

**THE TENDENCY AMONG UNIVERSITY STUDENTS IN
CHOOSING MULTILEVEL MARKETING AS A CAREER
OPTION: MODERATING ROLE OF SOCIALLY
UNDESIRABLE**

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MODERATING ROLE OF SOCIALLY UNDESIRABLE

By

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Abstract

This study focuses on the factors that influence the tendency among university students in choosing multilevel marketing (MLM) for a career option. This study was conducted in Indonesian universities in Jakarta. Specifically, this study examines the following factors: stable income, flexible time, entrepreneurial spirit, tendency among university students in choosing MLM as a career option and a moderator, socially undesirable.

A quantitative methodology with a survey technique was used in this study. The survey was conducted at selected universities in Jakarta, Indonesia; with a total of 570 respondents. Linier regression analysis was employed to test the proposed hypotheses.

This study found that stable income, flexible time and entrepreneurial spirit have a significant influence to the tendency among university student in choosing MLM as a career option. Moreover, the moderating was also found to be significant.

This study contributes in understanding more about the way university students see MLM industry. As the number of graduates among increases steadily, MLM should be seen as an employment opportunity rather than embarrassment.

Keywords: *stable income, flexible time, entrepreneurial spirit, university student, socially undesirable*

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Chapter 1: Introduction

1.1 Introduction

This chapter outlines the research problem, research questions, objectives of the research, contributions of the study, research methodology and thesis outlines.

1.2 Problem statement

Increasing total population in Indonesia has made employment opportunities become limited. As higher learning institutions (i.e. universities, specialized colleges and polytechnics) are reaching rapidly and the graduates are struggling to get a decent job.

Potentially, multilevel marketing businesses are rapidly increasing (Taloo, 2007) therefore could be an interesting career option. Multilevel marketing offers flexible working time and training for new recruit. Besides, multilevel marketing allows the students to earn two sources of income, based on primary job and secondary job (Sparks and Schenk, 2000). Psychologically, having a job at young age can make a student feel special mentally and physically (Giddens, 2000).

Despite the fact that multilevel marketing is a growing business in the future, little is known about the students' tendency to choose it as a career option. There is nothing wrong with selling and doing MLM business (Bloch, 1996). Meanwhile, students might delight in the MLM business which today can easily access from modern social network (Emek, *et al.*, 2011).

Based on this situation, this study reviewed the literature for possible factors that may influence the students' career option, specifically in the context of multilevel marketing.

1.3 Research questions

In particular, this thesis addresses the following research questions:

RQ1: What factors influence the student's preference in choosing multilevel marketing as a career option?

RQ2: Does socially undesirable impact the student's preference in choosing multilevel marketing as a career option?

1.4 Research objectives

The purpose of the study is to examine the factors that may influence the students' preference in choosing multilevel marketing as a career option in

the future. In relation to this objective, this study also investigates the moderating effect of socially undesirable in the relationship between the factors that might influence the students' preference and tendency of MLM as a career option.

Chapter 2: Literature review

2.1 *Introduction*

The following literature review provides the foundation for the conceptual framework and research hypotheses. Each construct is selected based on its relevancy and suitability in representing the MLM industry. The constructs in the conceptual framework will be explained and hypotheses are proposed. The chapter concludes with the depiction of the conceptual framework for this study.

2.2 *Stable income*

Having income independently is the reflection of an individual capability in building a comfortable life (Green and Nelson, 2007). Income is part of a daily source of needs and can grow through investment (Sweeney, 1933). Income is settling up people's economic condition and adequacy by fulfil their daily basis sufficiently. Meyer and Sullivan (2003) have suggested that the level of economic consumption is measured by income. Income stability would measure the individuals' potential capital to adjust his/her daily requirement (Mayer, 1997).

According to Ziliak (2003), when income is unmatched with the average lifestyle, a person may opt for many little lifetime incomes to equate with

high lifetime income and demand. By having a stable income, the individual would define that he/she can achieve and fulfil their lifecycle demands and control their income and spending. Stable income is literally the way to save money and planning for the future personal development. Pischke (1995) argued that stable income is very important to assemble life-phase consumption in every individual decision. It is important for the individuals' survival and the preparation for the future.

Based on psychology studies, Tang *et al.*, (2003) have described income as a motivator. Having adequate income is income can indicated with money crucial in creating a conducive environment and vice versa can create a disaster if misuse it. According White and Rogers (2000) cited in Bradbury and Norris (2005), economic theory sees a low income and instability condition would trigger pressure and tension as well as a separation of the couple.

According to Soto and Luhmann (2013), income stability is definitely affect life satisfaction, because in general, more money means more joy. Based on *Family Income Journal*, income is important to place a family in a social hierarchy and quality of life (Mansfield *et al.*, 2013). The way how the patriarch treats the family members shows the ability to be independence. It signify the earning power, especially how the family can raise their children and provide primary compliance (Keitner, Heru, and Glick, 2010; cited in Mansfield *et al.*, 2013).

Stable income is also can be used to calculate the consistent modification in the good fortune of life (Gardner and Oswald, 2007). Jenkins (2011) has argued that for that reason the income fluctuate, it would affect the quality of life and surely income stability would be disturbed. Stable income may create joyfulness of life and income might be the major priority to build a happy life, comfort-sense and confidence.

2.2.1 The concept of income

Crandell (1935) described income as an adequate existence of entire private response and dissimilar achievement in different periods and habitation. Based on Weitzman (1976) and Asheim (1997); cited in Sefton and Weale (2006); every user has different level of consumption. Income represents the settlement and source of capital for beginning and finale of life-cycle.

According to Ferguson *et al.*, (2003) the concept of income cannot be determined from permanent capital or income which can directly provide the general requirement of livelihood, considered by luxurious property, appropriate education, or expensive monthly capital for the generation. The standard concept of income is when the purpose of income can be portrayed in compliance with the daily basis of requirements (Townsend, 1985; Singh, Squire and Strauss, 1986; cited in Ferguson *et al.*, 2003). On the other hand, the amount of income and its adequacy vary from individual to another and

certainly a prominent indicator in social stratum when dividing between rich and poor in the society (Oaxaca and Ransom, 1994).

Based on Fisher and Graves (1939), the concept of income is well-defined as “a flux of service throughout the time and capital sources as a quantity of wealth which is existing at a particular immediate of time”. Income relates to how people arrange and plan the quantity of life according their ability (Plehn, 1924). Based on psychology studies cited from Easterline, (1973, 1995) in Boyce *et al.*, (2013) a huge sum of preceding study indicates that advanced income is related with superior life fulfilment and inferior stages of psychopathology (cited in Wood, Boyce, Moore and Brown, 2012).

2.2.2 Source of income: full-time job and part-time job

A working student is often mistaken as a time-wasting activity that may prohibit him/her from concentrating on study (Olesia and Simona, 2006). Simultaneously, student’s life is packed with assignments, extracurricular, and etc. Hence, by having a job, a person is expected to build a bright career and achieve the whole things that have been planned. According to Moen (2005), a career helps people to have something to talk such as the conversation historical nature of their lives; their previous experiences, their current conditions, and upcoming predictions, nevertheless of whether their work-related course is solicitous, discontinuous, or disorganized.

A career is central in creating the social arrangement that define the range of estimated manners and interactions (Barley, 1989; cited in Moen, 2005). Tang and Kim (1999) have divided the career into full-time and part-time job as the means to obtain income. Wittmer and Martin (2013) describe that full-time job give an optimistic diversity of thought and experience either to learn how to handle the physical and emotional asset in workplace. Students working full-time can observe the workplace issues and looking both side positive and negative likewise how to implement the theory at class either practically at office McKee (2000).

Curtis and Williams (2002) reported that since 1990s the number of part-timer has snowballing to enhance income for the period of tenure. By having part-time job, students could multiply their pocket money for saving, having vacation, and many more.

Full-time and part-time job are very much different in many aspects such as the system of the workplace's portion of working and training (Thorsteinson, 2003). All in all, when people move in the field of work with money as the objective, they may transforms their insights regarding the determination and the nature of their work also their essential and inessential motivation (Tang and Kim, 1999).

2.2.3 Income from student perspective

Being university students require lot of money. They need money for tuition fees and paying debt after graduation (Curtis and Lucas, 2001). According to Quintanilla and Claes (1996), the need for income certainly the primary reason why they work part-time. In addition, the requirements and expectations from the company or organization that operates traditionally 9 to 5pm are not suitable with a student who is still engages with education and has not yet graduated. Therefore, from business perspective, performance and inexperienced are the main factor why youth are work on temporary contract basis (Quintanilla and Claes, 1996).

Because young grown person have been raised in an exclusive and drastically altering situation; consequently, the dynamics which prime to obsessive purchasing in this age group is justified (Roberts, 1998). Income is needed to live up to their own-personal life by having working experience rather than ask money from parents. When the university students are ready for permanent employment, it is important for them to demonstrate excellently wide-ranging talents such as an effective communication and presentation skill (Taylor, 2003).

2.2.4 Multilevel marketing as the source of income for university students

According to Corson (1952) there are many sources of income which are; (1) earning from self-employment; (2) from individual savings; (3) benefit payment from private insurance; (4) old age assistance; (5) contributions from relatives. The possible sources of income are termed as the *plan for future* and monthly income. After the youth can afford their own-budget and expenditure, it shows that they can survive in maturation and are able to fulfil the daily needs (Oswald 1997).

In general, students ought to fulfil their financial needs like other grown person. For that reason, student's financial condition is always in shortage (Anthony, 1999). The need for money forces the students of having to work income while studying. This condition is called *redeemable sum amount of money for future existence and monthly income*.

Break (1954) maintained that there are certain explanations from previous research of *saving money concept* and *plan for future*; such as *replacement value capital maintenance* and *prospective-income capital maintenance*. The concept of saving money at the young age basically is for fulfilling the upcoming life objective. Multilevel marketing offers a solution for that purpose.

2.3 *Flexible time*

The vibrant era of business has force people to work extra time and sometimes be more flexible (Wu and Passerini, 2013). The interest in flexible time shows that time still the main interests for every individual, especially to encourage the solidity of working productivity (Davenport and Prusak, 2000; Wu and Passerini, 2013).

Hard time in office has made many employees feel discourage and stressful. The need for flexible time creates pressure for workers (Kattenbach, *et al.*, 2009). In business sector, flexibility is sometimes needed to avoid from business uncertainty (Li and Kouvelis, 1999). Flexibility can be in any form of such as; technology ability, delivery in-time, outsources goods, etc.

Normally, flexible time is related closely to business arrangement. Flexible time seems to be two ways collaboration and the solution to organize and balance work, family and socialize life. As suggested by Managerial Law (2006), in European Union (EU) for example, flexible time must be introduced with humanity rights.

2.3.1 *The concept of time*

The concept of time varies from one person to another (Boodin, 1905). It depends on the individual personality and lifestyle. Based on Wu and

Passerini (2013), the nature of time is dynamic, and it has many dissimilar category of depiction, which can be generally grouped as; (1) neutral time, (2) frequently stated by clock time and (3) on a social basis has built time. Diversity in social life and cultural perspectives, such as the splitting of work time and intimate time with family or else relatives has an effect in defining time.

According to Jones and Hood (2010) the concept of time refers to the focus on how to compact and maximize time orientation in a daily basis. The following are the concept of time from the literature; 1) people can master their level of time; 2) time orientation is relatively adjusting the time schedule to avoid any clash; 3) time orientation is creating individual to have self-control and promptitude; 4) time can be measured to short-term and long-term situation. 5) through having proficient timeliness, an individual can balance between socialites and business errand just-in-time.

As a philosopher, Henri Bergson on Marrati (2005) explained that time has set-out for human agenda, assembled a perfect delinquent that has developed the pattern of knowledge. Concept of time has become the quantity for individual on how to arrange their lifestyle and how to respect the condition all over the place in life existence. According to Mosakowski and Earley (2000) concept of time is contrast radically among persons and cultures. As Mead (1938) has suggested, time is crucial as part of the human timetable.

By managing time, human can be called as an intelligent creature on earth (Flaherty and Fine, 2001).

2.3.2 *The time management*

The time management is about how people organize and restraint their time in life (Crossan, *et al.*, 2005). An organization has particular nature of experience to run the business by manage the time correctly. The organization or company can predict the extra time needed for certain activities (Stalk and Hout, 1990 on Crossan, *et al.*, 2005).

Apparently, time management is the major factor to maintain progress and enhancing job performance in an organization or company (Burt, *et al.*, 2009). Nicholls (2001) proposed that, effective time management is the strategy to avoid urgency. Proper time management is needed to adjust with a tight schedule. It contribute towards group achievement and consequently having remarkable result of the performance (Janicik and Barte, 2003; Burt, *et al.*, 2009).

According to Eilam and Aharon (2003), the term time management is essentially ambiguous. The fact is time is invisible, therefore is an unreachable element. Merely, the way somebody deals with the time that matters. Time management can be seen as a system of observing and directing time. Therefore, psychologically, that is why only a small number

of people can be categorized as a multitasking person; because the way they maintain time management can be rated by the maturity and within certain period of time.

Furthermore, bad time management would make pressure and displeased of job achievement even decreasing job accomplishment (Burt, *et al.*, 2009). It can easily have an impact to the personal life or even society. Bad time management may cause the failure of strategy and misrule of time management system for each individual which is equal to under pressure (Heaney, 2001).

In many situations, time management can be labelled as “urgent” (Nicholls, 2001). By putting an “urgent “ label, there would be compulsory way to get an attention and turn the negative perspective that time can no longer manageable. Claessens *et al.*, (2007) maintained that the deficiency of time management can cause delay in controlling the surroundings.

2.3.3 Time in multilevel marketing industry

According to Nga and Mun (2011); multilevel marketing is typically a direct selling where products or services are distributed by the agent to the customer through personal contact without the need for permanent business location. Multilevel marketing on the other hand does not have a place or permanent office for the employees.

Therefore, In MLM business students can adjust the time between their schedule and working in this industry (Bloch, 1996). By involving in MLM students would be able to combine communication skill, business and management, accounting and finance; as well as entrepreneurship (Nga and Mun, 2011).

MLM businesses are sending the message that this business would be the correct decision to earn money while schooling or part-time job. According to Nga and Mun (2011), MLM needs to come out with a more understandable structure so that many people are attracted to join them.

There are issues of working environment that influence the system and productivity of work in permanent office (Duffy, Ganster and Pagon, 2002). Many factors can cause stress among worker in permanent workplace (Rook, 1992). By having good time flexibility in working; people easily adjust their workload and consequently reducing stressful job task in office (Kattenbach, Damerouti and Nachreiner, 2009).

Multilevel marketing participants have possession of self-regulating home-based industry; as they do not need to control the business in one place or get quarantined from one to another (Sparks and Schenk, 2001). The important aspects of multilevel marketing is independent contractor, their job accountabilities tend to be wide-ranging, however they control the quantity of time flexibility and allocate to their distributorships. Participants hold

responsibility for all phases of items sales from tracing prospects to finishing each other (Podsakoff, 1990 on Spark and Schenk, 2001).

2.4 *The concept of entrepreneur*

According to Tseng (2011), entrepreneurship is about managing own-self and particularly how to bring the own-system of business to gain more profit independently. Entrepreneurship is how to manage the skills and find the path to learning and increase further experiences. Numerous economic value of entrepreneurship, starting from monetary return, job creation, and innovation is well documented (Carree and Thurik, 2010; Lee, Yamakawa, Peng and Barney, 2011, Ucbasaran *et al.*, 2013).

Entrepreneur was “born” from the blunder formal education system (Neck and Greene, 2011). Multilevel marketing is almost similar to entrepreneur in the sense of creativity and uncommon action (Kayes, 2002).

In practice, entrepreneurs play a major role in economic condition especially in uncertain economic and political situation (Jiao, 2011). They venture into new businesses without hesitation. Entrepreneur has drawn as liberated term in pursuit of freedom and making-own-money, likewise the concept has settled, ripe and established vision of socially implanted (Clarke and Holt, 2010).

Kuratko *et al.*, (1997) have suggested that entrepreneur develops based on personal orientation as well as idealism. The purpose of becoming an entrepreneur covers the following; 1) obtaining own-treasure, 2) upgrading opportunities, 3) maintaining own-independence and, 4) safeguarding and guiding own-fortune.

Generally, an entrepreneur arises from former people in business organization situation named practitioner. Practitioner evolves into an entrepreneur by building his own-business based on previous knowledge and experiences (Perren and Dannreuther, 2013).

Young and Tilley (2006) maintained that entrepreneur gives an attention to sustainability of environment and humanity. Entrepreneur creates many jobs in his field of expertise. Indirectly, entrepreneur helps the government in creating job opportunity thus reduces an unemployment (Santiago, 2013).

Nowadays entrepreneurship has become an important subject at school and university, purposely design to teach students to be an entrepreneur (Hynes and Richardson, 2007; Nabi and Holden, 2008 from Mohamed *et al.*, 2012). By having a little understanding about entrepreneurship, it is hopes the students are able to venture into a new business are in the future.

2.4.1 Characteristic of entrepreneur

According to management philosophy, Rowley (2000) proposed that entrepreneur provides a new knowledge that may affect the way of thinking of the general public especially the workforce. Entrepreneurship has always being described as an individual who can survive in their own business; might be the owners or managers (Benito *et al.*, 2009). Based on psychological studies, entrepreneur is frequently works in condition that are, by description, original, impulsive, multifaceted, and focus to high time pressure (Baron, 2000).

Based on Holt *et al.*, (2007), there are some characteristic of individual entrepreneur (Zhao and Siebert, 2006; Costa and McCrae, 1992), which are; *extraversion, agreeableness, openness, conscientiousness, and neuroticism*. Extraversion means that entrepreneur must be outgoing, open minded, self-confident and dynamic. Agreeableness means that entrepreneur character must be sense of believing, obedient, and have sense of philanthropy. Openness means that an entrepreneur must be creative, visionary, original, and innovative. Conscientiousness means that he/she as an entrepreneur must have systematic, self-assured, and trustworthy. Finally, neuroticism means that an entrepreneur must be concerned, strained, and self-doubting.

A research done by Lumpkin and Dess (1996) proposed that there are five dimensions of entrepreneur characteristic and orientation; 1) *Innovativeness* –

when idea can be maintained and encouraged as fine as probation and sense of originality 2) *Risk-taking* 3) *Proactiveness* – it's expected that entrepreneur must be a first player in at least their class and/or level of market, likewise are able to expecting upcoming events or risks. 4) *Competitive aggressiveness* – do some tremendous action for saving the future entrepreneurial business in market place and setting some strategy to bear with any conditions and 5) *Autonomy* – when an entrepreneur is capable to making a decision.

According to Ronstadt (1983); cited in Nair and Pandey (2006), twenty-five and fifty-five years old is the most aggressive age for an entrepreneur. Entrepreneurs deliver trade and industry management to fix up intermittent dynamic modification by compelling means of fabrication into original network (Nair and Pandey, 2006).

As suggested by Roberts (1991a) and Steffensen *et al.*, (1999), the entrepreneur is associated with risk taking. Therefore an entrepreneur usually come out with the most highly different market strategy, strong of innovative performance and playing in cost leadership intelligently (Lechner and Gudmundsson, 2014).

2.4.2 Entrepreneur in multilevel marketing

Multilevel marketing begins in America (Sparks and Schenk, 2001) before growing to other parts of the world. Some of the examples of the well-known multilevel marketing companies in the world are Amway, Tupperware, Nutrilite, Avon, Herbalife, Oriflame, Mary Kay and etc. Typically of the products are cleaners, vitamin and supplement; cosmetics and etc.

According to Tallo (2007) multilevel marketing is traditionally based on direct selling, and has become the oldest way of communication with customers. Multilevel marketing or else named relationship marketing or else network marketing might be considered as a facet of entrepreneurship (Zontanos and Anderson, 2004).

Entrepreneurship and marketing are closely related jointed as a good entrepreneur should be able to apply of marketing concept (Day *et al.*, 1998). As an entrepreneur that work in multilevel marketing industry, he/she might have strong relationship to the network (Beatty *et al.*, 1996), in the context of MLM it is called the “*upline*” (supervisors) and “*downline*” (subordinates) (Kong, 2002).

The concept of entrepreneurship in multilevel marketing has been described extensively (Sizovaite and Paschaloudis, 2011). MLM enables an individual

to -up income within few hours, or working periodically, in a week, a month; or else depends on our personal timetable (Bloch, 1996).

Essentially, multilevel marketing is purely in search of more revenue or recovering a missing wages (Wilson, 1999). Multilevel marketing can build up an independent and self-sufficient of small-business thus creates an entrepreneur.

2.5 *The concept of tendency*

Based on psychology studies, tendency is something that could be the subject of influence (Lammers, Stoker and Stapel, 2009). Likewise, in social studies scientist illustrates that the tendency explains how people behave with certain manner (Grossmann and Vajrnum, 2010). Tendency stands as a measurement of human behaviour which connects to the positive and cognitive aspect of social life. According to sociological theory explanation that concept of tendency is concerning with socioeconomic that has close relationship with professional prestige of income (Oakes and Rossi, 2003).

According Garcia *et al.*, (2013), while the tendency to self-evacuate is paralleling us to others, it means that an essential basis of competitive behaviour is equated with social comparison. At the same time, sense of survivor and guide the competitive attitudes and behaviour thus for that reason competition is universal and pervasive in every aspect of life. Gibbons

and Buunk (1999) maintained that individual dissimilarities have emotional impact hence creates tendency.

All in all, the sense of survivor in every individual affects behaviour, attitude and intellection. Hashim, Wok and Ghazali (2008) have suggested that tendency generate interest among colleagues. Emotion plays a major component in influencing individual's tendency (Barsade, 2002). In addition emotions are sensations that have both physical and perceptive components which stimulate behaviour and build tendency (cited in Feldman, 1999). Lalljee *et al.*, (2009) have suggested that the major source of respect is from affiliation. Brown (2003) maintained that tendency relates with individual mental health therefore needs to be comprehended and control.

2.5.1 The tendency of student choosing multilevel marketing (MLM) as career option

Multilevel marketing or well-known as direct selling is a business which builds confidence and trust between a member and customers (Poon, Albaum, and Chan, 2012). The stronger the trust means the closer to the buyer and profit achievement. This connection later transforms into loyalty (Newell *et al.*, 2011).

According to Frels *et al.*, (2003) network marketing is also well-known as relationship marketing. Yoo and Donthu (2002) have emphasized that

marketing education and individual values blend together causing tendency in the students' context. Students choosing multilevel marketing as a career option must understand the ethical factor and how to deliver the business to start getting pay in a great amount (Vitell *et al.*, 1993).

Al-Darmaki (2010) has suggested, literally university students require career counselling to develop their attitude, self-esteem and self-efficacy to for their future career. However, counselling is primarily design to seek the students' natural talent and decide which type of job that most suitable (Rochlen *et al.*, 1999).

Essentially, marketing relates to the individual marketing talent which is not posses by everyone. Despite the fact that some universities are having marketing as a major, it is not adequate. The class must be designed in developing an outstanding marketer particularly developing self-marketing skills (McCorkle *et al.*, 2003).

McCorkle *et al.*, (1999) maintained that there are various skills being taught to the students in marketing major, for example discipline related skills and support skills. Adapted from McCorkle *et al.*, (1999) discipline related skills are advanced with the preparation of self-control related knowledge or any facts. In marketing, these include the abilities of market development, fragmenting a market, setting a price strategy, or generating an ad. Students, regardless of education level or majoring, may obtain an advantage from

those support skills (McCorkle *et al.*, 2003). The lesson at university may increase the tendency among the students to choose multilevel marketing as a career option (Nga and Mun, 2011).

Network marketing or known as multilevel marketing is the organization or an enterprise that uses acquaintance to endorse the products and often negative connotation due to its manipulative practise. Likewise the business is fast becoming into entrepreneurial zeal in direct selling and/ or multilevel marketing that has created the fastest growing company (Dyer, 2001).

Another factor that cause the tendency of choosing MLM as a career option in marketing is the educator must motivate students to use appropriate skills, as well as a guidance on how to involve in the business world due to stiff business competition (McKenzie, Morgan, Cochrane, Watson and Roberts, 2002; in Bennett *et al.*, 2010).

2.6 *Multilevel marketing*

The society still has a negative perception towards MLM. It is always been regarded a phony business. However, once the understanding increases multilevel marketing can be a successful career (Kaeter, 2003).

According to Laczniak and Murphy (2006), multilevel marketing is designed to support ordinary people to do businesses during uncertain economic

circumstances. Through positive spirit, the MLM members can effectively arrange the target market for some candidates to join the MLM business. At core, marketing builds creativity so provide solutions in a competitive business environment (McCorkle *et al*, 2007).

MLM industry has a bad reputation with pyramid or Ponzi schemes (Nga and Mun, 2011). According to Koehn (2001), the authentic of MLM companies generate their revenue primarily through retail sales, incorporate buy back rules and do not command buying of training materials.

Multilevel marketing teaches and train their prospect *downline* on how to achieve the sales target (Kong, 2002). The training is mostly held in five star ballroom hotels. Besides MLM company usually gives bonuses and incentives, when the sales target has been achieved (Mswell and Sargeant, 2001).

2.7 Moderating variable

In this study, the moderating construct is socially undesirable. Moderating variable changes the relationship between independent variables and dependent variable (Walsh *et al.*, 2008). Olsen (2004) further explains that moderating represents a method or a factor that modifies the influence of an independent variable on a dependent variable. Likewise, the concept of a moderator enjoys a surge of reputation in marketing literature in recent years,

and scholars have acknowledged the importance for predicting the behaviour of consumer (Baron and Kenny, 1986; McMullan, 2005; Sharma *et al.*, 1981; cited in Walsh *et al.*, 2008). In this study, the moderating component is social undesirable.

2.8 *The concept of socially undesirable*

Ethical behaviour is important in marketing industry (Nill and Schibrowsky, 2005). People still look down to marketing related jobs because of lack of moral between salespersons and customers (Kidwell 2001; Yoo and Donthu 2002 cited in Nill and Schibrowsky 2005).

Bohns *et al.*, (2013) proposed that unethical actions are purposely directed at someone else. Under persuasive condition, people are uncomfortable to say “no” (Sabini *et al.*, 2001). MLM members are force to persuade the target clients and they will do anything to achieve their target sales.

The concept of socially undesirable in this study means that a salesperson have to do unethical behaviour in getting the clients therefore the salesperson value decreases gradually (Bohns *et al.*, 2013).

Moreover, people definitely can take different perspectives on what decisions are permissible when one’s interests oppose others (Sattler and Kerr, 1991; Van Lange and Kuhlman, 1994; cited on Folmer and De Crème, 2012).

Overall, ethical undesirable might be an issue if the salesperson applies ethical strategies and procedures when making decisions involving ethical problems (Singhapakdi *et al.*, 1999).

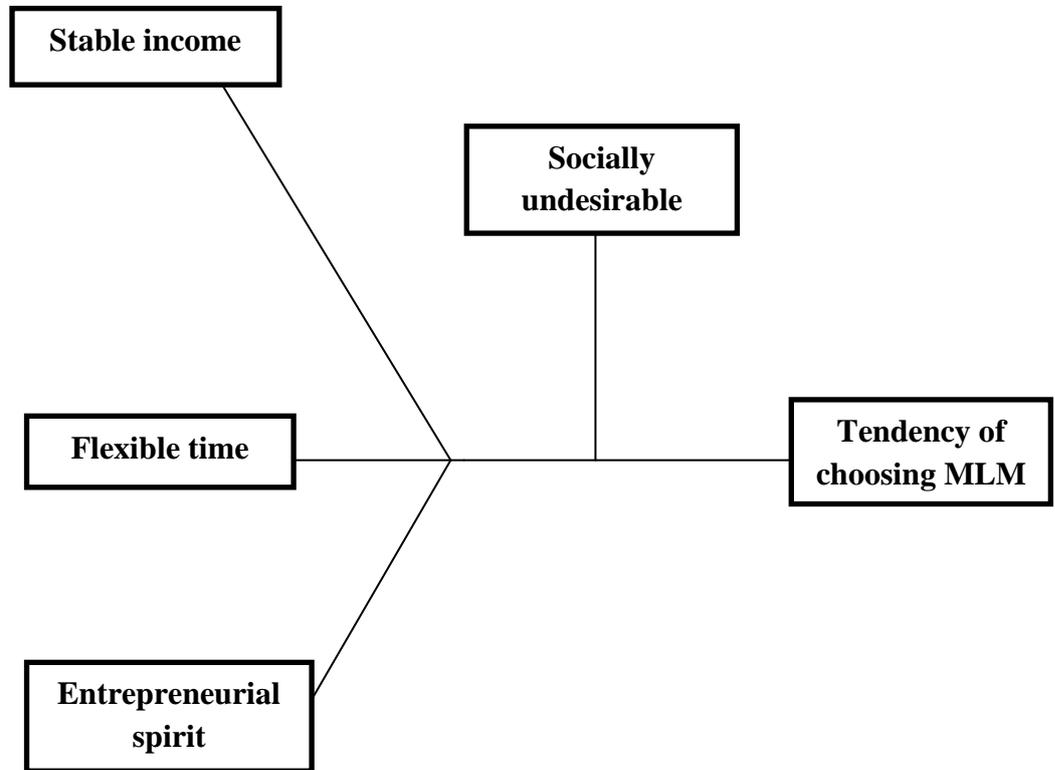
2.8.1 Socially undesirable in multilevel marketing

Marketing itself is turning into the dishonourable business purposes thus under critics (Laczniak, 1999). Burleson and Goldsmith (1998) suggest that that socially undesirable happen because of reassuring behaviour has not been controlled. Reassuring behaviour is communicative goes to improve the emotional distress of another.

According to Carrigan (2005), ethics is a dominant problem in marketing business as what is “good” and “ethical” and whether “good” and “ethical” have indistinguishable meaning. Crane and Matten (2004) suggested that moral principles are not real as the description of moral is based on the norms of the society.

2.9 Conceptual framework

Figure 2.1: Conceptual framework



2.10. Hypotheses

Hypothesis 1: Stable income is positively related to the tendency among university students in choosing MLM as a career option.

Hypothesis 2: Flexible time is positively related to the tendency among university students in choosing MLM as a career option.

Hypothesis 3: Entrepreneurial spirit is positively related to the tendency among university students in choosing MLM as a career option.

Hypothesis 4: The relationship between stable income and the tendency among university students in choosing MLM as a career option is moderated by socially undesirable.

Hypothesis 5: The relationship between flexible time and the tendency among university students in choosing MLM as a career option is moderated by socially undesirable.

Hypothesis 6: The relationship between entrepreneurial spirit and the tendency among university students in choosing MLM as a career option is moderated by socially undesirable.

2.11 Chapter summary

The next chapter will present the research methodology employed in this study.

Chapter 3: Research methodology

3.1 Introduction

The earlier chapter provided an extensive examination of the literature and this directed to the development of several research hypotheses. This chapter describes the research methodology employed by the researcher to test the hypotheses in this study. Firstly, by describing the research design and clarifying unit of analysis. Then the next phase of the research is explained on the research instrument, data collection, questionnaire design, and process of data analysis. The conclusions of this chapter will briefly explain in the context of the current study.

3.2 Research design

This study examines that *stable income* (X1), *flexible time* (X2), *entrepreneurial* (X3) and *MLM as a career option* (Y) through moderating role factor as a tendency of *socially undesirable* (M). This research is completed by descriptive research and based on Hair *et al* (2012) and the determination that the research must be done based on these three aspects, there are: (1) the nature of the initial decision problem, (2) the set of research questions and (3) the research objectives.

3.3. *Selection procedures of the unit of analysis*

According to Zikmund (2003) described that unit of analysis can be a particular group of people, an individual or the whole organization. The sampling procedure is using *convenience sampling* (Zikmund and Babin, 2010) because the research is finding people or units that conveniently available.

In this study, the researcher examines some university students in Jakarta, Indonesia. The reason was many universities students are still searching for a job for future and the factor of that has given particular influence to conduct this research. Despite the fact, multilevel marketing business is not the new one, yet still hesitates for some people to do.

3.4. *Unit of analysis and sampling elements*

The unit of analysis in this study is the university students in some universities in Jakarta and that was the time to do research by distributing the questionnaires and data collection period. The respondents were appropriately selected in seven days of data collection that started from *6 to 12 April 2014*.

3.5 *Survey method*

On the way to check the theoretical model, a survey method was selected for this research, which well-matched the nature of this study because it permitted a large number of respondents to be enlisted.

The survey method used convenience sampling that is drawn the expectations fundamental this design are that the target population are homogenous and standardized. Those similarities to the largely target population with regard to the characteristics being studied (Hair *et al.*, 2012).

In total 570 questionnaires were distributed, however only 500 were returned and used for data analysis.

3.6 *The instrument and survey procedure*

The university students who are still studying in universities in Jakarta were becoming the respondents. The number of students who attended universities was growing significantly on weekdays, for example Monday, Tuesday, Wednesday and Thursday. Due the large number of respondents, the researcher was considering building approachable distribution of questionnaires to avoid a lack of understanding of each item at that time.

The question used in the questionnaire was aimed to study the influence of stable income, flexible time, entrepreneurial and the choosing of multilevel marketing for career option with the major factor of socially undesirable when a student chooses multilevel marketing in future career. The questionnaire had to be finished on the spot by suitably particular respondents and give back directly. This was done to upturn the reaction frequency and arrange for a chance for the respondents for questions explaining if required.

3.6.1 The data collection approach

The researcher employed questionnaire as data collection methods. The questionnaire contains of five sections of statements, there are stable income, entrepreneurial spirit, flexible time, multilevel marketing as a career option and socially undesirable of multilevel marketing. The researcher was approaching university students to fill-in the questionnaire and ability to understand multilevel marketing business that far according to their understanding.

3.6.2 Measurement justification

The measures were developed as follows:

- a. Original items were first captured from prior empirical studies
- b. Modifications were made to reflect the context

- c. Throughout the pre-test (n=30) this was tested with potential respondents to establish clarity, relevancy and completeness
- d. Finally, taking all these into consideration the measures were then used in the questionnaire and found to perform well.

3.6.3 The questionnaire approval

After advanced and settled, the questionnaires were offered to several head of faculty in some universities which needs a permission of doing research in some universities in Jakarta, Indonesia. After all characteristics of the questionnaire were inspected including phrasing, design and directions, quite a few changes were made.

3.7 Questionnaire design

Questionnaires are frequently the optimum method of collecting information, data, material and sights. Nevertheless, a poorly planned questionnaire may get impracticable reactions or nothing at all. This fragment talk over quite a few matters connected to the questionnaire design for this study. The questionnaire has contained with six sections of independent and dependent variables and also demographic section to fulfil the respondent's criteria.

3.7.1 Questionnaire

This study contains the collection of most important data from a large numbers of individuals using a personally administered survey. The questionnaire was in form of self-achievement with a straight support from the researcher where needed.

3.7.2 Measurement and scaling

This study employed five point Likert-type scales. The benefit of using the Likert scale is that they are the most general method for survey collection, consequently they are easily understood.

Table 3-1: Scaling in the questionnaire

Construct	Response
Stable earning, entrepreneurial spirit, flexible time, choosing of multilevel marketing for career option and the major factor of socially undesirable to multilevel marketing	(1) Strongly disagree, (5) Strongly agree.

3.7.3 *Questionnaire content*

The key objective of the questionnaire was to assemble material about socially undesirable of the tendency among university students of choosing multilevel marketing as a career option in Jakarta, Indonesia. The questionnaire was expected to examine the numerous variables that could stimulus the social undesirable and the tendency among university students of choosing multilevel marketing as a career option.

3.7.4 *Questionnaire structure and sequencing*

The cover page was in print with a UUM logo, address, phone number and title of the project. The questionnaire consisted of six sections.

Section A: Stable earning

The questionnaire began by asking about the influence of stable earning offered within tendency of choosing multilevel marketing as a career option to the university students.

Section B: Entrepreneurial spirit

The following section seeks out to recognize an effect of entrepreneurial spirit toward tendency of multilevel marketing as a career option to the university students.

Section C: Flexible time

This section examined the influence of flexible time within choose multilevel marketing as a career option with the major tendency is socially undesirable.

Section D: The tendency among university students of choosing multilevel marketing as a career option

This section focused on the influence of multilevel marketing towards the tendency among university students in choosing multilevel marketing as a career option. Few questions was asking about the future job task in multilevel marketing industry, availability of training in multilevel marketing aspect and consider multilevel marketing as a good prospect career for lifestyle and future.

Section E: Socially undesirable

This section was to recognize the tendency of social undesirable to the multilevel marketing business among university students as target respondents in selected universities in Jakarta, Indonesia.

Section F: Respondents information

The last section of the questionnaire is to find demographic information from respondent.

Table 3-2: Questionnaire structure and sequencing

No	Section and variable	Sources
1.	Section 1: Stable earning	Adapted: Tang <i>et al.</i> , (2003), Tang <i>et al.</i> , (2002), Nga and Mun (2011).
2.	Section 2: Entrepreneurial spirit	Adapted: Burt <i>et al.</i> , (2010), Nga and Mun (2011).
3.	Section 3: Flexible time	Adapted: Dai (2012), Kent <i>et al.</i> , (2001), Santos <i>et al.</i> , (2012), Nga and Mun (2011).
4.	Section 4: Multilevel marketing as a career option	Adopted: Nga and Mun (2011), Dai (2012).
5.	Section 5: Socially undesirable	Adopted: Nga and Mun (2011), Dai (2012).

3.8 Data analysis procedure

This research uses two data sources. Firstly is primary data; data have been precisely composed for the present research project (Hair *et al.*, 2012, p.56). In this research, primary data were obtained directly from respondents by giving questionnaires.

3.9 Chapter summary

This chapter presents the appropriate procedural and methodological subjects and designate the research methods working in this study. Research design and research instrument are similarly obvious well-defined in this chapter. The following chapter will deliberate the data analysis and findings.

Chapter 4: Results and implications

4.1 Introduction

This chapter provides the analysis and explanation of the data collected. The validity and reliability test have been conducted for this study. Regression analysis has been used to test the hypotheses presented in Chapter 2.

4.2 Data analysis

4.2.1 Validity test

Validity designates how well an instrument can measure a specific concept. Validity test has been led on each item that makes up the research variable. Factor analysis method was used to measure the validity of the items. Validity test was executed using SPSS 21.

Table 4-1: Factor analysis and reliability statistics

Constructs	Items	Cronbach Alpha	Test
Independent variables			
Stable earning	A1, A2, A3, A4, A5, A6, A7, A8, A9	.707	KMO = .741 Bartlett Test of Sphericity = 786.889 Significance = .000
Entrepreneurial spirit	B1, B2, B3, B4, B5, B6,	.628	KMO = .701 Bartlett Test of

	B7, B8		Sphericity = 405.012 Significance = .000
Flexible time	C1, C2, C3,C4	.715	KMO = .611 Bartlett Test of Sphericity = 549.122 Significance = .000
Dependent variable			
MLM as a career option	D1, D2, D3, D4, D5, D6	.744	KMO = .778 Bartlett Test of Sphericity = 570.251 Significance = .000
Moderator variable			
Socially undesirable	E1, E2, E3, E4, E5	.638	KMO = .654 Bartlett Test of Sphericity = 389. 599 Significance = .000

If the value of Cronbach's Alpha (α) is greater than 0.6, then the instrument is reliable (Ghozali, 2006). Reliability test was performed using SPSS 21. According to table 4.6, it can be seen that the Cronbach alpha (α) coefficient of reliability on each variable is greater than 0.6. That means, all the items in each variable is reliable and can be used in this research.

4.3 Profile of respondent

The profiles of the respondents are shown below:

4.3.1 Gender

Table 4-2: Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	182	36.4	36.4	36.4
Female	318	63.6	63.6	100.0
Total	500	100.0	100.0	

Table 4.2 shows that there are 500 respondents, male 186 (36.4%) and female 318 (63.6%).

4.3.2 Age

Table 4-3: Age

	Frequency	Percent	Valid Percent	Cumulative Percent
below 20	59	11.8	11.8	11.8
21 - 25	275	55.0	55.0	66.8
26 - 30	136	27.2	27.2	94.0
above 30	30	6.0	6.0	100.0
Total	500	100.0	100.0	

Table 4.3 point out that from total 500 respondents, 55% aged 21-25 years (275), 27.2% aged 26-30 (136), 11.8% aged below 20 years (59) and 6% aged above 30 years (30).

4.3.3 Education background

Table 4-4: Educational background

	Frequency	Percent	Valid Percent	Cumulative Percent
Diploma	93	18.6	18.6	18.6
Bachelor	331	66.2	66.2	84.8
Master	59	11.8	11.8	96.6
PhD	17	3.4	3.4	100.0
Total	500	100.0	100.0	

According to table 4.4, total respondents are 500 and the majority of the educational background of respondents are bachelor degree with 331 (66.2%) respondents, follows by respondents on diploma degree with 93 (18.6%), master degree with 59 (11.9%) and doctoral degree 17 (3.4%).

4.3.4 School year

Table 4-5: School year

	Frequency	Percent	Valid Percent	Cumulative Percent
1st year	63	12.6	12.6	12.6
2nd year	190	38.0	38.0	50.6
3rd year	128	25.6	25.6	76.2
above 4th year	119	23.8	23.8	100.0
Total	500	100.0	100.0	

Based on table 4.5, the total respondents are 500 and the majority of the *school year* results of the respondents are *2nd year* with 190 (38.0%) respondents, follows by respondents on *3rd year* with 128 (25.6%), *above 4th year* with 119 (23.8%) respondents and *1st year* with 63 (12.6%) respondents.

4.3.5 Monthly earning

Table 4-6: Monthly earning

	Frequency	Percent	Valid Percent	Cumulative Percent
below 1.000.000	63	12.6	12.6	12.6
1.000.001- 2.000.000	162	32.4	32.4	45.0
2.000.001- 3.000.000	134	26.8	26.8	71.8
3.000.001- 4.000.000	90	18.0	18.0	89.8
above 4.000.000	51	10.2	10.2	100.0
Total	500	100.0	100.0	

Based on table 4.6, in term of *monthly earning*, there are 162 (32.4%) respondents with monthly earning IDR *1.000.001- 2.000.000*; 134 (26.8%) respondents with monthly earning IDR *2,000,001-3,000,000*; 90 (18.0%) respondents with monthly earning IDR *3,000,001-4,000,000*; 63 (12.6%)

respondents with monthly earning IDR *below 1.000.000* and 51 (10.2%) with monthly earning IDR *above 4,000,000*.

4.4 Hypotheses testing

The next stage is to test the sixth hypotheses proposed earlier in Chapter 2. A hypothesis testing is done to describe about the nature of the certain relationship, or creates the modifications among groups or the independence of two or extra elements in a circumstances. These hypotheses testing were done using linier regression on SPSS 21.

The following hypotheses are tested:

H1: Stable income is positively related to the tendency in choosing MLM as a career option.

H2: Flexible time is positively related to the tendency in choosing MLM as a career option.

H3: Entrepreneurial spirit is positively related to the tendency in choosing MLM as a career option.

4.4.1 Hypothesis 1

H1: Stable income is positively related to the tendency in choosing MLM as a career option.

Table 4-7: Hypothesis 1 output

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	286.180	1	286.180	24.965	.000 ^b
Residual	5708.770	498	11.463		
Total	5994.950	499			

a. Dependent Variable: MLM

b. Predictors: (Constant), INCOME

Table 4.7 shows that F value is 24.965 at significance level of $0.000 < 0.05$, while F table $df_1 = 1$ and $df_2 = 498$ at significance level of 0.005 is 3,860 it means $F \text{ value} > F \text{ table}$. All in all, stable income is positively related to the tendency among university students in choosing MLM as a career option.

4.4.2 Hypothesis 2

H2: Flexible time is positively related to the tendency in choosing MLM as a career option.

Table 4-8: Hypothesis 2 output

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	337.250	1	337.250	29.685	.000 ^b
Residual	5657.700	498	11.361		
Total	5994.950	499			

a. Dependent Variable: MLM

b. Predictors: (Constant), TIME

Table 4.8 shows that F value is 29.685 at significance level of $0.000 < 0.05$, while F table $df_1 = 1$ and $df_2 = 498$ at significance level of 0.005 is 3,860 it means $F \text{ value} > F \text{ table}$. Overall, flexible time is positively related to the tendency among university students in choosing MLM as a career option.

4.4.3 Hypothesis 3

H3: Entrepreneurial spirit is positively related to the tendency in choosing MLM as a career option.

Table 4-9: Hypothesis 3 output

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1019.889	1	1019.889	102.090	.000 ^b
Residual	4975.061	498	9.990		
Total	5994.950	499			

a. Dependent Variable: MLM

b. Predictors: (Constant), ENTREPRENEURIAL

Table 4.9 shows that F value is 102. 090 at significance level of $0.000 < 0.05$, while F table $df_1 = 1$ and $df_2 = 498$ at significance level of 0.005 is 3,860 it means $F \text{ values} > F \text{ table}$. In conclusion, entrepreneurial spirit is positively related to the tendency among university students in choosing MLM as a career option.

4.5 Moderating role variable

This section presents and discusses the moderating role variable of socially undesirable (M) on the relationship between the subsequent variables: (X1) stable income, (X2) flexible time, and (X3) entrepreneurial spirit and (Y) tendency among university students in choosing MLM as a career option.

In view of the above, the subsequent hypotheses are tested:

H4: The relationship between stable income and tendency among university students in choosing MLM as a career option is moderated by socially undesirable.

H5: The relationship between flexible time and tendency among university students in choosing MLM as a career option is moderated by socially undesirable.

H6: The relationship between entrepreneurial spirit and tendency among university students in choosing MLM as a career option is moderated by socially undesirable.

4.5.1 Hypothesis 4

H4: The relationship between stable income and choosing MLM as a career option is moderated by socially undesirable.

Table 4-10: Hypothesis 4 output

Constructs	Beta	t-value	df	Adjusted R²	F	Sig.
Stable income	.204	(constant) 11.019	2 497	.062	17.510	.000
MLM as a career option	-.135	(income) 4.667	499			

Socially undesirable		(undesirable) -3.102				
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Dependent variable: MLM

From table 4.10, the results indicate that $F(2,497) = 17.510$, $p < 0.05$ and the $\text{sig} = 0.000 < 0.05$ then one or both variable from stable income and socially undesirable is accepted or positively related on affecting the tendency among university students in choosing MLM as a career option. According to t-test, where $T = 4.667$, $\text{sig} 0.000 < 0.05$, it means stable income is affecting or positively the tendency among university students in choosing MLM as a career option.

Then, stable income is positively related to the tendency among university students in choosing MLM as a career option. Otherwise, socially undesirable has negative relationships to the tendency among university students in choosing MLM as a career option, based on statistic, where $T = -3.102$, $\text{sig} 0.000 < 0.05$. All in all, there is a relationship between stable income and tendency of choosing MLM as a career option is moderated by socially undesirable.

4.5.2 Hypothesis 5

H5: The relationship between flexible time and choosing MLM as a career option is moderated by socially undesirable.

Table 4-11: Hypothesis 5 output

Constructs	Beta	t-value	df	Adjusted R²	F	Sig.
Flexible time	.223 -.134	(constant) 10.996	2 497 499	.070	19.876	.002
MLM as a career option		(time) 5.138				
Socially undesirable		(undesirable) -3.091				

Dependent variable: MLM

From table 4.11, the results indicate that $F(2,497) = 19.876$, $p < 0.05$ and the $\text{sig} = 0.000 < 0.05$ therefore flexible time and socially undesirable on affecting tendency among university students in choosing MLM as a career option is accepted or positively related.

Based on t-test, where $T = 5.138$, $\text{sig} 0.000 < 0.05$ flexible time is affecting or positively related tendency among university students in choosing MLM as a career option. Otherwise, statistically, where $T = -3091$, $\text{sig} 0.02 < 0.05$ it means, socially undesirable is negatively related to tendency among university students in choosing MLM as a career option.

Then, flexible time is positively related to the tendency among university students in choosing MLM as a career option; however, socially undesirable

has negative relationships to the tendency among university students in choosing MLM as a career option. As a result, the relationship between flexible time and the tendency of choosing MLM as a career option is moderated by socially undesirable.

4.5.3 Hypothesis 6

H6: The relationship between entrepreneurial spirit and choosing MLM as a career option is moderated by socially undesirable.

Table 4-12: Hypothesis 6 output

Constructs	Beta	t-value	df	Adjusted R ²	F	Sig.
Entrepreneurial spirit		(constant) 8.028	4			
MLM as a career option	.400	(entrepreneurial) 9.787	497	.179	55.453	.006
Socially undesirable	-.112	(undesirable) -2.736	499			

Dependent variable: MLM

From table 4.12, the results indicate that $F(4,497) = 55.453$, $p < 0.05$ and the $\text{sig} = 0.000 < 0.05$ then one or both from entrepreneurial spirit and socially undesirable on affecting tendency among university students in choosing MLM as a career option is accepted or positively related.

Based on t-test, where $T = 9.787$, $\text{sig } 0.006 < 0.05$, it means that entrepreneurial spirit is affecting or positively related tendency among university students in choosing MLM as a career option. Otherwise, statistically, where $T = -2.736$, $\text{sig } 0.000 < 0.05$ it means socially undesirable is negatively related to MLM as a career option.

In conclusion, entrepreneurial spirit is positively related to the tendency among university students in choosing MLM as a career option; nevertheless, socially undesirable has negative relationships to the tendency among university students in choosing MLM as a career option. Overall, there is a relationship between entrepreneurial spirit and choosing MLM as a career option which is moderated by socially undesirable.

4.6 *Chapter summary*

This chapter 4 discusses the reliability, validity and hypotheses testing related to research methodology. Key aspects relating to the research reliability and validity have been discussed in details. The results for hypotheses testing were presented. The subsequent chapter will discuss the conclusion and implications of this study.

Chapter 5: Conclusion and recommendation

5.1 Introduction and research question

The main objective of this study was to examine the tendency among university students in choosing MLM as a career option. As a result, the following research questions were addressed:

RQ1: What factors influence the university students' preference in choosing multilevel marketing as a career option?

RQ2: Does socially undesirable impact the university students' preference in choosing multilevel marketing as a career option?

5.2 Summary of hypotheses and key findings

The objective of this study is to examine how stable income, flexible time, entrepreneurial spirit and tendency among university students in choosing MLM as a career option and the relationship among constructs of socially undesirable as a moderating role.

The instrument used factor analysis method was tested for validity and reliability using SPSS 21. The hypotheses set in Chapter 2 were tested using linier regressions. The outcomes showed that stable income (X1), flexible time (X2) and entrepreneurial spirit (X3) have positive influence to tendency

among university students in choosing multilevel marketing for career option. Table 4.13 reviews the relationships that were found in this study. Table 4.14 reviews the results of moderator relationships that were tested using linear regression method on SPSS 21.

In addressing the first research question (RQ1: *what factors influence the university students' preference in choosing multilevel marketing as a career option?*) this study shows that a few factors may influence the students' choice.

Those were three hypotheses were proposed earlier:

H1: Stable income is positively related to the tendency in choosing MLM as a career option

H2: Flexible time is positively related to the tendency in choosing MLM as a career option.

H3: Entrepreneurial spirit is positively related to the tendency in choosing MLM as a career option.

From the result, stable income does influence the tendency in choosing MLM as a career option. MLM provides the way for the students to achieve income stability and earn great revenue and profit (Nga and Mun, 2011). The money

is earned by selling products and encourages the candidate to join this industry and become distributors themselves (Kong, 2002).

It was found that flexible time is significant in choosing MLM as a career option. As we know that MLM offers many advantages and time is one of them. MLM is well-known with the concept of working anytime and anyplace (Bloch, 1996). This concept of working suits the students as they command their own ‘time’ (Claes, 1996).

Entrepreneurial spirit is another important factor that may influence the tendency in choosing MLM as a career option. The concept of liberated term in pursuit of freedom and making-own-money (Clarke and Holt, 2010) has become an important attraction. The entrepreneurial constructs may give an indication that multilevel marketing and can be the facet of entrepreneurship phase (Zontanos and Anderson, 2004).

Table 5-1: Summary of hypotheses and the results of linear regression analysis

Hypotheses	
H1: Stable income is positively related to the tendency in choosing MLM as a career option.	Supported (p<0.05)
H2: Flexible time is positively related to the tendency in choosing MLM as a	Supported (p<0.05)

career option.	
H3: Entrepreneurial spirit is positively related to the tendency in choosing MLM as a career option.	Supported (p<0.05)

In addressing the second research question (RQ2: *does socially undesirable impact the university students' preference in choosing multilevel marketing as a career option?*), three hypotheses were suggested to answer this question.

The hypotheses are:

H4: Stable income and choosing MLM as a career option is positively moderated by socially undesirable.

H5: Flexible time and choosing MLM as a career option is positively moderated by socially undesirable.

H6: Entrepreneurial spirit and choosing MLM as a career option is positively moderated by socially undesirable.

Table 5-2: Summary of hypotheses and results of moderator

Hypotheses	
H4: The relationship between stable income and choosing MLM as a career	Supported (p<0.05)

option is moderated by socially undesirable.	
H5: The relationship between flexible time and choosing MLM as a career option is moderated by socially undesirable.	Supported (p<0.05)
H6: The relationship between entrepreneurial spirit and choosing MLM as a career option is moderated by socially undesirable.	Supported (p<0.05)

5.3 Contribution and implication

5.3.1 Academic contributions

First, this study adds more understanding about MLM from the university students' perspective. MLM normally has always been identified as a time-wasting activity that prohibits students from concentrating on their studies (Olesia and Simona, 2006). This study shows that MLM may assist the students in building their future career.

Second, this study shows that MLM has always been seen as an entrepreneurial. MLM nurtured the entrepreneurial spirit among members. As suggested by Holt *et al.*, (2007), there are five characteristic of individual entrepreneur (cited in Zhao and Siebert, 2006; Costa and McCrae, 1992)

which are; extraversion, *agreeableness*, *openness*, *conscientiousness*, and *neuroticism*.

5.3.2 *Managerial implications*

This study can be used by MLM companies as a guideline to recruit more university students. Based on *The Indonesian Central Bureau of Statistics of Indonesia in 2009-2012*; the unemployment rate of the population aged 15 years-old and above steadily increases. Since unemployment is a major phobia among university students, MLM may serves as an option for students.

Besides, this study indicates that MLM companies must strive to create a good image in the society. They should invest in building a favourable image such as doing more corporate social responsibility, public engagement and promotion.

5.4 *Limitations of the study*

Despite the fact that this research has made numerous contributions to marketing fields, this study also has a few limitations. The first limitation is related with the survey method as it restrict the capability in further understanding of the reasons why the students choose MLM as a career

option. However, the survey method is deemed important as it gives preliminary understanding of the subject under study.

Second limitation relates with the time frame of this study. A longitudinal study should give a more accurate picture of the MLM as a career option among university students.

5.5 Suggestions for future research

In relation to the limitations of this study, the following suggestions are set forth:

First, future study could consider a different method in studying this subject matter. A quantitative study should give a more depth understanding.

Second, a longitudinal study would be useful in monitoring the interest in MLM among university students.

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APPENDIX I: Questionnaire English version



UNIVERSITI UTARA MALAYSIA

06010 Sintok, Kedah

Phn : 04-9283904

Fax : 04-9285220

Dear respondents,

Multilevel Marketing (MLM) as Career Option

The general purpose of this research is to discover the tendency among university student in choosing multilevel marketing (MLM) as career option

Your response will be kept as **STRICTLY CONFIDENTIAL** and for the purpose of academic research only; the data from this research will be coded and reported only in the aggregate. Your cooperation and generosity in completing the attached questionnaire is very much welcomed in advance. Please do not hesitate to contact if you have any queries about the questionnaire to r.annisa@hotmail.com.

Thank you for your time and kind cooperation.

Yours sincerely,
Annisa Ramaniya
813169

Master Candidate
Majoring: International Business
UUM – College of Law, Government and International Studies

**please tick in suitable box.*

Section A – Stable earning

The following statement relates to the tendency of *stable earning* toward your decision to choose MLM as career option.

1 2 3 4 5
 Strongly disagree Disagree Neutral Agree Strongly agree

No	Statement	1	2	3	4	5
A1	<i>Money is a symbol of success</i>					
A2	<i>I do financial planning for the future</i>					
A3	<i>Money is a great motivator</i>					
A4	<i>Money represents one's achievement</i>					
A5	<i>Full time employees tended to be older and have higher education.</i>					
A6	<i>Part time workers tend to earn lower income than full time employees</i>					
A7	<i>I would consider MLM as a full-time career prospect</i>					
A8	<i>I consider MLM as a supplementary income prospect</i>					
A9	<i>I consider MLM as a good income prospect</i>					

Section B - Entrepreneurial spirit

The following statement relates to the tendency of *Entrepreneurial spirit* toward your decision to choose MLM for career option.

1 2 3 4 5
 Strongly disagree Disagree Neutral Agree Strongly agree

No	Statement	1	2	3	4	5
B1	<i>MLM allows me to work wherever I want-including from home</i>					
B2	<i>MLM builds entrepreneurial spirit by allowing freedom in decisions and ideas</i>					
B3	<i>I want to be my own boss</i>					
B4	<i>I love to influence people</i>					
B5	<i>I would consider MLM as a reputable career prospect</i>					
B6	<i>MLM produces many successful businessmen</i>					
B7	<i>A person who involves in MLM has a high sense of self-confidence</i>					
B8	<i>Entrepreneur stands up for his/her believes</i>					

Section C – Flexible time

The following section pursues the tendency of *flexible time* toward your decision to choose MLM as career option.

1 2 3 4 5
 Strongly disagree Disagree Neutral Agree Strongly agree

No	Statement	1	2	3	4	5
C1	<i>Time is an important resource in my life</i>					
C2	<i>Productive use of time is a key value in choosing a career</i>					

C3	<i>MLM has offered time flexibility</i>					
C4	<i>MLM are operationally stable</i>					

Section D – MLM as a career option

The following section seeks to understand if MLM is a suitable career option.

1 2 3 4 5
 Strongly disagree Disagree Neutral Agree Strongly agree

No	Statement	1	2	3	4	5
D1	<i>I would consider MLM as a full-time career prospect</i>					
D2	<i>MLM provides training that enable me to operate my own network marketing business</i>					
D3	<i>MLM training enrich my knowledge about network marketing</i>					
D4	<i>I consider MLM as a good income prospect</i>					
D5	<i>A career in MLM would provide me a long-term sustainable living</i>					
D6	<i>A career in MLM would support my lifestyle choices</i>					

Section E – Socially undesirable

The following statement relates to the *socially undesirable* toward your decision to choose MLM for career option.

1 2 3 4 5
 Strongly disagree Disagree Neutral Agree Strongly agree

No	Statement	1	2	3	4	5
E1	<i>I never bother to find information about MLM</i>					

E2	<i>I hate working as a salesperson</i>					
E3	<i>MLM salesperson is not trustable</i>					
E4	<i>MLM makes my emotion unstable</i>					
E5	<i>MLM is my last option as a career</i>					

Section F - Demographic information

The following section relates to your demographic profile.

F1. Gender:

<input type="checkbox"/>	Male
<input type="checkbox"/>	Female

F2. Age:

Below 20	21-25	26-30	Above 30
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F3. Education:

- Diploma Masters
 Bachelors Doctoral

F4. School year:

- 1st year 3rd year
 2nd year above 4th year

F5. Monthly earning in Rupiah (IDR):

- less than 1.000.000 3.000.001 – 4.000.000
 1.000.001 – 2.000.000 above 4.000.000
 2.000.001 – 3.000.000

APPENDIX II: Questionnaire Indonesia version



UNIVERSITI UTARA MALAYSIA

06010 Sintok, Kedah

Phn : 04-9283904

Fax : 04-9285220

Responden Yth,

Multilevel Marketing (MLM) sebagai Pilihan Karier

Tujuan penelitian adalah untuk mengetahui *kecenderungan terhadap mahasiswa/i dalam memilih MLM sebagai pilihan karier di masa depan.*

Jawaban Anda adalah **RAHASIA** dan hanya ditujukan untuk kepentingan penelitian. Kerjasama Anda dalam mengisi kuesioner sangatlah dihargai. Mohon untuk menghubungi saya jika ada pertanyaan atas kuesioner ini ke *e-mail* r.annisa@hotmail.com

Terima kasih untuk waktu dan kerjasamanya.

Salam hormat,
Annisa Ramaniya
813169

Mahasiswi program Master
International Business
UUM – College of Law, Government and International Studies

1 2 3 4 5
 Sangat tidak setuju Tidak setuju Netral Setuju Sangat Setuju

No	Pernyataan	1	2	3	4	5
C1	<i>Waktu penting bagi kehidupan saya</i>					
C2	<i>Keseimbangan waktu adalah alasan utama dalam memilih karier</i>					
C3	<i>MLM menawarkan waktu yang fleksibel</i>					
C4	<i>Waktu bekerja di MLM sangat stabil</i>					

Bagian D – MLM sebagai pilihan karier

Pernyataan dibawah ini berkaitan dengan pengertian instrumen *MLM sebagai pilihan karier*.

1 2 3 4 5
 Sangat tidak setuju Tidak Setuju Netral Setuju Sangat setuju

No	Pernyataan	1	2	3	4	5
D1	<i>Saya menganggap MLM sebagai prospek kerja purna waktu (full-time)</i>					
D2	<i>MLM menyediakan pelatihan untuk memudahkan saya bekerja dalam bisnis ini</i>					
D3	<i>Pelatihan MLM dapat memperkaya pengetahuan saya tentang jaringan pemasaran</i>					
D4	<i>Saya menganggap MLM sebagai prospek pendapatan yang baik</i>					
D5	<i>Karier di MLM menyediakan kehidupan berkelanjutan dalam waktu jangka panjang</i>					
D6	<i>Karier di MLM mendukung gaya hidup saya</i>					

Bagian E – Rasa *ketidakinginan* terhadap lingkungan sosial

Pernyataan dibawah berkaitan dengan instrumen *rasa ketidakinginan* didalam lingkungan sosial terhadap MLM sebagai pilihan karier.

1 2 3 4 5
Sangat tidak setuju Tidak setuju Netral Setuju Sangat setuju

No	Pernyataan	1	2	3	4	5
E1	<i>Saya tidak pernah terganggu dalam mencari informasi tentang MLM</i>					
E2	<i>Saya tidak suka pekerjaan sebagai penjual (salesperson)</i>					
E3	<i>Penjual (salesperson) MLM tidak dapat dipercaya</i>					
E4	<i>MLM membuat emosi saya tidak stabil</i>					
E5	<i>MLM menjadi pilihan karier terakhir saya</i>					

Bagian F – Informasi demografis

Bagian dibawah ini mengenai informasi personal Anda.

F1. Jenis kelamin:

<input type="checkbox"/>	Laki-laki
<input type="checkbox"/>	Perempuan

F2. Umur:

dibawah20	21-25	26-30	diatas 30
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

