

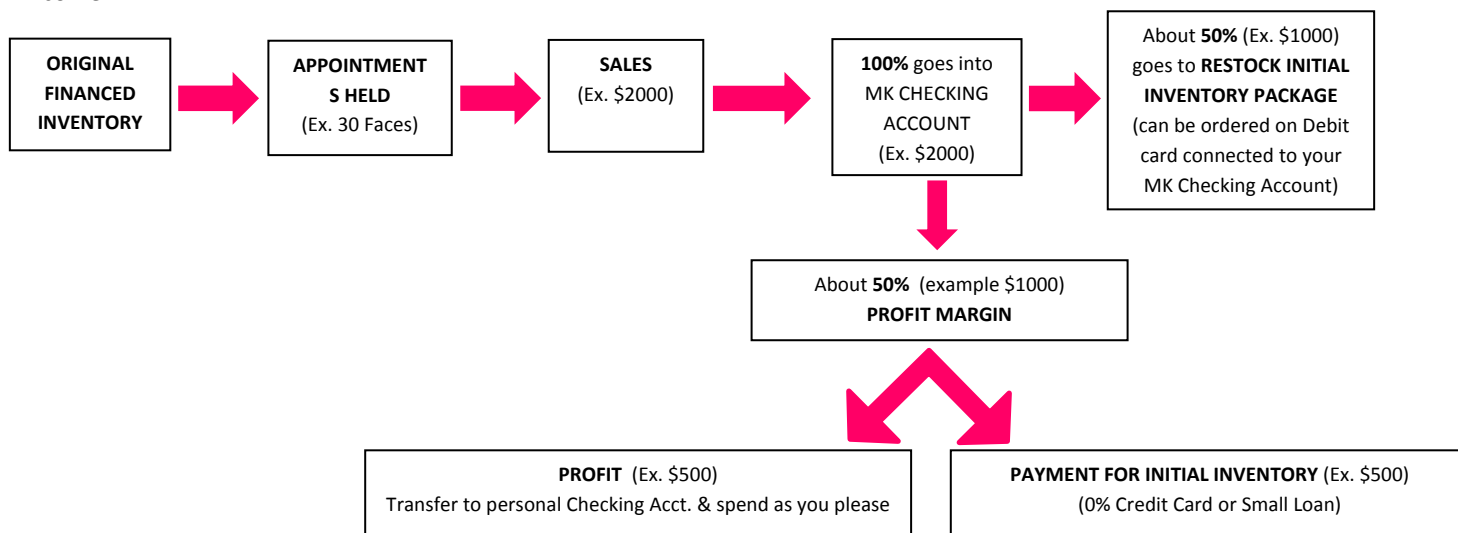
# MANAGING YOUR MK MONEY EFFECTIVELY

By Future National Sales Director Amie Gamboian

**CONGRATULATIONS** on beginning your Mary Kay Business!

HERE is **How You Manage Your Mary Kay Sales Money Effectively.**

Building a business is exciting! It brings with it new challenges, fun opportunities, personal & professional growth, and additional income.



One of the most important things that successful business owners do is manage their income appropriately, stewarding this income both for continual development of the business and creating financial freedom in their lives.

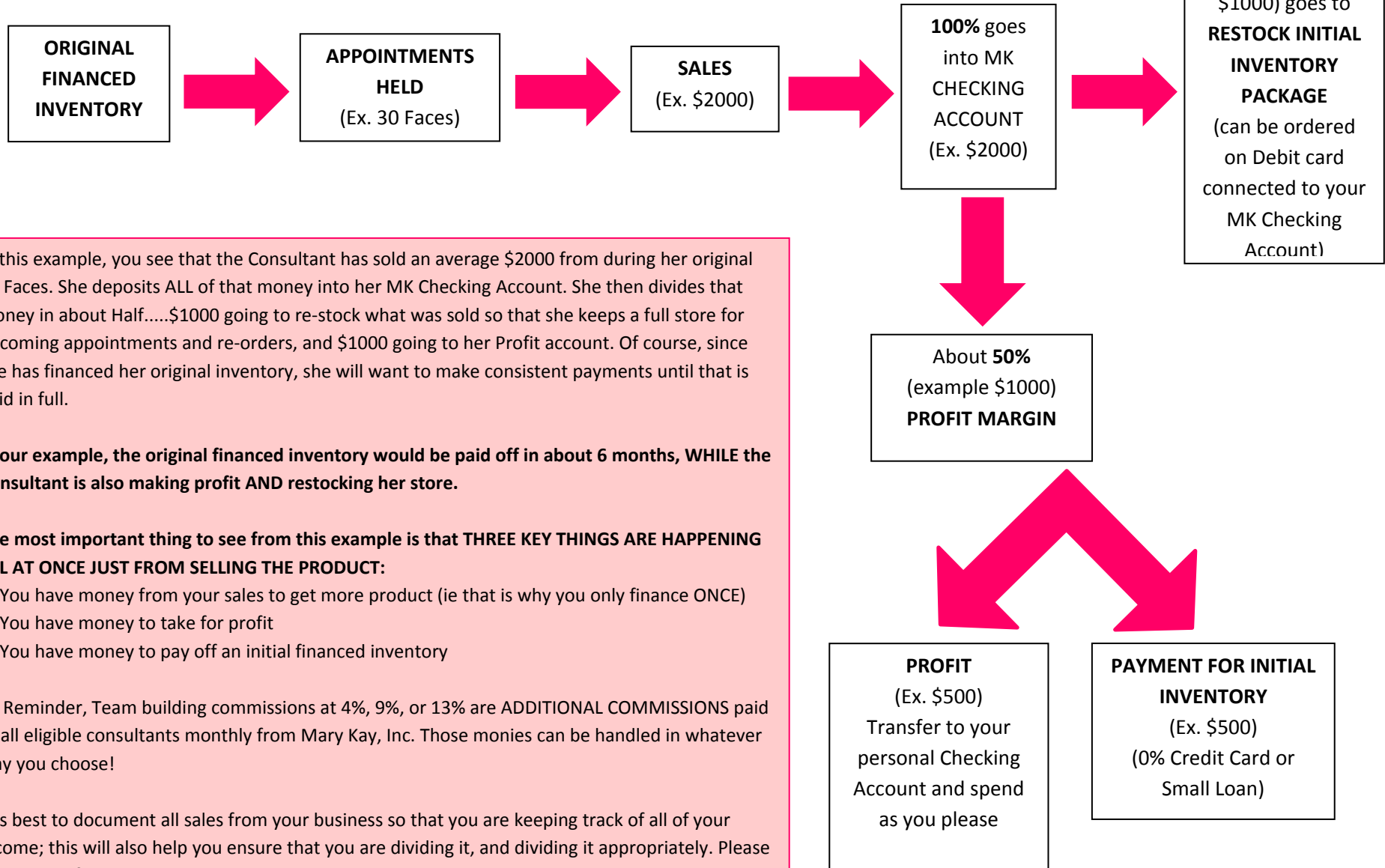
Mary Kay is a 'self supporting' business, with very little overhead in terms of expenses. We have the ability to run our businesses completely from the sales of the product, with team building and leadership commissions being an additional income benefit.

Having Inventory on hand is an investment that many consultants make so they can develop a larger, stronger and more loyal clientele quickly. It is an investment that is guaranteed by a 90% buyback policy by Mary Kay Inc. It goes without saying that clients appreciate on-the-spot service and immediate access to their products.

**I have provided an example above and below of effective money management to assist you in understanding the financial side of our business. In creating this example, I have made some basic assumptions that are also important for you to know:**

- \* The Consultant has approx. \$3000 wholesale in inventory on hand that has been financed on a credit card/ a bank loan
- \* All Team building commissions paid to the Consultant from the Company are additional income and can be spent however the consultant deems appropriate; therefore, they are not included in this example.
- \* The Sales average of \$2000 in the example below is based on a consultant sampling product on 30 faces in a month (National average in sales for such activity is \$1,500-\$3,000)
- \* The MK Checking Account is a standard checking account with no annual fees or additional costs.
- \* "Profit Level" Inventory is considered to be \$3,000 wholesale or more....meaning that consultants who have this amount of inventory can very freely take their full profit margin monthly from their businesses right away, and simply "restock"(via debit card) store each month based on what they have sold.
- \* Consultants who start out below "Profit Level" are wiser to not only re-stock their stores each month, but to also invest some or all of their profits every single month in order to BUILD a full store inventory.
- \* Having "Profit Level" inventory on hand allows a consultant to earn more money that she can keep -- and to earn it more quickly.
- \* 0% interest credit cards are currently the best option for Consultants to finance an original inventory.

Following the example below is important so that you are managing your 'Sales money" effectively:



In this example, you see that the Consultant has sold an average \$2000 from during her original 30 Faces. She deposits ALL of that money into her MK Checking Account. She then divides that money in about Half....\$1000 going to re-stock what was sold so that she keeps a full store for upcoming appointments and re-orders, and \$1000 going to her Profit account. Of course, since she has financed her original inventory, she will want to make consistent payments until that is paid in full.

**In our example, the original financed inventory would be paid off in about 6 months, WHILE the Consultant is also making profit AND restocking her store.**

**The most important thing to see from this example is that THREE KEY THINGS ARE HAPPENING ALL AT ONCE JUST FROM SELLING THE PRODUCT:**

- 1) You have money from your sales to get more product (ie that is why you only finance ONCE)
- 2) You have money to take for profit
- 3) You have money to pay off an initial financed inventory

\*\* Reminder, Team building commissions at 4%, 9%, or 13% are ADDITIONAL COMMISSIONS paid to all eligible consultants monthly from Mary Kay, Inc. Those monies can be handled in whatever way you choose!

It is best to document all sales from your business so that you are keeping track of all of your income; this will also help you ensure that you are dividing it, and dividing it appropriately. Please discuss any further questions with your Recruiter or Director -- we are always happy to assist!