combination of transactional and relationship marketing.it operates by stipulating compensation schemes for products or services sold, as well as recruitment of agents". (Koe Hwee & Wai, 2011, p. 51)

- Hubbell know him that is: " a method of marketing that makes use of independent sales reps as a way to reach a wider range of network people who are engaged in selling online or offline to there frends and family". (Hubbell, 2017, p. 4)

Hundreds of companies utilize this method, lake Avon, Tupperware, Mary Kay Cosmetics , Nuskin ,…ect.

2. Functions of network marketing:

The functions of network based on the theoretical foundation include: (M.Rezvani, S, & R, 2017, p. 35)

- Cost reduction: the network marketing helps the enterprise to reduce cost of analysing data, advertisement, distribution, and market research costs, store cost, human force cost,…ect.

- Sale increase: via using a network of independent vendors to the final users, the added value created for independent dealers and distributors.

- Product branding: in the network marketing people provide their friends and acquaintances with information cencering products or services by verbally then, and recommend that they use the products which increases the brand's reach of the product.

- Job creation: creating business opportunities through the motivation and advocacy a big number of independent sellers (pay good commission).

- Viral marketing: suggesting the function of viral marketing in viral marketing which has led to advertisement for the above users knowledge and goods sale and distribution.

- Networking: network marketing leads to relations made among family relation can result in networking.

- Innovation: network marketing helps facilitate market research of operations as well as cost reduction aspect through permanent, continuous relations between independent vendor's and identify customer's instant and future needs, and finely the business innovation in the products.

3. Social Capital Aspects (M.Rezvani, S, & R, 2017, p. 34)

1. Structural Aspect: its mean how the MLM organizations communicated with distributors, the most famous way is the social communication tools and networks that promotes its products with the use of verbal marketing that has eliminated traditional intermediaries and no longer requires expensive advertisement procedures to achieve its goals, it's include the good treatment efficiency persuasion.

2. Effect Aspects: This includes the effectiveness of distributors in understanding and responding to the needs and desires of consumers, and in orienting and filtering information. A distributor's effectiveness varies depending on the consumer, For example, it can be for a person to deliver on the agreed dates, and for another person, it can be the correctness of the information provided about the product…etc.

3. Relationship Aspect: The MLM organizations are composed of a group of people (sales forces) that interact and communicate on the basis of trust in relationships, and therefore it is important and serious for them to implement activities and procedures to improve the level of trust for the sustainability of this industry, trust is very important so a group of individuals was recruited to convince their surroundings by acquiring the foundations products based on social trust.

4. Cognitive Aspect: the information is a very important aspect in the MLM organization's this is why they must give to the distributors and the consumers a real and enough information, because the secret of their success is to build a durable positive image in the company. In addition to training and providing distributors on ways to market products.

5. Multi-level marketing requirements: (M.Rezvani, S, & R, 2017)

I. Social networks: the Social capital is the most important requirement of MLM is a business model that depends on person-to-person sales by independent representatives, often working from home. A network marketing business may require you to build a network of business and partners or salespeople to assist with lead generation and closing sales. The company must choose people with high energy and strong sales skills, who can build a profitable business.

II. The plans of compensations: Before addressing multilevel marketing plans, we define some concepts related to them:

- The Width: It means the maximum number of individuals that can be included directly by the selling forces within its team and is called the Front Line mammoth lines;

- The deep: means the number of levels allowed by the Foundation to join the Group;

- The Level: means one person's direct selling forces (selling power centre);

- The Leg: is a first-level individual and his underlying team.

The following figure shows this:

Fig. 1. concepts related to the MLM plans
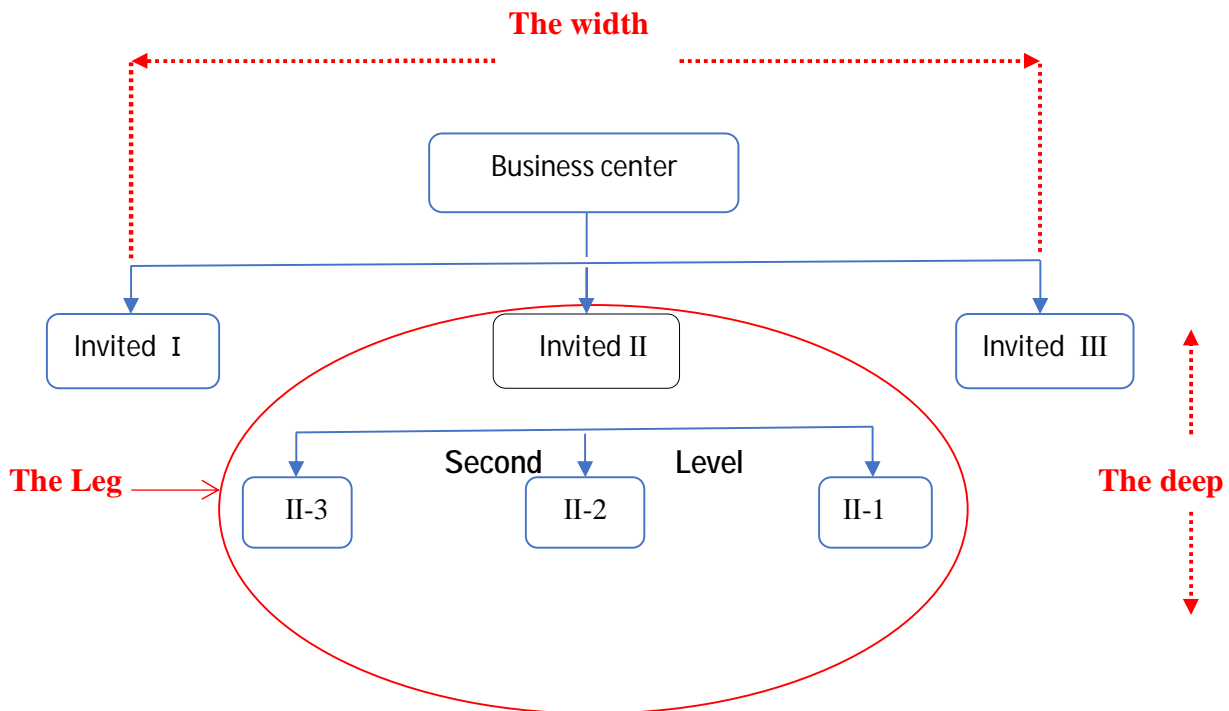
Source : Own materials.

We can distinguish between four types of plans that are used by most MLM companies, as the rest of the plans are diverge from these four plans, and they are as follows : (Bogdan & Aron, 2013, pp. 10-17)

1. Uni-Level plan: One of the most basic remuneration plans functioning in companies distributing products by means of MLM method is a Uni-Level system. It involves genealogical record of new clients directly under the person that contributed to their joining. This means that a situation in which person X invites successively persons Ⅰ, Ⅱ, Ⅲ from the point of view of person X they are located on the first level. Many companies that want to reward active clients take advantage of Uni-Level system. A good example here is mBank7,It is worth pointing out here that in a Uni-Level system person X doesn't get a reward for persons recommended by persons Ⅰ, Ⅱ and Ⅲ despite the fact that person X contributed indirectly to their joining.

there is no limit to the number of distributors that can be recruited on the first level (widths) but there is a limit on the deep, the distributor become a trainer when one of his employees «downlines» hires another level.

2. Binary plan: As its name indicates, the binary scheme is built around the number 2, that is, the maximum number of width should not exceed two, and therefore any additional distributor for 2 is placed Automatically under the organization of one of the sides - the Spillover -

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This creates an atmosphere of cooperation in the organization for the new distributors in order to succeed, as the whole organization works for one goal, which is to achieve a balance between the legs in the effort.

3.   Matrix plan: A limit is placed on the number of distributors in the first level and on the number of level deep. This plan depends on determining the balance between depth and width according to the following equation (width x depth), so that the center of the sales force was able to include a specified number in width, for example three members, and a specified number in depth, for example, 5 levels this plan is characterized by the ease of team management but it limits profits.

4.   Stair Step Break Away plan: This plan based on defining a specific depth and width that is separated when it is reached, for example, when reaching the eighth depth with four levels, the team is separated (that is, the center of the selling forces does not receive a commission on the entire team, but is rewarded with a specific amount in what looks like a pension or an end reward the service) .

5.   Hybrid plan : It is a mixed method between the previous strategies determined by the institution according to its circumstances, needs and objectives, as if institutions mix between two or more strategies such as determining the depth without specifying the width with determining the leg.

making a purchase decision

The purchase decision, as explained by both kotller and keller: "is the way individuals, groups or organizations to choose, to buy, to use and to utilize goods, services, ideas and experience in order to satisfy the needs of desire". (Rachmawati, Shukri, & Azam, 2019, p. 1342). Basically, the purchase decision is an action or customers' behavior whether or not to make a purchase or transaction. The number of customers in making decisions to be one determinant if the companies can achieve their goals. Customers are often encounter with multiple selections to use a product or a service.

The impact of MLM on stages of making a purchase decision:

Multi-level marketing is based on the recruitment of a group of individuals called Independent Business Owners abbreviated as "IBO", who are responsible for selling the enterprise's products and recruiting other IBO's, usually from their social environment (families, friends, colleagues,... etc.), so multi-level marketing relies heavily On the electronic word of mouth (EWOM) because of its very high acceptance and spread, it is also the most reliable source of information. (xiao, myund, & Darrell, 2016, pp. 198-208)It allows individuals to share their opinions and personal experiences of products on a large scale through electronic means.

Pre-purchase stage : This stage start by **the need recognition** where the consumer have a internal stimuli stems from an internal comparison between present gratification and future desired, as for an external stimuli whose companies offered to satisfy an underlying need or an unconscious desire, and from here the stage of

searching for information begins through internal sources like the consumer's previous experiences, and an external sources who can divide into marketing controlled information and no-marketing controlled information like the other's previous experiences (Friends Colleagues Relatives). Hence the importance of "IBO's" in introducing the company and the nature of its work by presenting their personal experiences and the experiences of previous consumers, as studies have proven that people today search for information about the products they want to buy online before making a purchase decision, and they consult their surroundings, especially those who have tried the product of the company. After that, the consumer **sets criteria for evaluating the alternatives**, and here the "IBO's" focuses on what distinguishes the company's products and ignores what is not available in them. For example, if the prices of products are high, the "IBO's" focuses on quality, efficiency and effectiveness, for example. In the next step represented in **determining the importance of the criteria**. The IBO's tries to tries to give preference to the standards that serve the company's products at the expense of the rest of the standards, Taking into account the physical, social and cultural situation of the consumer, For example, the luxury standard (international brands) for a person justifies the high price of the product...etc. In the last and most important step in the pre-purchase stage, the consumer determines the value of the product, so the IBO's should focus on accompanying him in making the decision by determining the features of the product and its ability to satisfy the need.

Making a purchase decision stage : In this stage must the IBO's eliminate the hesitation and offers the best services concerning the time of purchase chosen by the consumer, place of purchase, provide a different ways of distribution, and the most important a different payment method. All this for completing the purchase operation, for example, if the IBO's sees that consumer want to buy the product, but actually he can't payed all the price in this month. Here can the IBO's propose to him an installment sale.

Post-purchase decision stage : The purchase operation doesn't finish where the consumer takes her product, such as in the MLM system the feedback is more important than all the above stage, because they bore a new information and experience in the consumer's minds. Hence, if the product succeeds in satisfying the need, he will increase his trust in the IBO's and in the brand and the company at all. He will also use the same criteria in his subsequent or future assessment, The IBO's can also take the opportunity of his satisfaction to be included in the company team as a consumer or IBO, that is in case if he is satisfied with the product ,but if he's dissatisfied, a successful IBO must keep the consumer by looking for reasons of dissatisfaction, and offering to him the successful experiences with other consumers. It can be the problem in the method of utilization for example.

And (Stankevich, 2017, p. 11) proposed a framework of moments that matter and factors influence them is presented (figure 02). He notes that consumers do not always move in the exact order through the process. The second and the third stages

could be repeated a couple of times; also the evaluation stage not in all cases finishes with purchase. It can depend on the type of product, the buying stage of the consumer and even financial status

Fig.2. Framework of factors and moments that influence decision making
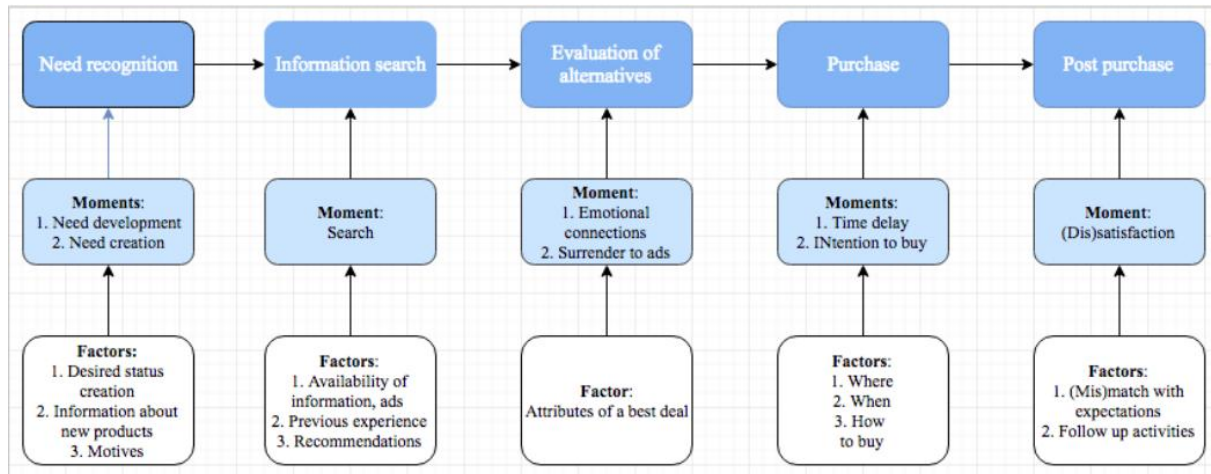
Source : (Stankevich, 2017, p. 11)

4. RESULTS AND DISCUSSION

Research methodology: In order to answer the problematic of the study represented in: " is there a statistically significant relationship between the MLM and the making a purchase decision at the level of confidence 95% ? ".We formulated two hypothesis:

H_0 : There is no statistically significant relationship between MLM and the making a purchase decision at the level of confidence 95%.

H_1 : There is a statistically significant relationship between MLM and the making a purchase decision at the level of confidence 95%.

Through the previous two hypotheses, we formulated the following alternative sub-hypotheses:

H1 : There is a statistically significant relationship between MLM and the making a purchase decision at the level of confidence 95%.

We used in This quantitative research a questionnaire with a five-point Likert scale (strongly disagree , disagree, neutral, agree, strongly agree), and we analyzed it using spss program.

Society and Sample Study: The research community is represented in all consumer those use the products of MLM organizations (MLMO's) in Algeria, the researchers took a random sample of 110 consumer.

Analysis of study data and hypothesis testing: We used the SPSS22 program In the process of statistical data discharge and analysis and testing of the study hypotheses, the results were as follows**:**

Measuring the stability of the study tool: In this study, we drew on the survey method by using the questionnaire to collect preliminary data, where it was prepared and distributed electronically. The "Alpha Cronbach" coefficient was also used to measure the stability of the study tool and table No (01) shows this:

Table 1. Measurement of Stud y Tool.

Variables	Alpha Cronbach
MLM Marketing mix	0.767
Making a purchase decision	0.825
All Questionnaire	0.926

Source : spss's output.

The table shows that the "alpha-cronbach" coefficient is greater than (0.7), from which the measurement tool is consistent for the study sample, there is an internal consistency between the questionnaire elements so that if the questionnaire is conducted in the same circumstances the results will not change.

3. EXPERIMENTAL

Description of sample characteristics: In order to view sample characteristics, the repetitions and percentages of demographic variables were calculated and the results were as shown in Table N^0 (02) below:

Table 02: Presentation of Sample Study Characteristics

Variables		Frequency	Percentage
SEX	Homme	37	33.63 %
	femme	73	66.36 %
Age	Less than 20 years	12	10.90 %
	20-39	57	51.81 %
	40-49	33	30 %
	more than 50	8	7.27 %
Education Level	Secondary or less	21	19.09 %
	University	74	67.27 %
	Other	15	13.63 %

Source : spss's output.

Table above shows that the majority of the study simple was women with 66.36%, this is perhaps due to the nature of the products that used an MLM system such as cosmetics, nutritional supplements ...etc. with are popular among the women, as for age the predominant category was between 20 years and 49 yeas with 81.81% of simple this is what was proved in the below question of the education level, where was the majority of simple with a university level of 67.27%, This can be attributed to the fact that working according to the MLM system requires a certain level of education and the acquisition of special skills. As for age, the youth group is the most active and ambition to reach the highest level of the system.

Presentation and analysis of study results: In order to find out the direction of the responses of the sample individuals to the questionnaire phrases, the means and standards deviations of each phrase are calculated individually. We used the terme distributors instead of IBO's because the questionnaire was for the general public, and the word is not known to them, This table below showing results:

Table 03: Study Sample Responses Trend

N^0	The questionnaire phrases	Means	standard deviation	The Ways
First Axis : Structural Aspects		4.13	0.524	agree
01	Distributors are characterized by tact.	4.00	0.713	agree
02	Distributors are characterized by good listening and attention to the customer.	3.50	0.713	agree
03	Distributors are characterized by a good reception.	4.50	0.504	strongly agree
04	Distributors provide accurate, adequate and clear information about the products	4.50	0.713	strongly agree

Second Axis: Effect Aspects		3.50	0.389	agree
05	Distributors influence my choices and wishes	4.50	0.504	strongly agree
06	Distributors tell me their personal experience of products.	4.00	0.713	strongly agree
07	Distributors fulfilled their promises towards me.	3.50	1.83	agree
08	Distributors comply with delivery times and provide products.	4.00	4.00	agree
Third Axis : Relationship Aspects		3.50	2.283	agree
09	Distributors provide after-sales services permanently and immediately.	4.50	0.504	strongly agree
10	I Feel safe and confident while dealing with distributors.	3.30	0.713	neutral
11	Distributors are characterized by secret.	3.50	0.525	agree
12	The products advised by my distributors meet my needs.	4.00	0.613	agree
Fourth Axis : Cognitive Aspects		3.42	0.534	neutral
13	Distributors inquire about any defect or malfunction in the product.	3.32	0.504	neutral
14	The distributors transform the news for me .	2.50	0.713	disagree
15	Distributors are constantly looking for my needs and wants	4.00	0.525	agree
16	Distributors contact me on holidays and special occasions	2.02	0.613	disagree
Fifth Axis : Making A Purchase Decision		3.87	0.321	agree
17	Distributors help me identify my needs and the information needed to evaluate alternatives.	4.00	0.214	agree
18	I am convinced by the distributor of my choice of products.	4.00	0.713	agree
19	I rely on the advice of the distributor to make a buying decision because I trust them.	3.500	0.504	agree
20	The distributor contacts me even after buying to find out what I think about the product.	1.50	0.713	strongly disagree

Source : spss's output.

The previous table shows that:

- The first axis: the above table shows that the respondents "agree" for all terms of the first axis of the questionnaire with the values of the means respectively (4.00,3.50,4.50,4.50) Therefore, it can be said Distributors are structurally efficient (on how the distributor communicates with consumers, on the effectiveness of the information provided, good treatment), This can be explained by the fact that distributors are usually from the consumer's social surroundings in addition to

obtaining training programs that are usually by their immediate boss, and how to deal with consumers. And about the standard deviation the third term was the most homogeneous with a value of (0.504).

- The second axis: the respondents "agree" for all terms of the second axis and the seventh, eighth terms with the means (3.5,4), and they were strongly agree to the fifth, sixth terms with the means (4.5,4), This can be explained that distributors has effective in influencing the choices and wishes of here consumers This can be explained that distributors has effective in influencing the choices and wishes of her consumers By presenting their personal experience of products, fulfilling their promises, comply with delivery times and provide products. And about the standard deviation the seventh term was the most variance with a value of (1.83).

- The third axis: the respondents "agree" for all terms of this axis with a value of the mean (3.50) and also for the ninth, eleventh and twelfth terms with a value of the means (4.5,3.5,4) but they are neutral for the tenth term and this neutrality was in the direction of the positive. This is reflected in reality, where a personal relationship often arises between the distributor and the consumer, which may develop in the future to be the consumer a distributor too. And about the standard deviation the tenth term was the most variance with a value of (0.713).

-The fourth axis: in this axis the respondents "agree" only for the fifteenth term with the mean value (4.00) and they disagree about the fourteenth, sixteenth term with the mean value (2.50;2.02) but they are neutral for the thirteenth term and all of the axis with a mean value (3.32,3.42). This is meaner than Distributors is constantly looking for needs and wants of consumers, But they fall short on the one hand transformed the news (of reduction and sold…etc), and to contact their consumers on holidays and special occasions. And about the standard deviation the thirteenth term was the most homogeneous with a value of (0.504).

- The fifth axis: the respondents generally agreed on all the terms of this axis without the first one that was the respondents strongly disagree with a mean value (1.50), that is, distributors in the view of thier clients aren't interested in the cognitive aspect. But on the other hand, respondents find that distributors make a structural, effect and relationship aspects to purchasing decision-making and satisfaction. And about the standard deviation the seventeenth term was the most homogeneous with a value of (0.214).

Study hypothesis test results: In the study hypotheses test we will depend on the comparison between the level of meaning sig and the level α signification 5%, the results shown in table N° 04.

Table 04: Study hypotheses test

Independent Variable	Dependent Variable	Sig	Sequar Confficient R^2	Decision	Relationship Model
the making a purchase decision	**MLM Aspects**	.000	.906	Accept	$Y = 0.794 \ X + 0.760$
	Structural Aspects	.001	.690	Accept	$Y = 0.512 \ X_1 + 1.896$
	Effect Aspects	.000	.963	Accept	$Y = 0.602 \ X_2 + 1.407$
	Relationship Aspects	.000	.675	Accept	$Y = 0.794 \ X_3 + 0.760$
	Cognitive Aspects	.0570	. 429	refuse	$Y = 0.794 \ X_4 + 0.760$

Source : spss's output.

Y = independent variable (The making a purchase decision).

X= dependent variable (MLM Aspects, $X_1=$ Structural Aspects, $X_2=$ Effect Aspects, X3= Relationship Aspects , $X_4=$ Cognitive Aspects)

Based on the table above, we interpret the results of the study hypotheses test:

- We got a significant level of 0.01, which is lower than the value of 0.05,so **we accept** the First hypothesis: there is a statistically significant relationship between Structural Aspects and the making a purchase decision at the level of confidence 95%. As for the Sequar Confficient(R^2) it was worth 0.906, which means that the amount of change in the indepandent variable " the making a purchase decision " is caused by " Structural Aspects of MLM " with 69%.

- We got a significant level of 0.00, which is lower than the value of 0.05, so **we accept** second hypothesis : there is a statistically significant relationship between Effect Aspects and the making a purchase decision at the level of confidence 95%. As for the Sequar Confficient(R2) it was worth 0.906, which means that the amount of change in the independent variable " the making a purchase decision " is caused by " effect Aspects of MLM" with 96.3%.

- We got a significant level of 0.00, which is lower than the value of 0.05, so **we accept** third hypothesis : There is a statistically significant relationship between Relationship Aspects and the making a purchase decision at the level of confidence 95%. As for the Sequar Confficient(R2) it was worth 0.906, which means that the amount of change in the independent variable " the making a purchase decision " is caused by " relationship Aspects of MLM" with 67.5%.

- We got a significant level of 0.570, which is major than the value of 0.05, so **we refuse** fourth hypothesis : There isn't a statistically significant relationship between Cognitive Aspects and the making a purchase decision at the level of confidence 95%. As for the Sequar Confficient(R2) it was worth 0.906, which means that the amount of change in the independent variable " the making a purchase decision " is caused by " Structural Aspects of MLM" with 42.9%.

The final result: We **accept** the alternative sub-hypotheses (H1) , so there is a statistically significant relationship between MLM and the making a purchase decision at the level of confidence 95%. Also, the aspects have more influence on making a purchase decision is the second "effect aspects" with 96.3% .

4. CONCLUSION

Business organizations have long relied on Multi-Level Marketing to target customers without spending a lot of money on retail distribution. Where those consumers not only do the buying, but their selling, recruit and train new distributors. That is, if you get friends and relatives to join up, you get a commission not only for the products your friends and relatives purchase, but also from the sales they make for their friends. The MLM system can indirectly help the economic progress of the country and they can create jobs and mobilizing long term funds. Irrespective of the business plan and earning pattern and other advantages MLM concept is likely to be stretched to more and more products and concepts.

In order to prove that, we tried through this research paper to find out the role of multi-level marketing on making a purchase decision. And we have come to these conclusions:

- The structural aspects like a tact, good listening and good reception contribute to building a structural base through which members of the network of distributors (and consumers at the same time) communicate and are based primarily on good treatment, and the ability to persuade, In order to create a comfortable work atmosphere.
- The effect aspects are very important because distributors influence consumers by transferring their own experiences of products, which helps them in the process of making a purchase decision, and it increases more and more in the event that distributors fulfill their promises (promise of reduction, promise of providing a product, etc.) especially on delivery dates.
- The relationship aspects are the basis on which organizations are currently based. Purchasing is certainly important, but building the relationship is more important. Through the distributors accompanying consumers after the purchase process. Repeating the purchase process is ensured even if the

product did not satisfy the customer by finding solutions and alternatives to the reasons that led to dissatisfaction

- The Cognitive aspects although it is a very important aspect, but the MLMO's doesn't take care of it as they should. For example, in September, Arvia suddenly raised the prices of its products, and did not inform the distributors until one day before that.

Recommendations For Future Studies :

Through our research, we suggest some aspects that could be rich future topics :

- The MLM a effective business model for family businesses;
- This respondent of this study was limited to consumer those use the products of MLM organizations (MLMO's) in Algeria. Further studies can be conducted on other segments of society;
- The research may explore what factors influence this choice;
- The MLMo's a choice for the supplementary income.

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