

Empowered or Imprisoned? Exploring the Gendered Dynamics of MLM Recruitment Practices Through a Foucauldian Lens

Multi-level marketing companies, hereafter referred to as MLMs, are a rising cultural phenomenon. Structurally, MLMs operate in the same way as pyramid schemes, though unlike pyramid schemes, they evade illegality on the basis of selling an actual product (Wrenn and Waller, 2021, p.424). However, it is not the product that results in any significant financial gain, but rather, recruiting new members into one's "downline", thus creating a pyramid structure (2021, p.426). Though MLMs tend to present themselves as a business opportunity, the vast majority of those involved lose money (2021, p.425). It is a socio-cultural issue that disproportionately impacts women, with women accounting for approximately 70% of direct sales worldwide (Pearce, 2024, p.2). This discussion explores how MLMs target and exploit vulnerable women, as well as why women represent the target demographic for recruitment, and what role gender plays in this particular phenomenon. Arbonne, an MLM which sells skincare, cosmetics, and nutrition products, provides a case study on which to focus. A framework of Foucauldian theory is applied to explore how MLMs use and misuse power, knowledge, discourse, and discipline in order to target women.

One significant aspect of Foucauldian theory which is relevant to the phenomenon of MLMs is power. This is a concept which Foucault has written about extensively, perhaps because, as Foucault (1976, p.93) states "power is everywhere" and "comes from everywhere". This highlights the diffuse and pervasive nature of power. A Foucauldian

perspective on power does not attribute it to particular dominant entities such as a political leader or an institution, but rather describes it as a set of forces that operate through society, and employ certain strategies and techniques which influence how people act in their everyday lives (Foucault, 1982, p.781). Within the context of an MLM, for example, power does not belong solely to one's upline or even the specific MLM company one is involved in. Rather, there is power in the abstract forces that result in someone joining an MLM, and the actions and behaviours they are compelled to perform once they have joined. Examples of this will be explored further along in this discussion. Foucault argues that power relations produce knowledge and truth (Danaher, Schirato and Webb, 2000, p.64). He suggests that there is no fundamental truth, and that our understanding of ourselves and the world we live in is influenced and coloured by society (2000, p.48). For example, many might consider it to be a fundamental truth that the role of a woman is to be a mother, which might involve being nurturing, gentle, and caring. However, a Foucauldian perspective would suggest that this societal expectation is a result of power relations operating throughout society which form this perceived "truth".

One way in which Foucauldian theory can be applied to the context of MLMs is through discourse analysis. Discourse refers not only to language itself, but how language is used to construct knowledge and truth (Arribas-Ayllon and Walkerdine, 2017, p.114). According to Foucault, language is one of the most integral forces that shape our experience and understanding (Danaher, Schirato and Webb, 2000, p.31). Foucault considered the most rudimentary form of discourse to be the statement, with discourse consisting of statements which form relationships to other statements, resulting in a

wider narrative (2000, p.35). Discourse analysis is a method for revealing the relations between language use and the social cultural contexts in which it occurs (Dye, 2021, p.68). Within the context of MLMs, discourse analysis can provide a way of exploring how MLMs use language and narratives to target women.

MLMs utilise discourse as a strategy to recruit women and legitimise the business model of direct sales. Lamoreaux, as cited by Wrenn and Waller (2021, p.425) describes four narratives employed by MLMs. One such narrative emphasises “having a foot in both worlds”, in other words, being present both at home and in the world of business. Another narrative pertains to the social aspect of direct selling, emphasising a sense of fun and community. Thirdly, the narrative of “empowering women” asserts that women can find power, strength, and leadership through direct selling. Finally, the narrative of “financial freedom” suggests that direct selling paves a path to independence and financial stability for women. Such narratives appear to enforce a feminist rhetoric, and relate to women’s general struggles to balance a career and family life, and to seek empowerment and financial stability in a patriarchal society. However, these narratives have little basis in reality, and serve to support capitalist institutions rather than the individuals involved in MLMs.

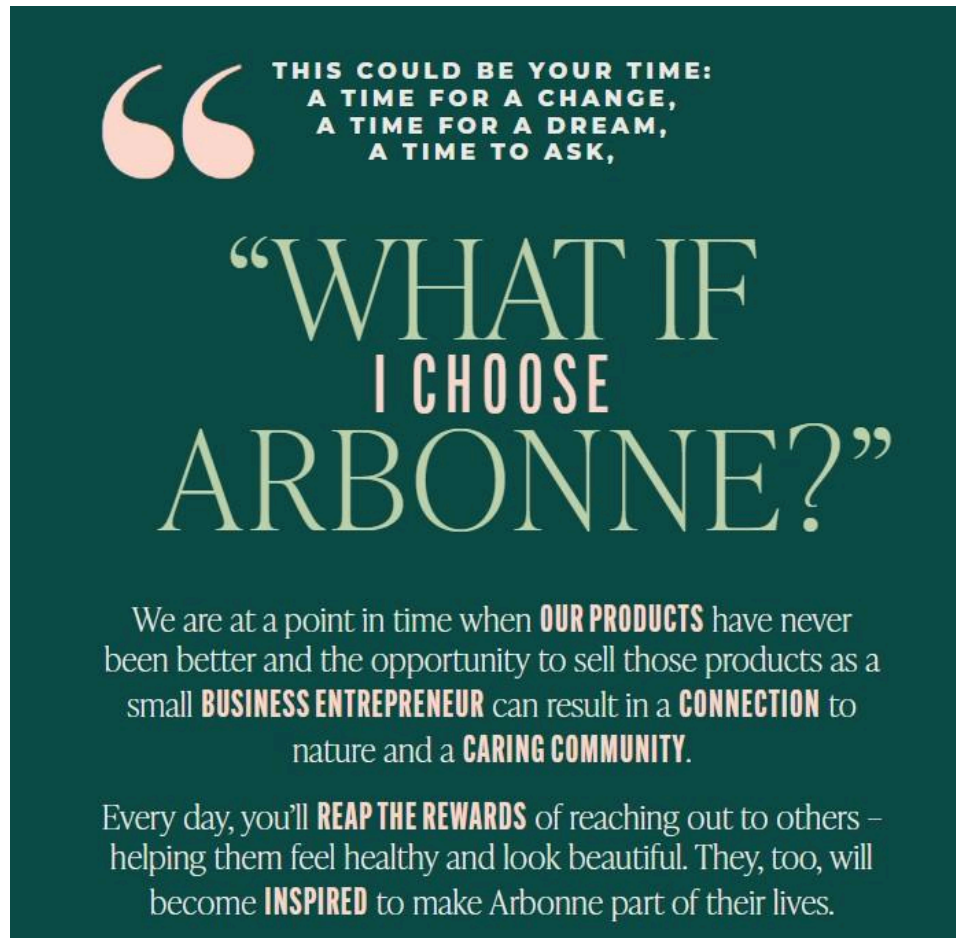


Figure 01, Opportunity Brochure, Arbonne, 2024

These narratives are present in how Arbonne is marketed as a business opportunity. Their “Opportunity Brochure” (fig.1) uses language to construct a particular reality that joining Arbonne is an inspiring and fulfilling opportunity. These may seem singularly like harmless statements, but the harm in such statements arise when they form particular “truths” which are not in alignment with reality. One example of how this manifests in MLMs is through their presentation of earning potential. According to Arbonne, top tier earners in the organisation can earn up to \$441,637 per year. However, typically for a new recruit, average yearly earnings are more likely to be approximately \$172. This

figure does not even include business expenses such as the \$99 welcome kit, renewal fees, event registration fees, travel, supplies, etc (Arbonne, 2022). MLMs often present misleading information with regards to earnings by presenting an average income, which is skewed by the inclusion of a few high earners, rather than presenting what is actually typical for sellers (Vander Nat, 2020). Studies suggest that 99.6% of those involved in an MLM actually lose money (Wrenn and Waller, 2021, p.425). Indeed, a deeper look into the expenses spent for sellers support this statistic. An example of one event includes a three day conference in Las Vegas for which the registration fee was \$349. The products one is expected to sell are another costly expense for sellers. Arbonne's "30 Days to Healthy Living" set costs \$320.40 for sellers, and there is no guarantee of being able to sell the product to make a profit. This demonstrates how MLMs can misuse information and statements to falsify a particular narrative. The narratives they present construct a particular "truth", which is an exercise of power that perpetuates specific exploitative power dynamics within MLMs.

Discipline is a concept that is central to Foucault's ideas about power and knowledge, as it is used as a strategy to exercise power (Danaher, Schirato and Webb, 2000, p.50). In particular, Foucault wrote extensively about the prison system, as it is a prime example of a societal institution that employs disciplinary power. As prisoners are condemned for going against society's rules and values, they can legitimately be punished (2000, p.52). Rehabilitation for prisoners involves monitoring and coercion, being made to perform repetitive tasks, and being continuously questioned about their values, attitudes, and behaviour (2000, p.52). Prisons could be seen as a micro-society

within wider society, due to possessing its own hierarchies and social networks, rules, codes of conduct, and procedures (2000, p.52). Many of these elements of the prison system could be applied to how MLMs function. Firstly, the pyramid structure of MLMs presents a clear hierarchy. MLMs in themselves act as agents of socialisation for those involved, which could render the MLM an institution in itself (Groß and Vriens, 2019, p.339). MLMs enforce a tight social network, with daily communication between uplines and downlines, which results in those higher up in the hierarchy colonising almost every aspect of the individuals' lives, including personal relationships, views and values, and aspirations for the future (2019, p.339). Blogger Elle Beau (2017) details her own experiences of being in an MLM, and describes how she was coerced into spending more money, despite not making her original investment back, under the guise that she needed to invest in her business, believe in the business, and have a positive attitude. As pointed out by Groß and Vriens (2019, p.340), the power of socialisation within MLMs can impact an individual's capacity for critical thinking and to reflect on the situation. "Positive thinking" discourse permeates MLMs (Shields, 2021), and it is likely a useful strategy employed to deter those involved from questioning things or doubting the company. This further demonstrates how discourse can be used to exert power, but also how MLMs employ tactics to influence an individual's values, beliefs, and behaviours, just as the prison institution aims to do.

Another disciplinary tactic discussed by Foucault is that of "the gaze". This refers to monitoring and surveillance that is pervasive not only in prisons, but throughout wider society (Danaher, Schirato and Webb, 2000, p.54). Social media is one example of how

the gaze manifests. Individuals who use social media become subjects of the gaze when they are looked at and perceived by others. However, social media also provides a fitting example of how the concept of the gaze can be directed inward. Socialisation causes us to become subjects of our own gaze, where we monitor our own bodies, feelings, and behaviours (2000, p.54). In the context of social media, users tend to curate and present an idealised version of themselves, based on what they perceive to be in alignment with societal expectations and norms. Monitoring and surveillance is one disciplinary tactic employed by MLMs. Sellers are expected to be highly active on social media and to utilise it as a platform to both sell the products as well as to engage with potential recruits (Beau, 2017). The use of social media means that the behaviour and activity of sellers can be constantly monitored by their uplines. Further to this, it is common for uplines to monitor the sales and progress of their downlines (2017). This demonstrates how MLMs have utilised the rise of social media to their advantage, as it enables close monitoring and surveillance.

There is a gendered aspect to discipline, as it often seeks to reinforce gender norms. According to Foucault, the aim of disciplinary powers is normalisation (Paternek, 1987, p.97). Disciplinary technology exists throughout various institutions, and is exercised through both legal and social sanctions (1987, p.98). MLMs exploit normalising power by utilising and reinforcing certain gender norms. Research suggests that women are viewed less favourably than men as potential leaders within the workplace. This is due to gendered expectations of behaviour in women being inconsistent with qualities attributed to leadership (Bullough *et al.*, 2022, p.987). For example, women may often

be seen as more passive, emotional, and nurturing, whilst men may be seen as more assertive, authoritative, and logical. This results in less positive attitudes towards women achieving leadership roles, which creates obstacles for women in work to fulfil leadership positions and climb the corporate ladder. With this in mind, the appeal to join an MLM becomes apparent, as it offers women the opportunity to be their own boss, join a supportive community, and be in control of their own business. Domestic responsibilities, such as childcare and housework, are still generally seen to be women's responsibility, despite increased expectation for women to work and maintain successful, fulfilling careers (Aldossari and Chaudhry, 2021, p.827). This creates a struggle for women to balance work and home life.

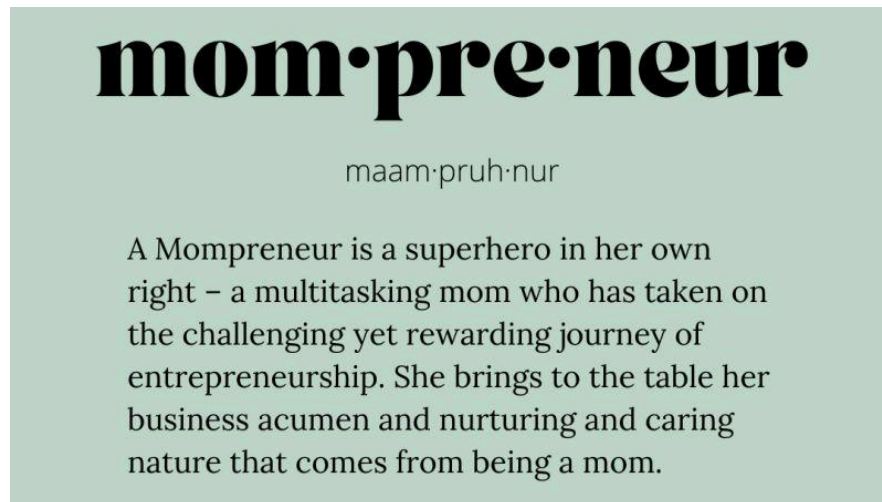


Figure 02, Mompreneur Graphic, The Virtual Workhorse, 2023

“Mompreneur” is a related phenomenon and a category assigned to women who are both entrepreneurs and mothers (fig.2). Qualitative research indicates the reasons for mothers wanting to start their own businesses are numerous, including time freedom,

fulfilling one's passions and ambitions, autonomy and independence, social status, income, challenges, and contributing to society (Dhaliwal, 2022, p.7-8). This highlights the many multi-faceted reasons that an MLM might appear to be the perfect opportunity for many mothers. Family and motherhood is found to be a central theme in recruitment processes, by presenting direct selling as a flexible job that allows sellers to prioritise family time (Pearce, 2024, p.11). However, this is seldom the reality of direct selling because, simply put, balancing work with raising a family is hard work, for which there is unlikely to be a simple or easy solution. Many "mompreneurs" have found maintaining a work/life balance to be very challenging, with the struggle to balance business with caring for one's children resulting in burnout and emotional difficulties (2022, p.9). This highlights a significant gender imbalance with regards to business which stems from different gender expectations, which continue to place domestic responsibilities onto women. This in turn sheds light on how and why MLMs are able to target specifically women, as recruitment tactics tend to take advantage of the societal pressures women face to "have it all", and to fulfil various demanding roles.

Exploring MLMs through a Foucauldian lens can highlight the ways in which they exert power through knowledge, discourse, and discipline in order to target and exploit women. According to Foucault, power is everywhere, and exists as a set of forces that utilise certain strategies and tactics to influence others. Knowledge and truth is closely associated with power, as it is produced through power relations. Further to this, language and discourse is used to construct knowledge. MLMs heavily rely on discourse to shape certain truths that can be used to recruit women. Pseudo-feminist

rhetorics, such as that MLMs can help empower women, are an example of how MLMs use discourse as a strategy for recruitment. Additionally, MLMs often present deceptive information, such as skewed average earnings rather than typical earnings, to present a falsified picture of how MLMs can lead to financial gain. There are a number of parallels between how MLMs and prison systems utilise disciplinary technology, which is another strategy employed by MLMs to harness and exert power. Examples of such disciplinary technologies include surveillance and monitoring, coercion, and socialisation to instil particular views, values, and beliefs. MLMs utilise the normalising power of disciplinary technologies by perpetuating gender norms and expectations, such as the expectation to be both a successful businesswoman as well as a mother and a homemaker. Women who struggle to successfully fulfil these roles are socially sanctioned by being made to feel not good enough, and the challenges that arise in meeting these unbalanced gender expectations can result in stress and emotional difficulties. MLMs exploit this by offering women a way to fulfil these expectations. However, the hierarchical structure of direct selling means that the majority of women who get involved are likely to lose money. A Foucauldian perspective provides a way to understand the multifaceted dynamics of women in MLMs, and how power is used and exploited.

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