

# Research Horizon

ISSN: 2808-0696 (p), 2807-9531 (e)

## Research Horizon

Volume: 05

Issue: 06

Year: 2025

Page: 2489-2502

## Citation:

Hertanto, R. H., Sastra, F. A. D., Poernamawatie, F., & Sastra, F. A. D. (2025). Analysis of factors determining bonus income in Malang City. *Research Horizon*, 5(6), 2489-2502.

## Article History:

Received: September 6, 2025

Revised: October 24, 2025

Accepted: December 26, 2025

Online since: December 31, 2025

# The Impact of Individual Performance and Network Dynamics on Bonus Income in Multi-Level Marketing in Malang City

Ronny Hendra Hertanto<sup>1\*</sup>, Firda Aprilia Dewi Sastra<sup>1</sup>, Fahmi Poernamawatie<sup>1</sup>, Ariyani<sup>1</sup>

<sup>1</sup> Universitas Gajayana, Malang, Indonesia

\* Corresponding author: Ronny Hendra Hertanto  
([ronnyhendrahertanto@unigamalang.ac.id](mailto:ronnyhendrahertanto@unigamalang.ac.id))

## Abstract

Bonuses in the Multi-Level Marketing (MLM) system represent the income earned by each distributor. The purpose of providing bonuses by MLM companies is to show appreciation for each member who is able to expand their network and market products. This form of appreciation is why each distributor's income varies, as it is based on performance, achievements, profits generated, education, and closing points, which differ for each distributor. Bonus income is measured through distributor performance, including the sales amount and inviting new distributors to join Tiens. The aim of this research is to determine the factors that influence the bonus income of Tiens distributors in Malang City. This research uses a descriptive quantitative method, utilizing both primary and secondary data sources. Data were analyzed using Structural Equation Modeling (SEM) with SmartPLS. The results show that the variables of sales performance, network/team, and understanding of the marketing plan influence the intervening variable, which is closing points, and the dependent variable, bonus income. This research has implications for the Tiens or MLM company policy in determining bonus calculations for distributors, and also measuring bonus income as a target for distributor achievement.

## Keywords

Bonus Income, Closing Points, Marketing Plan, Multi-Level Marketing, Network, Sales Performance.

## 1. Introduction

Bonuses are a form of payment provided to employees for improving performance or productivity (Sayuti, 2020). Bonuses can also be interpreted as additional income given by a company outside of an employee's basic wage or salary as a reward for completing tasks correctly or working additional hours. In Multi-Level Marketing (MLM) companies, bonuses are wages paid to distributors who promote and sell products according to a pre-determined system. In other words, bonuses in MLM companies can be regarded as income (Aini & Susilowati, 2022).

In multi-level marketing companies, bonuses serve as rewards for members' efforts in product marketing and network expansion. As explained by Bahassoan (2021), multi-level marketing reallocates conventional marketing and distribution costs, such as transportation, salaries, and promotions into compensation for its members because products are delivered directly to distributors who sell them to consumers. In Indonesia, multi-level marketing continues to grow, the General Chair of Indonesian Direct Selling Association (*Asosiasi Penjualan Langsung Indonesia/APLI*) reported a 10% increase in 2020. As a direct selling system that relies on network development, multi-level marketing minimizes traditional distribution expenses, sometimes reducing them to nearly zero (Harefa, 2000).

In Malang City, the multi-level marketing business has grown rapidly. Examples of multi-level marketing companies operating in Malang include Tianshi (or Tiens), Herbalife, Oriflame, Melia Sejahtera, and others. One active and expanding multi-level marketing business in Malang is Tiens, a company originating from China. Tiens produces various health products and works with distributors to market its products. With relatively affordable registration fees and equal opportunities for all members to receive distributor prices on each product and high monthly bonuses, Tiens Indonesia has around 4 million distributors across the country, including approximately 600 in Malang City. Tiens attracts public interest by offering essential health products and providing substantial bonuses to its distributors.

Bonuses in Tiens are influenced by several factors, including the accumulation of product points, ranking level, and membership type. However, current evidence suggests differences in bonus earnings even when these factors are met. For example, distributors A and B may hold the same rank, but their bonuses may differ due to the different strategies each distributor employs. According to Tiens leaders, bonus determination in this business depends on factors such as sales performance, network growth, point placement, and the learning process.

Multi-level marketing distributors are expected to master several skills, including strong sales performance, which reflects their ability to sell products effectively. High sales performance indicates successful product movement, while low performance shows limited sales. Salesforce performance is shaped by competence, company support, learning, and teamwork, adds that individual characteristics also play a role (Coimbra & Proenca, 2023). In multi-level marketing systems, distributors earn income not only from personal sales but also from the sales generated by their downlines. They also receive bonuses for successfully recruiting new members, forming networks of uplines and downlines who collaborate to sustain business growth. Education is essential in this process, as distributors must understand marketing plans, manage points, and engage in continuous learning to improve performance (Dewey, 1986). In the Tiens system, distributors may strategically place new downlines to maximize partner bonuses, a practice highlighted by Legara et al. (2008), which can be seen as both strategic and controversial.

The negative perception of multi-level marketing is also driven by terms like "upline-downline" and "passive income," where an upline earns passive income without engaging in sales, recruitment, or coaching. Roman et al. (2021) argue that

much of the controversy surrounding network marketing arises from a lack of literature and deep understanding of multi-level marketing. This view aligns with Nat et al.'s (2002) research, which asserts that pyramid schemes are not inherently deceptive, but their promotional methods often misrepresent reality, leading to perceptions of fraud.

The public's view of multi-level marketing and strategies for earning bonuses are of particular interest to researchers. This study explores the factors determining bonus income for Tiens distributors in Malang City. This research is expected to provide benefits to increase insight and knowledge for researchers and become a reference for further researchers to conduct further research on strategies for optimizing bonuses in MLM companies.

## **2. Literature Review and Hypothesis Development**

### **2.1. The Determinants of Closing Points**

Agency theory describes the contractual relationship in which principals delegate authority to agents to manage business operations on their behalf, with agents expected to prioritize the principals' interests in return for compensation (Baiman, 1990; Indarto, 2021). In Multi-Level Marketing (MLM) systems like Tiens, agency problems may arise when distributors (agents) favor personal interests over company goals, making incentive mechanisms such as bonuses essential to align their behavior with organizational objectives (Feronika et al., 2021). Within MLM frameworks, closing points serve as mandatory performance thresholds that determine eligibility for commissions and bonuses. These thresholds are directly linked to sales output, network activity, and distributors' understanding of the company's compensation structure. In the Tiens system, closing points reflect both individual responsibility and collective accountability within a hierarchical network, designed to prevent passive income and ensure fairness. Consequently, they depend heavily on measurable behaviors, including the ability to generate sales, collaborate effectively within a team, and comprehend the mechanisms of the marketing plan that governs rewards (Nasution et al., 2021).

Sales performance is one of the strongest indicators of a distributor's ability to meet closing point requirements (Sunggara et al., 2022). Strong sales outcomes reflect an individual's skill in negotiating, persuading, and serving customers, which directly contributes to achieving point thresholds. Sales performance driven by quality, quantity, and behavioral factors significantly enhances sales results. Empirical evidence also indicates that motivation drives sales teams to reach higher targets, further reinforcing the likelihood of fulfilling closing point obligations (Ferreira, 2017).

Network or team dynamics also play a central role in the attainment of closing points. In MLM structures, networks serve not only as sales forces but also as collaborative units in which consultation, coordination, and bargaining support shared goal achievement. Effective teamwork has been shown to significantly enhance sales outcomes, suggesting that engaged, communicative, and mutually supportive teams increase the probability of achieving required point values (Lubis et al., 2024). Finally, understanding the marketing plan, which outlines compensation, ranks, and bonus structures equips distributors with the strategic knowledge needed to plan sales activities, manage their networks, and meet point-based targets. Because informed members can better navigate requirements and optimize their efforts, comprehension of the marketing plan is expected to significantly influence closing points.

H1: Sales performance has a significant influence on closing points.

H2: Network/team has a significant influence on closing points.

H3: Understanding marketing plans has a significant influence on closing points.

## 2.2. The Determinants of Bonus

Positive accounting theory provides further insight into how compensation influences individual decision-making. Accounting choices, like those influencing reported performance, are shaped by incentives tied to rewards. Setijaningsih (2012), show that compensation schemes, especially bonus-related ones, motivate managers to select methods that increase reported income, demonstrating that reward structures strongly shape performance-driven behavior.

Bonuses in Multi-Level Marketing (MLM) systems function as performance-based compensation influenced by various factors, including sales outcomes, network strength, understanding of the marketing plan, and achievement of targets such as closing points. In this context, bonuses serve not only as incentives but also as indicators of distributors' success in carrying out sales activities and building their networks. Prior literature shows that improved sales performance directly increases the bonuses received by distributors. Santoso et al. (2025) found that sales have a positive and significant effect on bonuses, while Suhendi (2017) emphasized that bonuses and sales target achievement have a linear relationship. These findings reinforce the assumption that sales performance is a key determinant of bonuses (Amnesi, 2013).

Beyond individual sales performance, the presence of a network or team within the MLM structure also influences bonus levels (Gulabdin et al, 2022). Networks act as the primary source of various types of bonuses, such as sponsor and partner bonuses, because the larger and more productive the network, the higher the earning potential. This provides a foundation for the idea that networks or teams significantly influence bonuses. Understanding the marketing plan is another important factor. Education and training provided by the company help distributors comprehend the compensation flow and business strategies that affect their earnings. Similarly, understanding work systems and compensation structures has been shown to influence income levels supporting the hypothesis that understanding marketing plans significantly affects bonus income (Desanti & Ariusni, 2022). Meanwhile, closing points serve as a prerequisite for distributors to receive bonuses, as they indicate the minimum sales achievement required in each period. MLM systems stipulate that bonuses are only paid once distributors meet these minimum thresholds, making closing points a direct determinant of bonus income.

H4: Sales performance has a significant influence on bonus.

H5: Network/team has a significant influence on bonus.

H6: Understanding marketing plans has a significant influence on bonus.

H7: Close point has a significant influence on bonus.

## 2.3. Closing Points as Mediating Variable

Income and bonus theory further supports the role of compensation as a performance motivator (Amnesi, 2013). Financial Accounting Standards for Non-Public Accountability Entities (*Standar Akuntansi Keuangan Entitas Tanpa Akuntabilitas Publik*/SAK ETAP) defines income as inflows from routine business activities, while Sholihin (2013) describes it as all cash or non-cash receipts earned within a period. Bonuses, additional income beyond base wages, form a critical component of total compensation and influence job satisfaction when perceived as fair (Roman, 2021; Darma, 2019). In the MLM context, bonuses represent a major source of earnings, including sales, sponsor, development, and other incentive-based rewards outlined in the Tiens marketing plan, highlighting their central role in driving distributor performance and behavior.

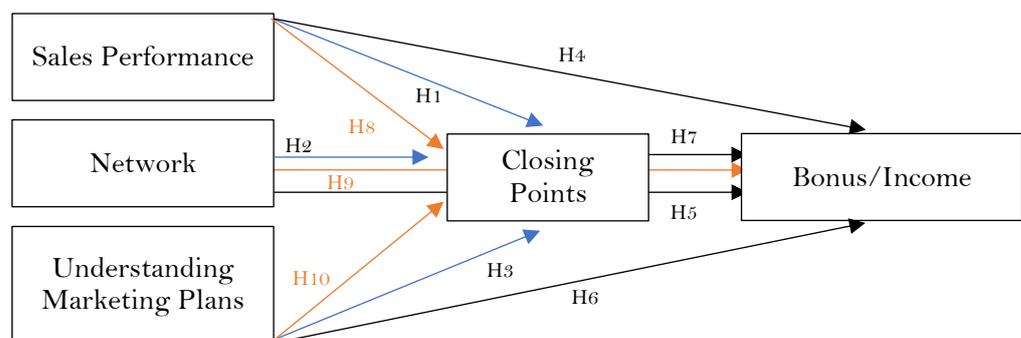
Closing points in MLM systems function as mandatory sales thresholds that determine distributor eligibility for bonuses, positioning them as a critical performance indicator within the compensation structure. Closing points are directly tied to personal sales turnover rather than team size, emphasizing their role as individual performance measures (Vuong & Nguyen, 2022). Since MLM companies distribute bonuses only when minimum point requirements are met, closing points serve as a mechanism that translates various performance inputs into compensation outcomes. This central function suggests that closing points have the potential to mediate the relationship between determinants such as sales performance, network/team strength, and understanding of marketing plans with bonus income.

Sales performance directly influences bonus income, and since closing points are derived from sales volume, high-performing distributors are more likely to meet these thresholds, thereby converting their sales achievements into bonus eligibility (Suhendi, 2017). This supports the hypothesis that closing points mediate the relationship between sales performance and bonus income. Although network or team size does not directly affect closing points, effective teamwork—through coordination, consultation, and shared goal achievement—can indirectly support individual sales efforts, potentially helping distributors reach required point levels and influencing bonus income via closing points. Similarly, a strong understanding of the marketing plan plays a critical role in shaping distributors’ strategies and enhancing income outcomes (Desanti & Ariusni, 2022). Distributors who are well-versed in point structures, compensation rules, and sales targets are better equipped to achieve closing points, suggesting that closing points may mediate the effect of marketing plan comprehension on bonus income.

H8: Closing points mediates the influence of sales performance on bonus.

H9: Closing points mediates the influence of network/team on bonus.

H10: Closing points mediates the influence of understanding marketing plans on bonus.



**Figure 1.** Research Conceptual Framework

The research framework outlines the relationships between the independent variables sales performance (X1), network/team (X2), and understanding of the marketing plan (X3), and bonus income (Y). Each variable is hypothesized to have a direct effect on bonus income (H4, H5, H6, H7) as well as a direct effect on closing points (M) (H1, H2, H3). Closing points are also proposed to directly influence bonus income (H7). Additionally, the framework tests whether closing points mediate the effects of the three independent variables on bonus income (H8, H9, H10).

### 3. Methods

This research uses descriptive quantitative research methods with primary and secondary data sources. Quantitative research is research used to research certain

populations or samples randomly by collecting data using instruments, numerical and statistical data analysis. This research uses a descriptive approach by describing a phenomenon observed from the figures obtained. The population in this study are active distributors of Tiens in Malang City who are ranked 6 (six) stars above and live in Malang. The population is 152 people. Meanwhile, the number of samples in this research is a population. Because the sample determination in this study used a saturated sampling technique. Saturated sampling is a sampling technique when all members of the population are used as samples.

The data collection method uses observation, documentation and questionnaires. The questionnaire was measured using the Likert Scale. This study employed four independent variables, one dependent variable, and one mediating variable. Each variable was measured using indicators derived from established theories and previous empirical studies. All indicators were assessed using a Likert scale to capture respondents' agreement with statements reflecting their experiences as Tiens distributors. The dependent variable, bonus income, refers to the additional rewards received by distributors based on their performance and achievements within the MLM system. This variable was measured using two indicators: work motivation and awards or rewards received. These indicators reflect how bonuses function as both financial outcomes and motivational tools for distributors.

The independent variables consist of sales performance, network/team, and understanding of marketing plans. Sales performance was measured through two indicators: number of sales and sales growth, which represent both the volume and development of a distributor's sales achievements over time. The network/team variable captures the size and quality of the distributor's downline, measured through the number of team members, their capabilities, and the frequency of presentations conducted as part of recruitment activities. Understanding of marketing plans was assessed using indicators covering knowledge of required steps, recommended habits, and basic principles outlined in the Tiens marketing system.

The mediating variable, closing points, reflects the minimum activity requirement a distributor must fulfill to remain eligible for bonus income. This variable was measured using two indicators: accumulated Personal Point Value (PPV) and the degree to which distributors meet obligatory point thresholds. In analyzing the relationships among variables, this study employs Structural Equation Modeling (SEM) using the Partial Least Squares (PLS-SEM) approach. PLS-SEM is appropriate because it accommodates complex models, reflective indicators, and a saturated sample size. Data analysis was conducted using SmartPLS software, which includes evaluating the measurement model (convergent validity, discriminant validity, and reliability) as well as the structural model (path coefficients,  $R^2$  values, effect sizes, and mediation testing).

#### **4. Results**

Descriptive statistical analysis was used to describe the questionnaire data obtained. This research uses one dependent variable, namely bonus income. With independent variables including sales performance, network/team, and understanding of marketing plans. As well as intervening variables, namely closing points. Descriptive data for each variable is presented in Table 1.

**Table 1.** Results of Descriptive Statistical Analysis

Variable	Min	Max	Mean	Std. Dev	Skewness	Kurtosis
Sales Performance (X1)	4	10	9.312	1.082	-2.622	9.146
Network/Team (X2)	6	20	15.419	1.671	-2.665	9.893
Understanding Marketing Plan (X3)	12	45	37.125	3.941	-2.873	11.35
Closing Points (M)	4	20	14.152	1.578	-3.096	12.673
Bonus Income (Y)	6	15	14.098	1.476	-2.916	10.752

The descriptive statistics indicate that all variables exhibit relatively high mean values compared to their minimum scores, suggesting that respondents generally reported strong sales performance, solid network development, high understanding of the marketing plan, consistent achievement of closing points, and substantial bonus income. Sales performance ( $M = 9.312$ ,  $SD = 1.082$ ) and network/team ( $M = 15.419$ ,  $SD = 1.671$ ) show moderately low variation, indicating that most respondents demonstrated similar levels in these areas. Understanding of the marketing plan recorded a higher mean ( $M = 37.125$ ,  $SD = 3.941$ ), reflecting strong comprehension among distributors. Closing points also show a high average score ( $M = 14.152$ ,  $SD = 1.578$ ), suggesting that most distributors successfully meet or exceed the minimum PPV requirements. Bonus income appears consistently high across respondents ( $M = 14.098$ ,  $SD = 1.476$ ), with low variability. Based on Table 1, it can be seen from the skewness value which has a value  $< 0$ , indicating that the data distribution is skewed to the left. Meanwhile, a kurtosis value  $> 3$  indicates a tapering curve (leptokurtosis).

**Table 2.** Construct Validity and Reliability Test

Variable	Average Variance Extracted (AVE)	Composite Reliability
Sales Performance (X1)	0.897	0.900
Network/Team (X2)	0.826	0.946
Understanding Marketing Plan (X3)	0.944	0.934
Closing Points (M)	0.817	0.981
Bonus Income (Y)	0.930	0.963

According to Table 2, the results of the validity and reliability tests confirm that all variables used in this study are both valid and reliable. All AVE values exceed the required threshold of 0.50, indicating strong convergent validity, while all composite reliability values are above 0.70, demonstrating high internal consistency. These results show that every construct is measured accurately and consistently, ensuring the robustness of the study’s measurement model.

**Table 3.** Determination Coefficient Test

Test	R-Square
R Square	0.792
Adjusted R Square	0.796

The coefficient of determination ( $R^2$ ) is used to assess how much variation in the dependent variable can be explained by the independent variables. An  $R^2$  value of 0.75 reflects a strong effect, a value of 0.50 indicates a moderate effect, and a value of 0.25 signifies a weak effect. From Table 3, it can be concluded that the independent variables in this study are categorized as having a strong influence. Because 79.6%

of the variables in this research are able to explain the dependent variable, while the remaining 21.4% is explained by other variables that were not studied.

**Table 4.** Goodness of Fit Index

Test	Saturated Model	Estimated Model
SRMR	0.050	0.050
d_ULS	0.195	0.195
d_G	0.603	0.603
Chi-square	420,917	420,917
NFI	0.798	0.798

The Goodness of Fit Index can be measured using the SRMR value of the research model. If the SRMR value is <0.10, then the model is declared to meet the goodness of fit model criteria. Table 4 shows that the SRMR value for this research model is 0.050, which is less than 0.10. Therefore, this model is declared fit because it meets the goodness-of-fit index criteria.

**Table 5.** Hypothesis Test (Direct Effect)

Path	Original Sample (O)	T Statistics ( O/STDEV )	P Value
Sales Performance (X1) > Bonus Income (Y)	0.238	0.107	0.013
Sales Performance (X1) > Closing Point (M)	0.177	0.066	0.004
Network/Team (X2) > Bonus Income (Y)	0.475	0.139	0,000
Network/Team (X2) > Closing Point (M)	0.280	0.192	0.072
Marketing Plan Understanding (X3) > Bonus Income (Y)	0.336	0.161	0.019
Marketing Plan Understanding > Closing Points (M)	0.235	0.129	0.034
Closing Points (M) > Bonus Income (Y)	0.047	0.080	0.279

Table 5 shows that sales performance demonstrates a significant influence on both bonus income and closing points, with P-values of 0.013 and 0.004, respectively, indicating strong relationships. The network/team variable is also shown to significantly affect bonus income (P = 0.000), although it does not significantly influence closing points, as indicated by a P-value of 0.072. Furthermore, understanding the marketing plan significantly affects both bonus income and closing points, with P-values of 0.019 and 0.034. Lastly, closing points do not have a significant influence on bonus income, as reflected in the P-value of 0.279. These findings highlight the varying degrees of influence among the variables, with most demonstrating significant effects except for the relationship between network/team and closing points and the effect of closing points on bonus income.

**Table 6.** Hypothesis Test (Indirect Effect)

Path	Original Sample (O)	T Statistics ( O/STDEV )	P-Value
Sales Performance (X1) > Closing Points (M) > Bonus Income (Y)	0.011	0.525	0.300
Network/Team (X2) > Point Cap (M) > Bonus Income (Y)	0.016	0.500	0.309
Marketing Plan Understanding (X3) > Closing Points (M) > Bonus Income (Y)	0.013	0.497	0.310

The mediation test results indicate that closing points do not serve as a significant mediating variable between the independent variables and bonus income. The indirect effect of sales performance on bonus income through closing points shows a P-value of 0.300, indicating no significant mediation. Similarly, the network/team variable demonstrates a P-value of 0.309 for its indirect effect on bonus income through closing points, confirming the absence of a mediating relationship. Likewise, understanding the marketing plan does not significantly influence bonus income through closing points, as shown by a P-value of 0.310. These findings demonstrate that closing points do not mediate the effects of sales performance, network/team, or marketing plan understanding on bonus income within this model.

### 5. Discussion

The findings of this study provide a comprehensive understanding of the factors that influence bonus income among Tiens distributors in Malang City. The results show that sales performance plays a major role in determining bonus income, with significant statistical support (P = 0.013). This aligns with earlier findings by Manik (2016) and Kurniawan (2025) who highlighted the influence of performance-related factors on compensation and bonuses. Similarly, prior studies by Suhendi (2017) reinforce that better sales performance generally leads to higher bonuses. Sales performance also significantly affects closing points (P = 0.004), confirming H2. This supports Turyadi et al. (2023) perspective that strong performance improves teamwork and facilitates the achievement of distributor targets, making closing points easier to obtain.

Network/team strength is another factor that significantly influences bonus income (P = 0.000), validating H3. This is compatible with the MLM business model, where team size and structure are central to bonus acquisition, particularly through sponsor and pairing bonuses. Legara et al. (2008) further explain how social networks and binary structures underpin bonus distribution within MLM systems, although Qonitatillah (2020) offers a contrasting view by showing that recruitment levels do not always affect financial freedom. Despite its influence on bonus income, the network/team variable does not significantly affect closing points (P = 0.072), indicating that closing points are largely determined by individual turnover. This finding is consistent with explanations from Tiens' field leaders, who note that closing points reflect personal effort rather than team support.

Understanding the marketing plan also shows a significant positive influence on bonus income (P = 0.019), in line with the role of education emphasized by Wahyuni and Monika (2016), Hundin (2019), Julianto and Utari (2019), and Desanti and Ariusni (2022). Distributor education increases comprehension of the reward system, consequently enhancing income opportunities. This variable likewise affects closing points (P = 0.034), indicating that better understanding of the marketing plan helps distributors recognize the importance of meeting closing requirements. However, the results show that closing points do not significantly influence bonus income (P

= 0.279), contradicting prior research by Darma (2019), which found that closed points contribute to additional bonuses.

The mediation tests reveal that closing points do not serve as an intermediary between sales performance, network/team, or marketing plan understanding and bonus income, with all P-values above 0.05. Although some field practitioners suggested that strong sales and network capabilities could improve closing points and subsequently increase bonuses, the data indicate that closing points operate independently of the primary mechanisms that generate bonus income. As clarified by Tiens leaders, bonuses rely more on sales turnover, structural network dynamics, and sponsor-related incentives, rather than on PPV-based closing activities.

These findings reinforce the importance of performance, network structures, and educational understanding within MLM compensation systems. The results affirm human capital theory and network theory, while also highlighting limitations of the closing-point mechanism as a predictor of income. The study suggests that Tiens should strengthen sales capability training, enhance team development programs, and improve marketing plan education, as these factors significantly boost bonus income. At the same time, management may need to clarify the role of closing points within the compensation structure to prevent misconceptions among distributors and to ensure alignment between effort, expectations, and financial outcomes.

## 6. Conclusion

This study found that independent variables including sales performance, and understanding of marketing plans affect the variable closing points and bonus income. That is, the better the sales performance and the number of sales achieved, the easier it will be to closing points and the more bonuses will be obtained. Then, if a distributor really understands the Tiens marketing plan, then he will know the importance of closing points and the bonus will also increase. The network/team variable has an effect on bonus income, but has no effect on closing points. This means that the more teams a distributor has, the more his bonus income will increase through sponsorship bonuses. But even though he has many teams, it will not change the number of point caps made, because point caps are an individual obligation. This study also examines the indirect effect through the intervening variable, namely closing points. Where sales performance, network/team and understanding of the marketing plan have no indirect effect on bonus income. This is corroborated by the results of interviews with Tiens distributors who stated that these variables have a different focus. In addition, if the team does not closing points, the bonuses may be transferred to the upline, so this does not affect the amount of bonus income received.

The results indicate that sales performance, network strength, and understanding of the marketing plan are key drivers of bonus income, reinforcing the relevance of performance-based, network, and human capital theories in MLM settings. Tiens should strengthen training, improve sales capability development, and support effective team building to enhance distributor earnings. Since closing points neither influence bonus income nor mediate any relationships, the company may need to clarify their role within the compensation system to prevent misunderstanding and ensure that incentives remain aligned with actual performance drivers. There are limitations in this study, namely the lack of sources to be interviewed, as well as the lack of sources to support research analysis. Recommendations for future researchers are to increase the number of interviewees and find more relevant sources of previous research.

## References

- Aini, Z. N., & Susilowati, L. (2022). Tinjauan akuntansi syariah dalam penggunaan sistem informasi akuntansi multi-level marketing pada e-commerce Indonesia. *JAS (Jurnal Akuntansi Syariah)*, 6(1), 110-126.
- Amnesi, D. (2013). Analysis of factors that influence women's income in poor families in Kapal Village, Mengwi District, Badung Regency. *Udayana University Economics and Business E-Journal*, 2(10), 446-460.
- Bahassoan, Y. (2021). Vertical Price Restrictions for Determining Selling Prices for Multi Level Marketing MLM Products". Retrieved on May 25, 2025, from [https://www.academia.edu/9482518/Pembatasan\\_Vertikal\\_Harga\\_Penetapan\\_Harga\\_Jual\\_Produk\\_Multi\\_Level\\_Marketing\\_MLM](https://www.academia.edu/9482518/Pembatasan_Vertikal_Harga_Penetapan_Harga_Jual_Produk_Multi_Level_Marketing_MLM)
- Baiman, S. (1990). Agency research in managerial accounting: A second look. *Accounting, organizations and society*, 15(4), 341-371.
- Coimbra, J., & Proença, T. (2023). Managerial coaching and sales performance: the influence of salesforce approaches and organisational demands. *International Journal of Productivity and Performance Management*, 72(10), 3076-3094.
- Darma, GS, Wicaksono, K., Sanica, IG, & Abiyasa, AP (2019). Compensation factors and Gojek strategies in increasing driver job satisfaction. *JMBI UNSRAT (Sam Ratulangi University Scientific Journal of Business Management and Innovation)*, 6(3), 1-14.
- Desanti, G., & Ariusni, A. (2022). The influence of age, gender, working hours, employment status and education on labor income in Padang City. *Journal of Economic and Development Studies*, 3(4), 17-26.
- Dewey, J. (1986). Experience and education. In *The educational forum* (Vol. 50, No. 3, pp. 241-252). New York: Taylor & Francis Group.
- Feronika, DAC, Merawati, LK, & Yuliastuti, IAN (2021). The influence of information asymmetry, corporate governance, Net Profit Margin (NPM), and bonus compensation on earnings management. *Collection of Accounting Student Research Results (KHARISMA)*, 3(1), 14-29.
- Ferreira, T. S. (2017). Motivational factors in sales team management and their influence on individual performance. *Tourism & Management Studies*, 13(1), 60-65.
- Gulabdin, S., Sung, T. P., Sondoh Jr, S. L., & Madli, F. (2022). The effect of social influence and interpersonal identification on the relationship between personality and performance of agents in the multilevel marketing (MLM) industry. *Malaysian E Commerce Journal (MECJ)*, 6(1), 44-53.
- Harefa, A. (2000). *Menjadi manusia pembelajar*. Jakarta: Penerbit Buku Kompas.
- Julianto, D., & Utari, PA (2019). Analysis of the influence of education level on individual income in West Sumatra. *Ikraith-Ekonomika*, 2(2), 122-131.
- Kurniawan, H. (2025). Systematic literature review: the role of compensation in enhancing performance outcomes. *Jurnal Ilmiah Edunomika*, 9(3), 21-25.
- Legara, E.F., Monterola, C., Juanico, D.E., Litong-Palima, M., & Saloma, C. (2008). Earning potential in multilevel marketing enterprises. *Physica A: Statistical Mechanics and its Applications*, 387(19), 4889-4895.
- Lubis, D. A., Wijaya, R. H., Sampurno, M. A., Nisa, Z., Syahreza, D. S., & Harmen, H. (2024). Analysis of teamwork dynamics and its impact on sales performance at PT Ramayana Lestari Sentosa Tbk Medan. *Economic: Journal Economic and Business*, 3(4), 243-249.
- Manik, S. (2016). Factors influencing the provision of compensation to bank employees. *Al-Masraf: Journal of Financial Institutions and Banking*, 1(2), 229-224.
- Martowinangun, K., Lestari, DJS, & Karyadi, K. (2019). The influence of promotional strategies on increasing sales at CV. Jaya Perkasa Motor Rancaekek Bandung Regency. *Co Management Journal*, 1(1), 139-152.
- Nasution, AD, Yahya, I., & Tarmizi, HB (2021). Analysis of factors that influence profit management with profitability as a moderating variable in mining companies listed on the Indonesian Stock Exchange. *Journal of Socio Humanities Science*, 5(2), 971-980.
- Nat, P. J. V., & Keep, W. W. (2002). Marketing fraud: An approach for differentiating multilevel marketing from pyramid schemes. *Journal of Public Policy & Marketing*, 21(1), 139-151.

- Qonitatillah, D. M. (2020). Analisis faktor-faktor bisnis multi level marketing terhadap kebebasan finansial distributor pada Pt. K-Link Syariah Lumajang. *Muhasabatuna: Jurnal Akuntansi Syariah*, 2(1), 01-18.
- Roman, M., Wasiak, M., Roman, M., Roman, K., Niedziółka, A., Krasnodębski, A., & Królak, S. (2021). Essence of the compensation plan in the process of motivation in multi-level marketing (Mlm). a case study. *Sustainability*, 13(16), 87-100.
- Sanbella, L., Van Versie, I., & Audiah, S. (2024). Online marketing strategy optimization to increase sales and e-commerce development: An integrated approach in the digital age. *Startuppreneur Business Digital (SABDA Journal)*, 3(1), 54-66.
- Santoso, M., Hefniwati, E., Dewi, C., Septiani, K. R., & Supratikta, H. (2025). Analisa Pemberian Kompensasi terhadap Kinerja Karyawan di PT Surya Toto Indonesia. *Scientific Journal of Reflection: Economic, Accounting, Management and Business*, 8(3), 873-880.
- Sayuti, A (2020). *Analysis of providing bonuses on the performance of marketing department employees (Study at the LKMS Ukhwah Bintang Insani Cooperative)*. Bengkulu: IAIN Bengkulu (Doctoral dissertation).
- Setijaningsih, HT (2012). Positive accounting theory and Economic Consequences. *Journal of Accounting*, 16 (03), 427-438.
- Sholihin, A. I. (2013). *Pedoman umum lembaga keuangan syariah*. Jakarta: Gramedia Pustaka Utama.
- Suhendi, D. (2018). pengaruh promosi dan bonus agen terhadap pencapaian target penjualan jasa asuransi jiwa PT. Bringin Jiwa Sejahtera. *Journal of Management Review*, 1(3), 113-121.
- Sunggara, A. D., Nurhaliza, P., Ferdinand, A. T., & Dirgantara, I. M. B. (2022). Digital marketing on sales effectiveness and market expansion for MSMEs: A literature review. *Arthatama: Journal of Business Management and Accounting*, 6(2), 55-65.
- Turyadi, I., Zulkifli, Z., Tawil, M. R., Ali, H., & Sadikin, A. (2023). The role of digital leadership in organizations to improve employee performance and business success. *Jurnal Ekonomi*, 12(2), 1671-1677.
- Vuong, T. D. N., & Nguyen, L. T. (2022). The key strategies for measuring employee performance in companies: a systematic review. *Sustainability*, 14(21), 140-152.
- Wahyuni, RNT, & Monika, AK (2016). The influence of education on labor income inequality in Indonesia. *Indonesian Population Journal*, 11(1), 15-28.



### ***Acknowledgment***

We gratefully acknowledge the contributions of individuals who supported the completion of this article.

### ***Funding Information***

This research did not receive any funding.

### ***Conflict of Interest Statement***

The authors declare that there is no conflict of interest.

### ***Ethical Approval and Originality Statement***

Ethical approval was obtained for this study. The manuscript represents original work and has not been previously published, nor is it under consideration by another journal.

### ***Data Disclosure Statement***

The data that support the findings of this study are available from the corresponding author upon reasonable request.



Copyright: © 2025 by the authors.

This work is licensed under the terms and conditions of the Creative Commons Attribution-ShareAlike 4.0 International License (<https://creativecommons.org/licenses/by-sa/4.0/>).