

WORKING YOUR BUSINESS 60/40

100%

(what customers pay you for product)

60%

40%=

50%

+

10%

true profit

money to restock your shelf; you will reorder back exactly what you sold

money you set aside & save for things like enrolling customers in the Preferred Customer Program, Section 2 items, Seminar, Career Conference, etc.

this is your money to do whatever you like with after you have ordered & paid off your "full store" (\$3,600 wholesale)

PHILOSOPHY BEHIND WORKING YOUR BUSINESS 60/40:

The idea behind working your business 60/40 is that you always have profit, you always have product, you always have savings, and you never have debt!

Profit: we know we make 50% profit on all we sell. But by saving 10%, and only taking 40% as profit (what we refer to as "true profit,") you will always have savings.

Savings: a key part of money management, putting 10% of all you sell into savings means you will never NOT have money for items that help you build your business and make it easier... such as enrolling customers in the Preferred Customer Program (which saves you time, money, and builds your reorder business), samples (which help you sell more product), and continuing education programs such as Career Conference and Seminar.

Product: think of the grocery store, or Target, or The Gap. Is your grocery store ever out of bread and milk? Is Target ever out of paper towels and toilet paper? Is The Gap ever out of jeans? No... because they always scan what they sell, and that lets them know what product to reorder to restock their shelf. Working your business the same way... by reordering what you sell on a regular basis... means you are always ready to fill your customers' orders, and therefore they will keep coming back to you over and over again.

Debt: the first thing we want to eliminate. After all, you didn't come into Mary Kay to spend money, you came in to make money! Still, we know that starting any business involves some initial start-up cost. A Mary Kay business is no different. What IS different is that our start-up expense is far lower than most businesses, and allows you to make far MORE money sooner, and thus pay off your start-up expense in full. That's a great thing, since most businesses involve start-up costs that are never recouped. We recommend you pay off your initial Mary Kay investment one of two ways:

1. Put all your "true profit" toward paying off your initial investment until it's paid off.
2. Put half your "true profit" toward paying off your initial investment until it's paid off.

With either of these plans, you should pay off your initial investment quickly. Here are two conservative examples of what you might expect to achieve in your first three months in Mary Kay.

Example 1: You hold three Mary Kay skincare classes per week and attend your weekly success workshop (training). That amounts to between 3-7 hours of work per week. You sell \$200 per class, which is \$600 per week and \$2400 per month. Your true profit (40% of what you sell) is \$960 per month. Putting all your true profit toward paying off your initial investment would mean even a full-store start (\$3,600 wholesale) could be paid off in four months.

Example 2: You hold three Mary Kay skincare classes per week and attend your weekly success workshop (training). That amounts to between 3-7 hours of work. You sell \$200 per class, which is \$600 per week and \$2400 per month. Your true profit (40% of what you sell) is \$960 per month. Putting HALF your true profit toward paying off your initial investment would mean even a full-store start (\$3,600 wholesale) could be paid off in eight months.

Neither of these examples take into account two key factors:

1. You can start building a team and earning commission money immediately, which will help you offset your initial investment faster. Having just one team member who works the way you do in example one or example two would mean \$48 a month in commission. Two team members would mean \$96 a month in commission. Three team members would mean \$144 in commission. Remember,

- all commission is paid directly to you by Mary Kay in the form of a check sent once a month. It is NEVER paid to you by your team members.
2. You could very well sell more than \$200 per class, which would also help you offset your initial investment faster. Selling \$400 per class would mean a true profit of \$1,920 a month... allowing you to pay off your full-store initial investment in just eight weeks. Selling \$200 per class means five women each spend \$40. That's like having each person there buy ONLY the TimeWise 3-in-1 Cleanser and TimeWise Age-Fighting Moisturizer. Selling \$400 per class means those same five women buy the Cleanser and Moisturizer, plus Foundation and Satin Hands. Do you see how easily you can reach \$400 in sales at a class? And if the hostess buys a rollup bag, she will spend \$299 herself! That will propel your sales tremendously!

Attending our weekly success workshop is truly the key to your success; we will TEACH YOU to sell these products. AND we will teach you to book everyone at every class for a follow-up facial, where you will have them try a Color 101 Look and give THEM a chance to be a hostess, thus introducing you to more new customers, and helping you sell more product to those existing customers, which will build your reorder business. Plus, since every weekly success workshop also provides you the opportunity to bring guests, you can make money and build your team right there at the workshop each week. It couldn't be any simpler!