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# INTEGRATED MARKETING COMMUNICATIONS PLAN: MAC COSMETICS

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# Market Background

## Market Analysis

The cosmetic and beauty industry is a competitive market with four classifications. Prestige counts as the department stores and specialty stores in which beauty products are sold. The Bay, Macy's, Sephora and MAC fall under the prestige classification. Mass merchandisers are classified as broad. This could be Costco and Sam's Club. Avon and Mary Kay are classified as alternate and involve direct sales. The final classification is specialty. The Body Shop and Bath and Body Works fall into this category as well as specific products/product lines sold at spas and salons.

The industry made nearly \$35 billion in 2010. The industry experienced a yearly growth of about 4% from the four years before. The growth of the market is expected to stay around the same until the year 2015. It is estimated that the value will grow to \$42 billion.

## External Influences on the Market

### Economic Trends

The obvious ongoing recession has led to many consumers trading down on some products and as a result they become accustomed to buying lower-priced products (Lennard, 2011). While drug store brands might not offer consumers the same benefits that high-end brands like M.A.C. can, they cost much less. High-end products can really take a bite out of your budget which can deter consumers from spending their money on our brand. With a poor economy such as this one, people are finding ways to save their money. The reality is that drugstore brands do offer some great products and so there is an industry concern that consumer might continue these habits as financial pressures ease up in the future (Carrillo, 2007).

However, the market for cosmetics has fared better than other industries because consumers view these products as affordable luxuries. People are competing in a tough employment market and as a result they need to look their best to convey confidence in an image-conscious society (Carrillo, 2007). Many high-end brands take advantage of this opportunity as their products are often promoted by professional men and women.

## Demographic Trends

The use of cosmetics has become more commonplace among men in today's society. Although women continue to outnumber men, the male population is expected to grow at a somewhat faster rate (Denise Smith, 26 J). This can be used to our advantage as it would provide us with an opportunity to increase penetration of cosmetics and fragrances among the growing male consumer base.

An increasing population will also benefit the cosmetics industry (Denise Smith, 26 J). While an ageing population could prove to be unfavourable, teenagers and young adults are the most avid users of cosmetics and fragrances. This generation is also very brand-conscious, often with the disposable income and a pride in appearance making them more likely to pay more for premium-priced products that promise additional benefits.

## Social Trends

Social trends change with time but it is important to keep up with these trends. Knowing what's going on in the industry and in the market helps brands so that profit can be maximized.

Now more than ever, there is a lot of money to be made in the cosmetics industry. Consumers are constantly searching for new products and to keep up with demand, companies are regularly introducing new products in the market. These products offer older women a chance to look younger while promising glamour to younger women (Lennard, 2011).

Magazines have huge beauty sections because advertisers pay a lot of money for glossy ads about numerous products. So while it cost's companies little money to produce items, women and girls will are ready to pay huge amounts of cash to buy it. Today, beauty goes hand in hand with youth so many women look for products that will reduce their aged appearance. Looking old is undesirable in today's society (Lennard, 2011). As a result, many companies in this industry offer products that reduce wrinkles, facial lines and spots. These are represented as occurrences that need to be treated as soon as possible.

Celebrities are used by many cosmetic companies to promote products because it gives their brand a lot of exposure. While many celebrities might not actually use these products, consumers truly believe these products will make them look as attractive as women seen in movies and on TV. Media has a growing influence over what is portrayed as beautiful in today's society (Pitman, 2011).

## Technology

The cosmetics industry is continuously growing, now more than ever thanks to the Internet. Many companies can now sell their products online, making it easier for some to sell products in countries where they don't have any representatives (Pitman, 2011). Thus allowing the cosmetics market to become highly competitive.

Today, consumers have access to apps that don't only show what ingredients go into certain products but also allow people to see how make-up can be applied. Consumers are always looking for new techniques.

Social media is also used by a growing number of companies and brands to help them connect to the public. Tools such as Facebook and Twitter are now used to launch new products, to give consumers a play-by-play of a show, to get feedback and a number of other things (Pitman, 2011). Technology has revolutionized the way the cosmetics industry works

## Consumer Data

### Convenience

While M.A.C. is sold at stores that are located in big malls, smaller brands like Cover Girl and Almay are sold at drug stores and grocery stores. Visiting these stores is much easier as they are conveniently located close to your home. One might rather visit the store around the corner than a mall that may be located as far as 5 hours away.

## Competitive Analysis

MAC cosmetics is owned by parent company Estée Lauder and competes directly with L'Oréal brands Maybelline and Revlon in the Canadian cosmetic industry. L'Oréal currently holds the top spot in cosmetics. Their cosmetic brand, Maybelline, makes up 22% of the North American market share. Its affordable pricing and wide availability gives the brand strength in the Canadian cosmetic industry.

Revlon is another competitor in cosmetics, however it does not fall into the luxury segment. Revlon can be found away from department stores, in stores like Walmart. Revlon products are sold at competitive prices while MAC is sold at value-based prices. Market shares for the top international cosmetic companies are as follows: *(in billions of dollars)*

L'Oréal	25.89
Proctor & Gamble	19.57
Unilever	16.98
Estée Lauder	8.29
Shiseido	7.75

## L'Oréal

L'Oréal is positioned as a business that enables individuals to express their personality and gain self-confidence. The business brags about their quality, safety, and efficiency in providing beauty products. The brand aims to provide products for men and women, but put more of an emphasis on women. L'Oréal has various product lines including consumer, professional and luxury lines. Their research and development of the LR 2412 molecule, which is an anti-aging ingredient, has boosted their image as a brand on the edge of science. L'Oréal has made a very public commitment to responsible growth through fair trade, educational endeavours and environmental labeling. Their alignment with causes such as AIDS awareness and research has raised their profile to the public as well. They've been known to make donations to stop animal testing. In March 2012 L'Oréal donated \$1.2 million to the cause. Their social corporate responsibility paired with the variety of their product lines have become a huge part of what makes them who they are and defines their brand.

## Revlon

Although it isn't a luxury brand, Revlon cosmetic products are a huge competitor for multiple reasons. Revlon offers reasonably priced products for the average consumer. Their competitive pricing makes them a brand to look out for. Their products are easily accessible. Many chains like Walmart, Loblaws, Pharmasave and Zellers have the products for sale. The brand has used various celebrity endorsements over the years to boost their image. Some more recent celebrities involved are Emma Stone, Halle Berry and Olivia Wilde.

## Brand Analysis

MAC is a professional level make-up retailer owned by Estée Lauder, known for their high quality product and social responsibility. MAC is trusted by many professionals and everyday people. The brand has many faithful customers both old and young. They are most popular with females between the ages 18 to 30. Although the brand has a vision to offer products for people of all ages, the older demographic is less aware and less loyal to the MAC brand. MAC offers a high quality product sold at a value-based price.

Their products range from make-up brushes to lipsticks. These products are available to consumers in 1000 locations worldwide. These locations are in more than 70 countries and territories. MAC's large reliance on word-of-mouth endorsement has been a key to their success. Make-up artists, models, photographers and journalists all around the world have shared their love for the product and boosted the image of MAC as a professional grade beauty brand.

## SWOT Analysis

### Brand Strengths

MAC Cosmetics is a world-renowned cosmetic company that provides makeup for all races, ages and sexes. The company's unique and well-known brand image has created a strong celebrity following including Mary J. Blige, Nicole Richie and Nicki Minaj. In addition, the brand receives a vast amount of word of mouth endorsements from professional make-up artists. MAC Cosmetics prides itself in creating high-quality, fashion-forward products that are cruelty free while providing consumers with the experience of being attended to by highly trained makeup professionals. Furthermore, MAC Cosmetics has a program set-up called the "MAC Program" that rewards the company's loyal customers. The "MAC Program" works by customers returning six primary packaging containers to a M.A.C cosmetics counter and the customers are rewarded with a free MAC lipstick of their choice. By doing so, the company is creating a loyal base of returning customers that feel recognized and important by participating in the program.

### Brand Weaknesses

MAC Cosmetics does not have a large amount of weaknesses, which in turn shows how well this company is operated and how much customers love their products around the world. One weakness the company is facing is that the pricing of its products are more than the average drug store brands. For the average minimum wage person, MAC Cosmetics' prices could be a deterrent to purchasing the product. Also, the general public is unable to receive the MAC Cosmetic PRO color line, only professional make-up artists can. By not having their professional color line available to the public, MAC could potentially be losing customers who are searching for professional grade, long-lasting make-up.

### Marketing Opportunities

MAC Cosmetics has a few marketing opportunities available to them that will ultimately help generate more sales. Firstly, MAC has the opportunity to create more freestanding stores rather than having a small spot designated for the company in a larger department store (i.e. The Bay). As well, there is an opportunity for International expansion specifically focusing on Middle Eastern countries, as foundations and blushes are being designed specifically for tanned skin tones. In society today, consumers have become more health conscious and MAC Cosmetics has the opportunity to advertise that all of their products are cruelty free and they contain ingredients of the highest quality. Finally, existing programs like the MAC return program and the MAC Aids Fund present additional marketing opportunity for the cosmetics company. MAC is able to play up their program where consumers are able to return six primary packaging containers and receive a free MAC lipstick of their choice. They are also able to capitalize on their existing charitable work in order to generate greater brand loyalty.

## Threats

Threats that MAC Cosmetics is currently facing are mainly competitors. In regards to competitive threats, competing department store cosmetic companies include Lancôme, Clinique, and L’Oreal. These brands are similarly priced, easily accessible, and rival the quality of MAC Cosmetics. In addition, drug store brands like Revlon and Maybelline, though lesser quality, offer very competitive pricing and are much more widely available than MAC Cosmetics.

Although the economy has a serious negative effect on several non-essential industries, the cosmetics industry has remained rather unscathed according to The Economist.

# Marketing Communications Plan

## Target Market

In order to increase brand awareness and appeal to a larger audience, MAC Cosmetics must give more attention to the working women market as they make up a large portion of cosmetic users.

## Primary Target

### Demographic

The audience of females between the ages of 30 to 50 is a key group to market to because they are professional women who must look their best and put their best face

forward. These women are from the mid to high income bracket and tend to be well established in their career. It is also important to note that these women are post-secondary educated and search for the best brand of products to use on their skin.

### **Psychographic**

With the current work environment and daily life being fast-paced, the target market is pressed for time and need to rely on their cosmetic products to last through out their busy day. Along with living busy lives, these women are socially active, technologically savvy, and follow fashion trends.

### **Geographic**

The target market is seen across Canada, with a specific focus on major urban markets. It is important to penetrate major markets in order to effectively reach the majority of the primary target audience.

### **Secondary Target**

The secondary target market is females between the ages of 18 and 30, at both secondary and post-secondary education levels. Students and recent graduates, located in major urban markets are important for this target market because the majority of students are situated in the more populated areas of cities. This target market would be more inclined to utilize untraditional media for information, in the way of social media and online advertisements.

### **Marketing Objectives**

The prominent marketing objective is to increase brand awareness among fashion forward, business oriented females between the ages of 30 and 50.

### **Marketing Communications Goal (Challenge)**

The first marketing communications goal is to stand out among other colour cosmetics brands among middle-aged, career minded women.

The second marketing communications goal is to associate MAC Cosmetics with a youthful yet sophisticated and appropriate, on-trendy lifestyle.

## Marketing Communications Objectives

The first marketing communications objective is to create an image that is in keeping with sophisticated, coinciding with trending lifestyles.

The second marketing communications objective is to build buzz for MAC Cosmetics among women aged 30 to 50 who are currently unfamiliar with the brand.

## Marketing Communications Strategy

### Budget

For the first year of the marketing communications campaign, a budget of \$3 million will be available. This budget will be able to cover all marketing communications expenditures. The bulk of this budget will contribute to the multimedia aspects of the campaign and will include various integrated marketing communications activities.

### Positioning Strategy Statement

We can utilize the existing positioning strategy statement, which is as follows:

*“MAC Cosmetics is a youthful, irreverent, cool confident, social & sophisticated brand”*

## Marketing Communications Mix

In order for this campaign to make a strong impact on the primary and secondary target markets, there must be an effective mix of marketing communications elements. This mix will contribute to the success of the objectives set out above. The marketing communications mix will include traditional media advertising, sales promotions, event marketing, and online communications. The reasoning behind this selection is as follows:

### Advertising

Traditional forms of media advertising are crucial in order to put across a visual appeal to the target markets and to achieve brand awareness.

## Event Marketing

An important event will take place that will link MAC Cosmetics to a fundraiser for female leadership programs. Female leadership and professionalism appears directly to the primary target and the event will help to generate buzz around MAC.

## Public Relations

It is important to be well integrated into the public and have the support of the community. MAC Cosmetics will continue to build awareness in the community by publishing articles in different medias and educating the public.

## Experiential Marketing

The main way that customers will get a true experience with MAC Cosmetics will be through the events in which customers use the products. In store there are also makeup artists that give customers makeovers using only MAC Cosmetics products.

## Online & Interactive Communications

The primary target audience is the biggest user of social media platforms; therefore, these media are both effective and efficient for delivering MAC's message.

## Advertising Plan—Creative

### Creative Objectives

1. To communicate that MAC offers top-of-the-line cosmetics suitable for businesswomen striving to look sophisticated, appropriate, and on-trend.
2. To build buzz for MAC Cosmetics among women aged 30-50 who are currently unfamiliar with the brand, standing out among other color cosmetic brands amongst middle-aged women.

### Creative Strategy

MAC does not have advertising that is readily available for middle-aged businesswomen. The majority of their advertising occurs online through their YouTube channel and in magazine ads directed at a younger audience of 20-something. Because MAC is specifically sold in their own specialty shops as well as in The Bay stores, it would be

beneficial to strategically utilize these stores by displaying in-store advertisements and posters that are more age-targeted and appropriate, giving the message that middle-aged women can feel comfortable and confident confronting the MAC staff and counter for their cosmetic needs. MAC isn't just for young women and models anymore.

### **Central Theme**

All messages will show the vision of a sophisticated, confident, and trend-savvy businesswoman between the ages of 30-50. As a businesswoman, she leads a busy life, but choosing MAC as her color cosmetic brand is a no-brainer. The brand has become a staple in her lifestyle.

### **Appeal Technique**

The message will emphasize the target taking pride in her MAC products and revealing why she chooses MAC over other brands. The appeal will be positive, showing the ultimately confident businesswoman and the MAC name.

### **Tone & Style**

Messages will focus on the women enjoying the product. They will highlight the product and the confidence in the women.

### **Tagline**

Options to summarize the messages are:

1. "MAC- Simply, confidently, me."
2. "MAC- We mean business."
3. "MAC- There's no other."
4. "Mine, and I wouldn't have it any other way. MAC."

### **Creative Execution**

The campaign will consist of 30-second television ads, color print ads in stores and brochures, color ads in magazines, billboards, and online banner ads. Selected messages will encourage the target audience to visit the MAC website to take an individual virtual tour of a MAC cosmetic retail studio to get them acquainted and familiar. They will also be able to browse products and testimonials from real women just like themselves.

Broadcast media will feature women exclaiming simple statements about the MAC brand, how it makes them feel, and why it's right for them.

Print and outdoor media will show images of women glowing, exuberating confidence because of their MAC products. They will remain trendy yet age appropriate- a priority for the campaign.

## **Advertising Plan—Media**

### **Budget**

The budget for the media portion of the advertising plan will be approximately \$1.5 million for a one-year period beginning in January 2013 to December 2013.

### **Media Objectives**

#### **Who**

The primary target is urban women aged 30-50. The secondary target is tech-savvy women aged 18-20.

#### **What**

The continuous message will be that established women who lead busy lifestyles can feel confident with making the MAC brand their choice for color cosmetics, with a focus on confidence and current trends.

#### **When**

The launch will take place at the beginning of the year, as part of a new year's resolutions effect. Emphasis of the budget will be given during this phase as it is just beginning in order to gain effective results and impact the rest of the year. There will also be emphasis for flights around spring, fall, and at the end of the year for the 2013 holiday season, as these are the times of year women are most likely to buy products to update their looks.

## **Where**

The campaign will focus on key urban areas in the nation, such as Toronto, Vancouver, Montréal, Calgary, Edmonton and Ottawa, but will spread across all regions.

## **How**

The campaign will focus on increasing awareness in the primary target audience (women ages 30-50), while maintaining the loyalty of the secondary target audience (women ages 18-20). This will take time and will need to focus on ongoing creative strategies as well as by implementing new, trendy messages for appeal and attention.

## **Media Strategy**

### **Target Market Strategy**

The entire campaign will focus on profile-matching strategy in order to generate and maintain trust and interest of the brand with the primary and secondary targets. We know exactly which consumers we want to reach, and will continue to focus and direct marketing efforts to them.

### **Market Coverage**

The market coverage will entail media that will reach nationally, such as nationally sold magazines that match our age and demographic target audiences, and the website. There will also be supplementary media focused at impacting key primary and secondary targets within urban areas, appropriate and unique to each area. These include posters and billboards.

### **Timing**

The flights outlined will take place on a seasonal schedule, advertising according to the sales trends with a focus on pre-season in order to compete with other brands.

### **Reach/Frequency/Continuity**

Reach and frequency are important to the campaign at the beginning of the phase, as the key messages are new and will need more emphasis. Continuity is important

throughout the remainder of the campaign, with increased focus during the pre-seasons outlined. A more detailed media schedule will be designed using gross rating point levels from market to market.

## **Media Selection Rationale**

### **Television**

Primary media will entail 30-second network advertisements on television. The primary networks will be the Corus Women division of Corus™ Entertainment Inc, which includes stations OWN, W Network, CosmoTV and W Movies. As well as Slice, a division of Shaw Media. Each network caters to national women-on-the-go, who are trendy and independent, parallel to our key messages to target audiences. This will provide high reach in shorter time.

### **Print**

Retail advertising will be beneficial for those urban areas where stores are located. For instance, The Bay can advertise MAC in their weekly flyers sent out with newspapers. MAC specific preprinted inserts will also be placed in newspapers in the main urban cities mentioned.

In keeping with the profile-matching strategy, print ads in magazines specific to the target audience will also be utilized. Paid circulation magazines such as Chatelaine, Flare, Elle Canada, and Canadian Living fall under this category. This will provide an opportunity for multiple exposures as well as added reach if magazines are passed-on to other readers. Special offers and coupons can also be placed in issues focusing on pre-season trends, making a flawless connection in the audience's mind to trends and MAC.

### **Out-of-Home**

Posters and billboards will be used to display the confident women portrayed by MAC. There will also be mall posters located inside shopping malls where MAC boutique retail stores are located. Although these will rely on only pedestrian traffic, the target audience is already in the malls and will act as a visual to direct the consumer to the appropriate place.

### **Online**

Online banners will display ads across webpages appropriate to the target audience. This ad will be clickable, and will take the audience directly to the MAC website for more information.

## Media Execution

The timing and expenditures of the media execution are as follows:

Figure A: Television Advertising

Network	# of Spots	Cost per Spot	Total Cost
Corus	80	\$2,500	\$200,000
Slice	80	\$450	\$ 36,000
<b>Total TV</b>	<b>160</b>		<b>\$236,000</b>

Note: All ads are 30-second spots, spanning a 4-week campaign, with approximately 10 weekly GRP's based on Toronto.

Figure B: Outdoor Advertising

Market	GRP's	Weeks	Total Cost
Toronto	25	12	\$295 800
Vancouver	25	12	\$223 500
Calgary	25	12	\$64 800
Edmonton	25	12	\$57 600
Ottawa	25	12	\$108 600
Montreal	25	12	\$295 00
<b>Total Outdoor Ads</b>	<b>175</b>	<b>12</b>	<b>\$779 800</b>

Note: All ads are horizontal outdoor posters.

Figure C: Print Advertising

Magazine	# Inserts	Cost per Insert	Total Cost
Chatelaine	4	\$15 000	\$60 000
Flare	4	\$15 00	\$60 000
Elle Canada	4	\$18 900	\$75 600
Canadian Living	4	\$25 400	\$101 600
<b>Total Print</b>	<b>16</b>		<b>\$297 200</b>

Note: All ads are 1-page, 4-color.

**Total for Media Execution: \$1,313,000**

## Online & Interactive Plan

### Objectives

1. To increase brand awareness among career minded women aged 30-50.
2. To increase web traffic to [www.MACCosmetics.com](http://www.MACCosmetics.com).
3. To link MAC Cosmetics to professional, sophisticated, on trend lifestyle.

### Strategy

A combination that involves online banner advertising, social media engagement, and a new section of the website will help build awareness among the primary target and help associate the brand with a professional, sophisticated, on trend lifestyle.

### Execution

#### Banner Ads

Banner ads will be scheduled on the Elle, Chatelaine, and Flare websites that are popular with professional women aged 30-50.

#### Sponsorship

In conjunction with the Slice television network, MAC will sponsor a commercial segment shown five times weekly. Each day during the 6-7pm programming, MAC and Slice will partner to broadcast a two-minute segment on how to apply sophisticated, on trend make up style in under two minutes. These segments are aimed at the workingwoman between 30 and 50 who lead very busy lives. A total of 10 segments will be filmed for each season, airing on repeat throughout weekday programming. These segments will also be available on both the [www.maccosmetics.com](http://www.maccosmetics.com) and [www.slice.ca](http://www.slice.ca).

#### MAC Cosmetics Website

An entirely new section will be added to the existing MAC Cosmetics website. This new section will offer the above-mentioned video tutorials, as well as suggested products and additional suggested professional makeup looks with instructions.

Figure D: Online Plan

Site/Network	Impressions/Month	CPM	# Months	Total Cost
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<b>Sponsorship</b>				
Slice			12	\$500,000
<b>Banner Ads</b>				
Elle	250,000*	\$100	6	\$150,000
Chatelaine	500,000*	\$33	6	\$100,000
Flare	74,000*	\$202	6	\$15,000
<b>MAC Cosmetics Website</b>				\$100,000
<b>Total</b>				<b>\$865,000</b>

Note: \* represents unique visitors per month

## Event Marketing Plan

### Objectives

1. To increase the link between MAC Cosmetics and female leadership programs.
2. To encourage top Canadian businesswomen to try MAC products.
3. To generate earned media relevant to women between 30 and 50.
4. To link MAC Cosmetics to professional, sophisticated, on trend lifestyle.
5. To encourage brand loyalty among women aged 30-50.

### Strategy

To associate MAC Cosmetics with the Women in Leadership Foundation and International Women's Day.

To incorporate MAC Cosmetics in the lives of the target before, during and after the event.

### Execution

#### **MAC Cosmetics presents Women in Leadership Gala**

The MAC Cosmetics presents Women in Leadership Gala will take place at 99 Sudbury in Toronto on International Women's Day (Friday, March 8, 2013). 500 businesswomen from across Canada will be invited to purchase \$150 tickets for the gala aimed at raising funds for WIL. In addition, the top 50 most powerful women in Canada (as determined by the Financial Post Magazine) will be invited to the gala as VIP guests, free of charge.

Leading up to the event, the women will be able to register online, indicating their skin tone, eye colour and hair colour. Given these indicators, MAC will send each of the registered guests a customized sampling of cosmetic products (foundation, powder, bronzer & blush, mascara and eye shadow). A booklet will also be included in the shipment, which will have several sample looks that can easily be done with the makeup provided. There will be detailed instructions so that busy businesswomen will easily be able to execute the sophisticated, on-trend looks. Each of the VIP guests will be treated to a complementary spa experience the day of the event. They will receive both pedicures and manicures using MAC nail polish. They will also have their hair done professionally. Lastly, the women will receive makeup applications from one of MAC’s professional artists. By ensuring that all women are wearing MAC products at the event, we can be sure that they are photographed in our cosmetics and ensure the maximum earned media and word-of-mouth impact. The sample cosmetics and looks will also allow our guests to experiment with our products pre and post event. In addition, by paying such a detailed amount of attention to each and every guest, and allowing them to try out the products, we will encourage not only brand recognition, but also brand loyalty among our target.

Upon arrival, our guests will be lead down a red carpet complete with MAC and WIL backdrop and paparazzi. During the event, our guests will be spoiled with lavish décor, dinner and midnight hors d’oeuvres & dessert, and signature drinks. Senior Vice President of MAC Cosmetics, Jennifer Balbier, will act as Master of Ceremonies for the gala. A number of the VIP women will be invited to speak as guests about their experience as professionals and business leaders during and following the gala dinner. Directly following speeches, Jennifer will award a \$10,000 donation to the Women’s Leadership Foundation. Entertainment will include a string quartet for the entrance and dinner period, followed by one of Toronto’s premier DJs. In addition, a local dance group will provide an alternative form of entertainment between dinner and dancing. At midnight, we will have an extravagant, edible sweet table, designed to look like various MAC products for the guests to snack on. At the end of the evening, MAC Senior VP, Jen, will be awarding one lucky winner with a \$1000 MAC gift basket, including voucher for private MAC artist consultation.

Following the event, we will be sending out pictures of the guests to their email accounts to remind them of how much fun they had and how fabulous they looked!

Cost details for this event sponsorship activity are included in Figure

Figure E: Event Marketing

Item or Activity	Estimated Cost
Sponsorship	\$20,000
MAC Sample Bags	\$8,000
VIP Spa Experience	\$5,000
Donation to WIL	\$10,000

Edible Sweet Table	\$3,000
MAC Gift Basket	\$1,000
<b>Total</b>	<b>\$47,000</b>

## Public Relations

### Objectives

1. Increase brand awareness among primary target.
2. Increase brand loyalty among primary target.
3. Link MAC Cosmetics to professional, sophisticated, on trend lifestyle.
4. Create buzz about MAC Cosmetics advertising, sponsorships and events.

### Strategy

A combination that involves social media engagement, media relations, will help build awareness among the primary target and help associate the brand with a professional, sophisticated, on trend lifestyle.

### Execution

#### Media Relations

Media relations efforts such as media advisories, press releases and backgrounders will be aggressively utilized to generate media coverage of MAC's advertising, sponsored television spot, new webpage and event marketing. Our target demographic actively read local and national newspapers and stay up-to-date with television news broadcasts.

#### Social Media Engagement

Social media sites such as Facebook, Twitter and LinkedIn will be utilized to promote MAC's advertising, sponsored television spot, new webpage and event marketing to our primary public. Targeted posts and tweets will raise brand awareness and increase web traffic.

# Experiential Marketing

## Objectives

1. Increase brand awareness among primary target.
2. Increase brand loyalty among primary target.
3. Link MAC Cosmetics to professional, sophisticated, on trend lifestyle.
4. Encourage trial of MAC Cosmetics by target public.

## Strategy

To utilize interactive marketing in the form of professional make overs in key urban areas to increase brand awareness & loyalty and encourage trial of MAC Cosmetics among career minded women aged 30 to 50.

## Execution

### MAC Makeovers

MAC makeovers done by MAC artists will be held in the lobby of five business buildings once per season. The events will be held in each of our key urban areas, including Toronto, Vancouver, Calgary, Edmonton, Ottawa and Montreal.

Three MAC artists will set up in various professional buildings in each city for one day, just following the launch of each seasons' pallets. As professional businesswomen make their way into work, out for lunch break or out for the end of the day, brand ambassadors will entice them to get a complementary makeover. The photographer will take a before picture in front of MAC signage. The MAC artists will go over several sample professional looks with the guest and then apply the look in under five minutes. The woman will then have her picture retaken and will have the option to email the picture to herself or friends, tweet the picture or upload it to Facebook. If the woman chooses to sign a release, her before and after photos will be added to MAC's Facebook page as well as [www.maccosmetics.com](http://www.maccosmetics.com). Each woman is encouraged to take home a sample bag filled with MAC Cosmetics including foundation, powder, blush or bronzer, eye shadow, eye liner and mascara.

Cost details for this experiential marketing activity are include in Figure . This encapsulates all costs associated with hosting 20 events in our 6 key urban markets.

Figure F: Experiential Marketing

Item or Activity	Estimated Cost
MAC Professionals	\$75,000
MAC Sample Bags	\$50,000
Cosmetics	\$50,000
Venues	\$60,000
Brand Ambassadors	\$30,000
Equipment Rental	\$60,000
Photographer	\$60,000
Signage	\$60,000
<b>Total</b>	<b>\$445,000</b>

## Marketing Communications Expenditures

For summary detailed of all marketing communications expenditures and the timing of all activities, refer to Figures

Figure G: Marketing Communications Expenditures by Activity

Activity	Expenditure	% of Total
Television	\$236,000	8.84
Out-of-Home	\$779,800	29.21
Magazine	\$297,200	11.13
Online & Interactive	\$865,000	32.40
Event Marketing	\$47,000	1.76
Experiential Marketing	\$445,000	16.67
Public Relations	\$0	0.00
<b>Total</b>	<b>\$2,670,000</b>	<b>100.0</b>

Figure H: Marketing Communications Expenditures by Month

Month	Expenditure	% of Total
January	\$514,084	19.25
February	\$41,667	1.56
March	\$244,084	9.14
April	\$414,084	15.51
May	\$41,667	1.56
June	\$197,084	7.38
July	\$41,667	1.56
August	\$369,917	13.85
September	\$197,084	7.38
October	\$41,667	1.56
November	\$369,917	13.85

December	\$197,084	7.38
<b>Total</b>	<b>\$2,670,000</b>	<b>100.0</b>

Figure I: Marketing Communication Calendar

Activity	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>Television</b>												
Corus	20			20				20			20	
Slice	20			20				20			20	
<b>Out-of-Home</b>												
Toronto	3			3				3			3	
Vancouver	3			3				3			3	
Calgary	3			3				3			3	
Edmonton	3			3				3			3	
Ottawa	3			3				3			3	
Montreal	3			3				3			3	
<b>Magazines</b>												
Chatelaine	1			1				1			1	
Flare	1			1				1			1	
Elle Canada	1			1				1			1	
Canadian Living	1			1				1			1	
<b>Online &amp; Interactive</b>												
Slice Sponsorship												
Elle												
Chatelaine												
Flare												
Mac Cosmetics Website												
<b>Event Marketing</b>												
<b>Public Relations</b>												
<b>Experiential Marketing</b>												
<b>Total</b>												

**Notes:**

**Television:** Figures represent the number of spots on each network each month. All spots are 30-seconds long and run in prime time.

**Outdoor:**

**Magazines:** Figures indicate one insertion in each month scheduled. All ads are 1P, 4 colours.

**Online:** 25,000 impressions monthly on Elle, 500,000 impressions monthly on Chatelaine and 74,000 impressions monthly on Flare.

Figure J: Marketing Communications Expenditures Estimate

<b>Estimated Budget (Based on Activities)</b>	<b>2,670,000</b>
<b>Plan Budget</b>	<b>3,000,000</b>
<b>Expenditure Over Budget</b>	<b>-330,000</b>

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