# Annual dōTERRA Business Builders Report 2023

## **Pursue What's Pure**

The mission of dōTERRA is to pursue what's pure in everything we do, from how we source our oils to how we engage with communities around the world.

We empower farmers and harvesters to flourish in their own communities. Through our sourcing efforts dōTERRA supports 360,903 jobs that also impacted 1,057,043 lives in 2022.

dōTERRA supports entrepreneurs in achieving their financial goals by developing innovative education and training initiatives. This includes new materials related to appropriate income and lifestyles claims.

# **Market Leadership**

A 2020 essential oils market study by Verify Markets found that dōTERRA continues to be the largest company in the market and is well-positioned for the increasing demands, requirements, demographics, and trends shaping the market for the future. dōTERRA continues to lead as the



most favored essential oil brand, with purity and effectiveness the most cited indicators of dōTERRA's high-quality oils.

# **Business Model and Customers**



dōTERRA is a product-driven company supported by a direct sales model. The majority of new dōTERRA U.S. customers—approximately 90%—are Wholesale and Retail customers who purchase products for personal use. This creates an exceptionally stable customer base for those who choose to build a dōTERRA business, known as Wellness Advocates.

Wellness Advocates are those who are excited about dōTERRA products and want to share them with the people they love. dōTERRA Wellness Advocates are the only individuals eligible to receive commissions.

Wholesale Customers and Wellness Advocates receive the lowest possible prices and access to the company's Loyalty Rewards Program. Retail Customers pay the listed retail prices with no discount for products and do not participate in Loyalty Rewards Program.

## **Loyalty Rewards Program**

The dōTERRA Loyalty Rewards Program provides free product credits (points) for monthly purchases ordered on the program. Wholesale Customers and Wellness Advocates both have access to dōTERRA's Loyalty Rewards Program.



The rewards program has high participation rates and an 83% redemption rate by U.S. dōTERRA members. In 2022, dōTERRA awarded more than \$481 million (retail value) of products to dōTERRA members through its global loyalty program.

### doTERRA Compensation Plan

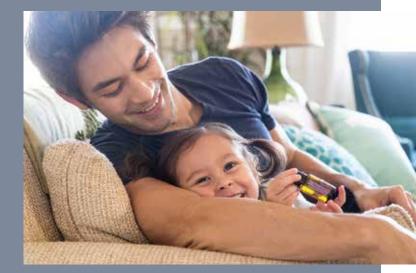
The dōTERRA compensation plan provides a robust earnings opportunity for Wellness Advocates. Wellness Advocates may sign up others as Retail Customers, Wholesale Customers, or Wellness Advocates. They earn commissions based on product sales within their organizations and to their customers.

dōTERRA had approximately 400,000+ U.S. dōTERRA Wellness Advocates who made a purchase during the year. Of those 400,000+ US Wellness Advocates, dōTERRA paid commissions to over 196,000 Wellness Advocates within the United States, with approximately 80% of those earning a check each month of the year.

### Wellness Advocates Entry-level Wellness Advocates

Many Wellness Advocates join dōTERRA to enjoy our essential oils at wholesale pricing, and do not earn commissions. Wellness Advocate commissions depend on many factors, including effort, interpersonal skills, and leadership abilities.

dōTERRA's entry level U.S. Wellness Advocates represented 77% of all U.S. Wellness Advocates in 2022, and 31% earned a commission. Entry level U.S. Wellness Advocates who received a commission averaged \$394 for the year.



#### Wellness Advocate Builders

dōTERRA considers those that have started to build a sales organization to be its Builders. U.S. Builders make up approximately 22% of all active U.S. Wellness Advocates and include the ranks of Manager, Director, Executive, Elite, and Premier. Each Builder's work schedule is as varied as their lifestyle—they decide their own schedule.



Those reaching the Manager and Director ranks represented approximately 39% and 26% of U.S. Builders and averaged \$716 and \$1,123 respectively in annual commissions.



Executive rank Wellness Advocates were 12% of U.S. Builders and averaged \$1,680 during the year.

The mid-level ranks of Elite and Premier—approximately 18% and 5% of U.S. Builders—averaged annual commissions of \$4,400 and \$10,751 respectively.

#### Wellness Advocate Leaders

dōTERRA considers those in the Silver rank and above to be Leaders. These ranks include Silver, Gold, Platinum, Diamond, Blue Diamond, and Presidential Diamond. Leaders are diverse, committed individuals who support other dōTERRA Wellness Advocates and manage customer organizations.

These ranks are the highest levels in dōTERRA's commission plan and are approximately 1% of all U.S. Wellness Advocates. Within these ranks are those that conduct their dōTERRA business on a full-time basis, as well as leaders who supplement their household incomes on a part-time basis.

The chart below shows the 2022 average annual commissions of these leadership ranks. More than 97% of those in leadership stay with dōTERRA year after year. dōTERRA has high retention among Wellness Advocate Leaders—more than 97% of leaders stay with dōTERRA year after year.

dōTERRA Paid Rank	Average Annual Commissions	% of dōTERRA Leaders
Silver	\$31,392	61.3%
Gold	\$68,634	21.9%
Platinum	\$134,737	5.9%
Diamond	\$211,090	7.4%
Blue Diamond	\$493,048	2.6%
Presidential Diamond	\$1,396,327	0.9%



