

Orientation Outline

- Introduction – We will be covering a lot of info to get your started (Hold questions till the end. Please turn off cell phones.)
- Don't be overwhelmed – You will have other classes along the way that will go into details as well as the support of your Director.
- Please don't start reading thru all the information. I will let you know what pieces to pull out as we discuss each of them.
- What Makes MK #1
- Success in MK pages 1, 2 & 3 (Pull out Business Card & Website brochures.)

HOW TO HANDLE INVENTORY

1. Now we are going to discuss money, which is a very sensitive subject, so I want to make it clear that what we are talking about are options that you have and the choice is totally up to you.

2. Day one in this business you have a choice; having product on hand for your business or taking orders as you go. Again the choice is up to you and your Director is going to support you whichever you decide.

Remember our job, as a director is to give you all the information about this business, all the ins and outs, so that you can make the best decision for you. The last thing we want to happen is for you to come back and say you didn't have all the information and choices that you needed to be successful. So that is why you are going to get all the information about inventory now.

3. The number one reason we can discuss inventory is your 90% guarantee. If there was no guarantee we could not readily advise that this absolutely something to consider. (Explain 90% buyback.) We can really sleep well at night knowing that our consultants are taken care of.

4. First, why do we talk about inventory now? Many years ago we would discuss inventory about one month into your business, after you had received several trainings. Unfortunately, what was happening was during that time consultants were running into people that were immediately asking for product. Since the consultant did not have product yet, the customers were going to other consultants or worse, the store to buy their product. Basically, our new consultants were losing clients and were frustrated. So now we cover inventory day one so that you will not have to go through that.

5. Now go through the "Benefits of Having Product on Hand" sheet adding in hand written notes on the page. Be thorough don't miss anything!!!!!!

6. Emphasize the difference between asset/investments and debt. Just spending on your credit card is a debt. Buying a car is a debt. Taking a vacation and putting it on a credit card is a debt, etc. Buying a home, real estate, stocks, bonds, businesses, inventory for a business is an asset. An asset is something that creates a cash flow for you. Obviously,

inventory falls into that category

Explain that most people don't have money lying around so they put it on a credit card, or four, like I did, but they can write off the interest. Also, explain how to pay it off right away. Don't just sit on the card. Don't take a profit for the first month or two and take all the profit and pay off the card. Most businesses take four years to turn a profit, you can do it in a couple of months if you are focused and disciplined in your business. (The person needs to feel confident that they have a plan to pay off the card right away. Then from that point on they can start paying off debt they already have or save for a new home, or save for children's education, or save for a vacation.....give them ideas.)

7. After you have finished with the sheet, now you will go through the orders. Now we are going to talk about all your order choices. We are going to talk about all of them from the top to the bottom so that you have all choices and can make the right decision for you. We are going to discuss product orders from \$4800 all the way down to \$200 (you never actually discuss the \$200, you stop at \$600). There are a lot of special product bonuses you can receive, up to \$950, so that is why we will definitely cover everything. Here is where you cover Shannon's story and how she was scared and in debt and afraid of inventory.

8. Also, note that your director does product orders because she knows what sells, and the last thing we want is you to have product that is not making you money. Remember, your director does not make money on a one-time inventory order. She makes money when you are successful, not if you place just a one-time order. The bottom line is you can always depend on her to give you the best advice for your business.

9. Also, note that you director can customize and order for you depending on what colors or products you may specifically want.

10. Now when we talk about some of these inventory packages you might ask, "Where do they come up with these numbers?" They don't just pick them out of a hat. For example: When Christine started her business, the largest inventory was a \$3000 order and at that time that was 10 of every product and color.

Ten years ago, when Shannon started her business with a \$3600 order she received 5 of every product and color. Over the years the line has developed and the prices have gone up. The orders today are a quarter of the size they used to be. For example, the \$3600 order today does not include the entire line. There are no men's products, no nail products, no vitamins, and no sun products. That is why for the first time we have the option for some larger orders so people have the option to have a complete inventory package.

11. You will also notice that there are higher levels of product bonuses given out on some of the orders. Why is that? The company, after studying all the statistics, found that when consultants started at certain orders they had higher success rates and were not returning product, they were making money and re-ordering. So now the company does not say you HAVE to get product, but they incent you by giving tons of free product away so you have no risk (explain a \$3600 sent back, you would lose \$360, but they gave you around \$900 free, you can't lose). And remember, also you are given company referrals at these orders. So again, reiterate that the choice is totally up to them, but the company has done everything to put them in a position to be successful with no risk.

12. Explain orders starting at \$4800, \$4200, \$3600, \$3000, \$2400, \$1800 (advise the 18 does not include total line), \$1200, \$600. The \$4800 is basically 3's of color and

products.

The \$4200 is basically 2's of color and products. Both include the entire product line until you get to the \$3600.

13. After you go through the orders explain how the tax is handled and let them know business supplies are included (samples, bags, etc.) Reiterate that we customize orders. Your director will do it for you.

14. Explain time limits on free product. Backorders, shortages for the holidays, depending on what time of year it is. The sooner you decide the sooner you start making money.

15. Finish-Reiterate that this option is totally up to them. We are here to give the best advice for their business. If it is possible we totally, ABSOLUTELY, advise that they get product. It will make their business easier all the way around. It also helps when building a team and going to director because the team follows and then they are more successful as well. It ensures you have a strong team.

16. It's okay to "hunt" for money businessmen do it every day with no guarantees. If you can't find the money, okay, at least you tried and exhausted every resource.

17. When you look at the orders start at the top and work down. Not the other way around. If there is no option for you THEN take orders. I don't want anyone leaving saying "I can't be successful because I can't do the \$3600", that is not true. We will work with you. You will just have to be more disciplined. What we're trying to convey is that if you hunt for money and have the option, OBVIOUSLY, your business is going to go into high gear immediately and with all the free product you can't lose and that's the best advice we can give you.

- Now go back to page 3 in Success in Mary Kay/New Consultant Checklist and give them the order of what needs to be done first: 1) Place initial wholesale order, 2) Set up website and Free e-mail account, 3) Order business cards.

- Success in MK Business Expense Form – Cover keeping good records and have a professional do taxes at the end of the year. Do not quote percentages of deductions.

- Success in MK 30 Prospect Sources

- Success in MK – How to Get Leads for Booking (Mention e-mail list on the 1st and the 15th)

- Final - Talk with your Director or Recruiter before leaving tonight so that she can set up a time to follow up with you and answer any questions that you have. Remember: don't be overwhelmed, you will have on-going training to help you get your business going.

If any questions, try to answer one-on-one at the close or better yet, refer them back to their Director. This will keep any negative consultants from being able to make unnecessary comments during Orientation.