

Ordering and Career Status

With just a little bit of planning and a knowledge of the time schedules of Mary Kay, running your business – even on the smallest of scales – can be simple, easy and rewarding! Planning ahead and understanding how to maximize your ordering really pays off. This simple guide will help you understand how and when your 50% discount applies and the benefits of Active status. Please ask your Independent Sales Director about any other questions you may have.

Placing Product Orders

As a Mary Kay Beauty Consultant, you will place product orders directly with the Company. Ordering product is easily done online through www.marykayintouch.com. Just click the online ordering link. Products are categorized and organized into easy to shop pages. There are two categories of items that you can purchase from the Company. Section 1 items are product for retail sale. Section 2 items are sales aids such as catalogs, product samplers, and customer gifts.

In order to qualify for your 50% wholesale discount, your first order with the Company needs to be at least \$450 in retail value of Section 1 items (your cost: \$225 wholesale). Please note that the prices on the Company website are listed as full retail prices. As you build your order and hit the “update” button you will see the totals increase. As soon as your order reaches \$450 retail value, the wholesale line will update and the 50% discount will apply. Please note that Section 2 items (sales aids) do not count toward your \$450 retail (\$225 wholesale total).

Four times a year, the Company introduces new items and catalogs. These “Quarters” change on the same dates every year, with new product releases on February 16th, May 16th, August 16th, and November 16th. Many Consultants find it useful to plan their ordering around the new quarter product launches and brochure updates. You will get a Look brochure in the Applause magazine prior to the beginning of each quarterly promotion, which you can pass around and take orders. Be sure to order the new products for yourself as well. When you use and know the products from personal experience you will sell more product!

Through the “Preferred Customer Program” your Customers can receive the new Look brochure by mail and can see the latest and greatest in Mary Kay products. Enrolling your customers in the Preferred Customer Program is an easy way to get them to develop regular purchasing habits (plus it saves you time and money)! You can easily sell \$225 retail a quarter, even with just a handful of customers.

Status: Active, Inactive and Terminated

Each month in which you place a \$225 wholesale (\$450 retail) Section 1 order, the Company updates your status to “Active” or “A1”. Active Status lasts for the remainder of the month in which you order, plus the following two calendar months, or “A2” & “A3”. The main benefit of Active Status is the “Earned Discount Privilege” which enables you to place any size order and receive your 50% discount off retail. That means that you can order just a few items and get 50% off any size order while you are Active. You can also utilize the Customer Delivery Service: drop shipping from the Company to your customers for only \$5.75 (for \$100 ws or less). The CDS is only available to Active Consultants who have a ProPay account. Another important benefit of Active Status is that you will be paid commissions on any team members that you may have. Please note that during A2 and A3 months, the \$225 wholesale (\$4.50 retail) trigger amount is *cumulative* and A1 status can be regained when several small orders within one calendar month add up to \$225 wholesale.

Consultants who have not placed a \$225 wholesale order in the past 3 months are considered “Inactive”. When a Consultant is Inactive she does not have the benefit of the Earned Discount Privilege and is not paid commissions on the production of her team members.

Mary Kay has many wonderful programs to support Consultants who are building their business. They reserve these programs for Consultants who are actively working to earn extra money, treat new women to our fabulous products with facials and skin care classes, and service their customer bases. When a Consultant has not placed a \$225 wholesale order in the past 6 months, the Company changes her status to “Terminated”. At this time, the Company assumes that the Consultant is not actively building her business and will remove her from certain support programs. If the end of her first “Terminated” (T1) month ends with no \$225 wholesale order, then the Consultant will no longer be included in Company mailings, Unit Newsletters, and any recruits she may have will be permanently removed from the Consultant’s team.

However, the Consultant is still a valuable part of the Company and Unit throughout T Status and she can access the www.marykayintouch.com homepage and place an order at anytime. When she places her next \$450 retail (\$225 wholesale) order, her status will be reset to Active. At some point within 12 months of the last \$225 order the Consultant will need to place a \$225 wholesale order to remain a part of Mary Kay, keep her Beauty Consultant number and login to www.marykayintouch.com, and keep her ability to order directly from the Company. If the last T month passes with no order, the Consultant will no longer be a part of the Company. She can purchase an updated kit in the future to have access again to www.marykayintouch.com and to purchase products at wholesale directly from the Company.

You will receive various communications from both the Company and your Sales Director at crucial activity points should you reach them. You will receive an e-mail in your A3 month and T1 month as well as a letter at the end of your T Status (12 months after your last \$225 wholesale order). You can always check your activity status by logging into the www.marykayintouch.com home page and visiting "myBusiness" under the Business Tools and At-A-Glance to see an overview of your order history. When your status is Inactive or Terminated, you will also see a special message through on-line ordering reminding you of the need to place a \$450 retail (\$225 wholesale) order.

A Mary Kay business is really intended for women who desire to earn extra money. But you are an Independent Contractor with the right to control your own activity. The timeframes discussed here are the absolute minimums. By taking the time to develop a Customer base at the beginning of your career, you will always have resources to run your business smoothly and easily.

A Customer base is best developed by treating women to facials, starting them on the skin care products and then providing continued, consistent support through the Preferred Customer Program. When Customers know they can count on you when they need to reorder, it creates loyalty. Loyal Customers make your business fun and lucrative and you will enjoy the benefits of a Mary Kay business for years to come!

On the right you will see three examples of three very different Consultants with different career goals and work in their business. These three examples should serve to help you understand Active status and how it is determined by ordering frequency. Of course these are just examples, please ask your Sales Director for additional assistance in understanding Active status and guidance on when best to place your product orders.

Susie is working her business! She has a growing customer base, holds skin care classes and orders each month to replenish her inventory.

Month	Wholesale Orders	Status
Jan	\$259	A1 = Active
Feb	\$506	A1 = Active
Mar	\$301	A1 = Active
April	\$242	A1 = Active
May	\$687	A1 = Active
June	\$605	A1 = Active
July	\$270	A1 = Active
Aug	\$601	A1 = Active
Sept	\$353	A1 = Active
Oct	\$422	A1 = Active
Nov	\$712	A1 = Active
Dec	\$458	A1 = Active

Lisa is a part time consultant. She places an order each quarter to get the new product for herself and her handful of loyal customers.

Month	Wholesale Orders	Status
Jan	-	I1 = Inactive
Feb	\$226	A1 = Active
Mar	\$42	A2 = Active
April	-	A3 = Active
May	\$235	A1 = Active
June	-	A2 = Active
July	-	A3 = Active
Aug	\$305	A1 = Active
Sept	-	A2 = Active
Oct	\$112	A3 = Active
Nov	\$284	A1 = Active
Dec	-	A2 = Active

Janie is a personal use consultant. She orders once or twice a year for herself and her daughters so that she can buy product at her 50% discount.

Month	Wholesale Orders	Status
Jan	\$261	A1 = Active
Feb	-	A2 = Active
Mar	\$96	A3 = Active
April	-	I1 = Inactive
May	-	I2 = Inactive
June	-	I3 = Inactive
July	-	T1=Terminated
Aug	-	Terminated
Sept	-	Terminated
Oct	-	Terminated
Nov	\$242	A1 = Active
Dec	-	A2 = Active