

Mary Kay Cosmetics Marketing Plan

Areas of Income

1. **Classes and facials** – 50% commission
This is the highest direct sales commission paid in the United States
2. **Reorders** – 50% commission
Our product is consumable, like milk or bread, so reorders are a large part of our income
3. **Dovetails** – 15% commission
This is basically a flexibility tool. When a consultant isn't able to hold a skin care class, another consultant will teach the class and pay the consultant who booked it a 15% dovetail fee.
4. **Team Members**
Beginning with your first team member – 4% commission
Starting with your fourth team member - \$50 bonus
Five or more team members – 9% commission
Five or more team members ordering in the same month you place a \$600 order – 13% commission
5. **VIP car program**
Qualified consultants earn the use of a red Pontiac Grand Am and the company pays for more than 85% of the insurance.
6. **Directorship** – 13% commission
This is based on a unit's wholesale production and is paid on a monthly basis to the unit Sales Director from the company in the form of a commission check. Directors may also qualify for unit volume bonuses and unit recruiting bonuses.

Tax Benefits and Deductions

- **Automobile costs** 40.5 cents per mile for business related-travel
- **Telephone** – long distance business telephone calls – 100% deductible
- **Entertainment and travel** – when primarily for your Mary Kay business
- **Skin care class supplies** – washcloths, cotton balls, tablecloths, beauty showcase, etc.
- **Office supplies** - printing, postage, paper, pens, etc.

Advantages

- **No territories**
- **Website Business for only \$25**
- **No franchise program**
- **No quotas**
- **Full training program**
- **Retirement** – for National Sales Directors
- **Insurance** – active Consultants can enjoy self-employment benefit programs designed to aid them in meeting Health, Life, and Product Replacement needs.
- **Prizes** – diamonds, other jewelry, luggage, air travel, use of free cars and much more

Investment Required

- **\$100 beauty showcase** (a \$450 value) plus local tax and shipping
- **Inventory** – optional, but recommended
- **Buy back guarantee from the company**

Mary Kay Philosophy

God first, family second, and career third

Golden Rule

“Do unto others as you would have them do unto you.”

What You Can Expect From Your Classes And Reorder Business After One Year

- At each skin care class, the number of guests ranges from 3-6 with an average of 4
- The average sales are \$175 per class
- We retain 85% of our customers
- The average reorder per customer each year is at least \$157

5 Classes per week (15 – 20 hours)

\$175 x 5 = \$875 weekly sales
\$875 x 50 weeks = \$43,750 annual retail sales
425 customers x \$157 per year = \$66,725 annual reorders
\$110,475 total annual sales
\$55,237 profit

4 Classes per week (10 – 15 Hours)

\$175 x 4 = \$700 weekly sales
\$700 x 50 weeks = \$35,000 annual retail sales
340 customers x \$157 per year = \$53,380 annual reorders
\$88,380 total annual sales
\$44,190 profit

3 Classes per week (6 - 8 hours)

\$175 x 3 = \$525 weekly sales
\$525 x 50 weeks = \$26,250 annual retail sales
255 customers x \$157 per year = \$40,035 annual reorders
\$66,285 total annual sales
\$33,142 profit

2 Classes per week (4 - 6 Hours)

\$175 x 2 = \$350 weekly sales
\$350 x 50 weeks = \$14,500 annual retail sales
170 customers x \$157 per year = \$26,690 annual reorders
\$44,190 total annual sales
\$22,095 profit

1 Classes per week (2 hours)

\$175 x 1 = \$175 weekly sales
\$175 x 50 weeks = \$8,750 annual retail sales
85 customers x \$157 per year = \$13,345 annual reorders
\$22,095 total annual sales
\$11,047 profit