Today there are millions of people around the world building such unseen industry as network marketing. The simplest explanation of network marketing is – it is a method of marketing that utilized independent representatives to reach potential customers that a company otherwise would not reach with traditional online or offline marketing methods.

In general, network marketing is only being developed in the market of Ukraine. It is needed to study and analyze. Our aim is to determine the development peculiarities of the Ukrainian network marketing, compare our progress with other countries.

Network marketing is based on word-of-mouth advertising, which is the most effective form of advertising. They know that such form of advertising is a far more powerful, effective method of marketing, especially, when that message comes from those whom we know, trust, and who likes and personally uses advertised products. It doesn’t need millions of dollars spending each year to market products.

We agree that such methods of promotion products are very effective. Today we can see first results of network marketing. Consumers are able to buy different network marketing products and services from cosmetics to financial programs. Other people started to do their own business together with network marketing and you can do it.

To our mind, there is distinct difference between Ukrainian network marketing development and American. The main development peculiarities of network marketing in Ukraine are:

Network marketing started developing only 10-12 years ago.

Network marketing began to fill the market niches in with rare, unknown products, e.g. cosmetics, household media, technical devices [1].

It is difficult to persuade Ukrainians to try or buy unknown products or services or to start their own business. The Internet has started regularly used in network marketing recently.

It is extremely important to understand that network marketing is not only the way of selling but also effective and profitable business, which can help to become successful. Common people can invest a small sum of money in a business and rise to staggering levels of financial reward and personal freedom. Each day millions of people report to work, where your employer leverages your time to build his or her business and financial future. In network marketing, people help and assist others in building their business.