



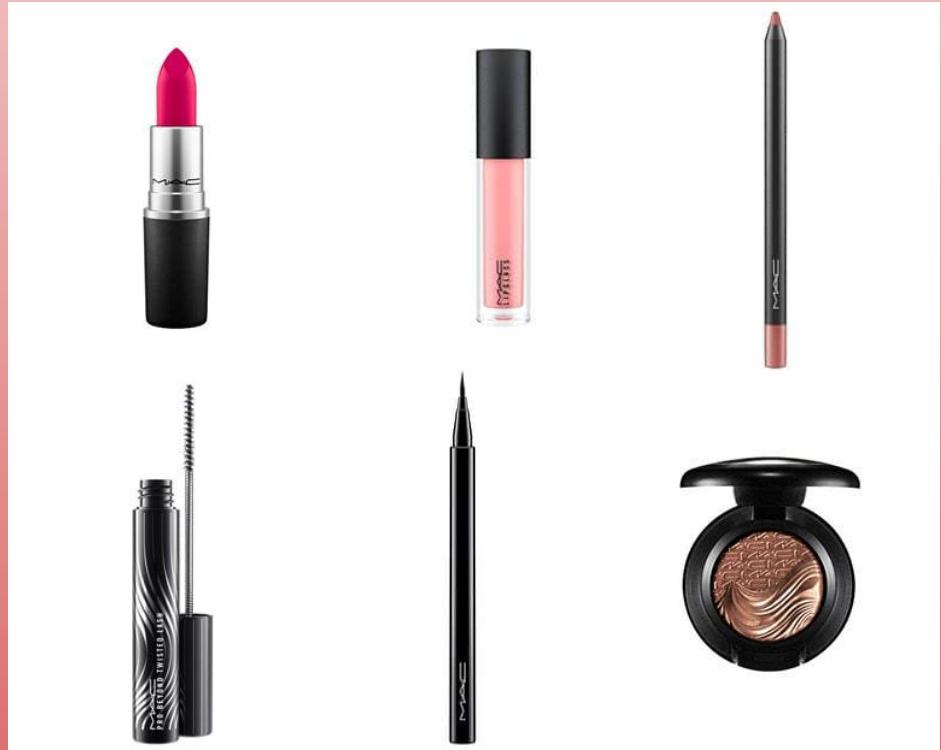
Purple Group:
Zarina Irshad, Wendy Camacho, Kevin Galban,
Josephine Mobley, Christian Robinson, Kimberly Tan,
Ruksana Sultana

Product Line

Lips (lipstick, lip glosses, and lip pencils)



Eyes (shadows, liner, and mascara)



Josephine Mobley

Product line[Con't]

Face (bronzer, foundation, blush, highlighter and concealer)



Tools (brushes, containers, travel makeup bags and fragrances)



Josephine Mobley

Brand History

M.A.C. Cosmetics was founded in Toronto, Canada by Frank Toskan and Frank Angelo.

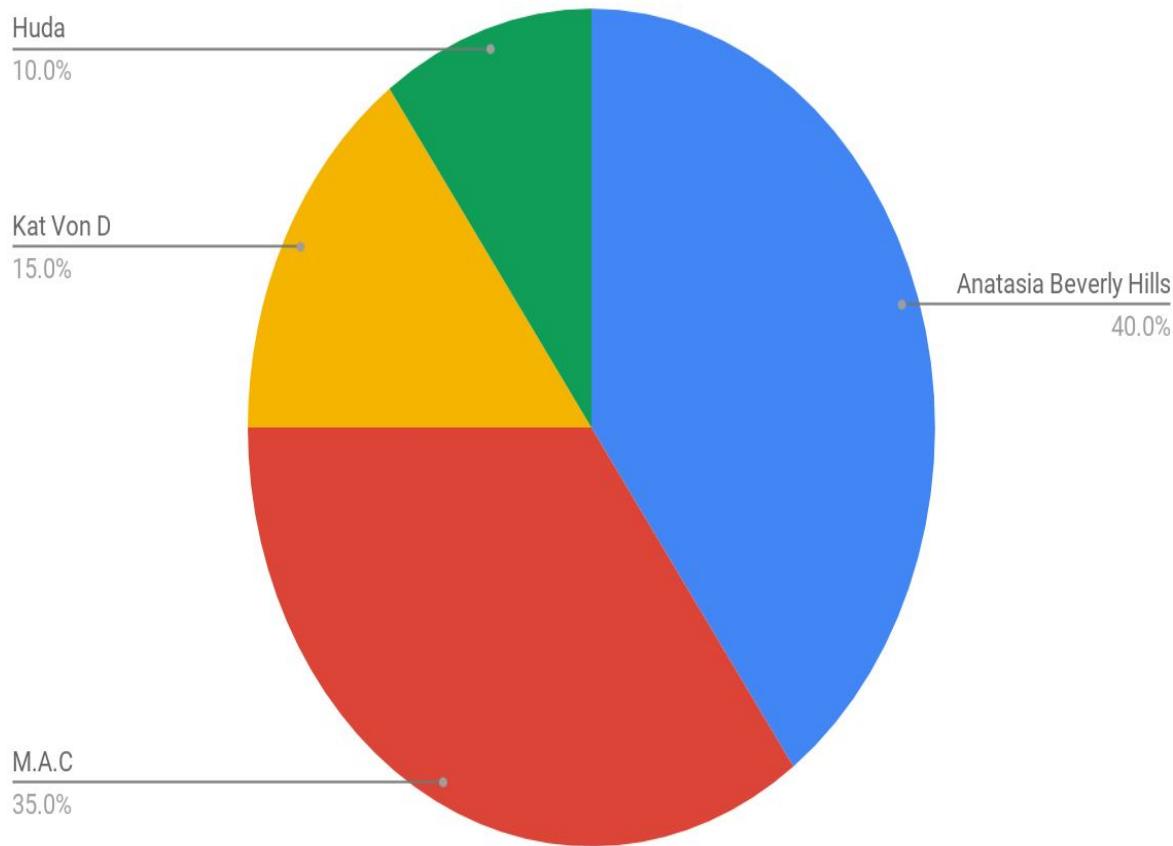
Establishes the M.A.C. Aids Fund to support people living with HIV/AIDS. All proceeds from Viva Glam go towards the fund.

Co-founder, Frank Angelo passed away and remaining partner, Frank Toskan sells the remaining percentage of M.A.C to Estee Lauder for \$60 million.



Josephine Mobley

Position in Market



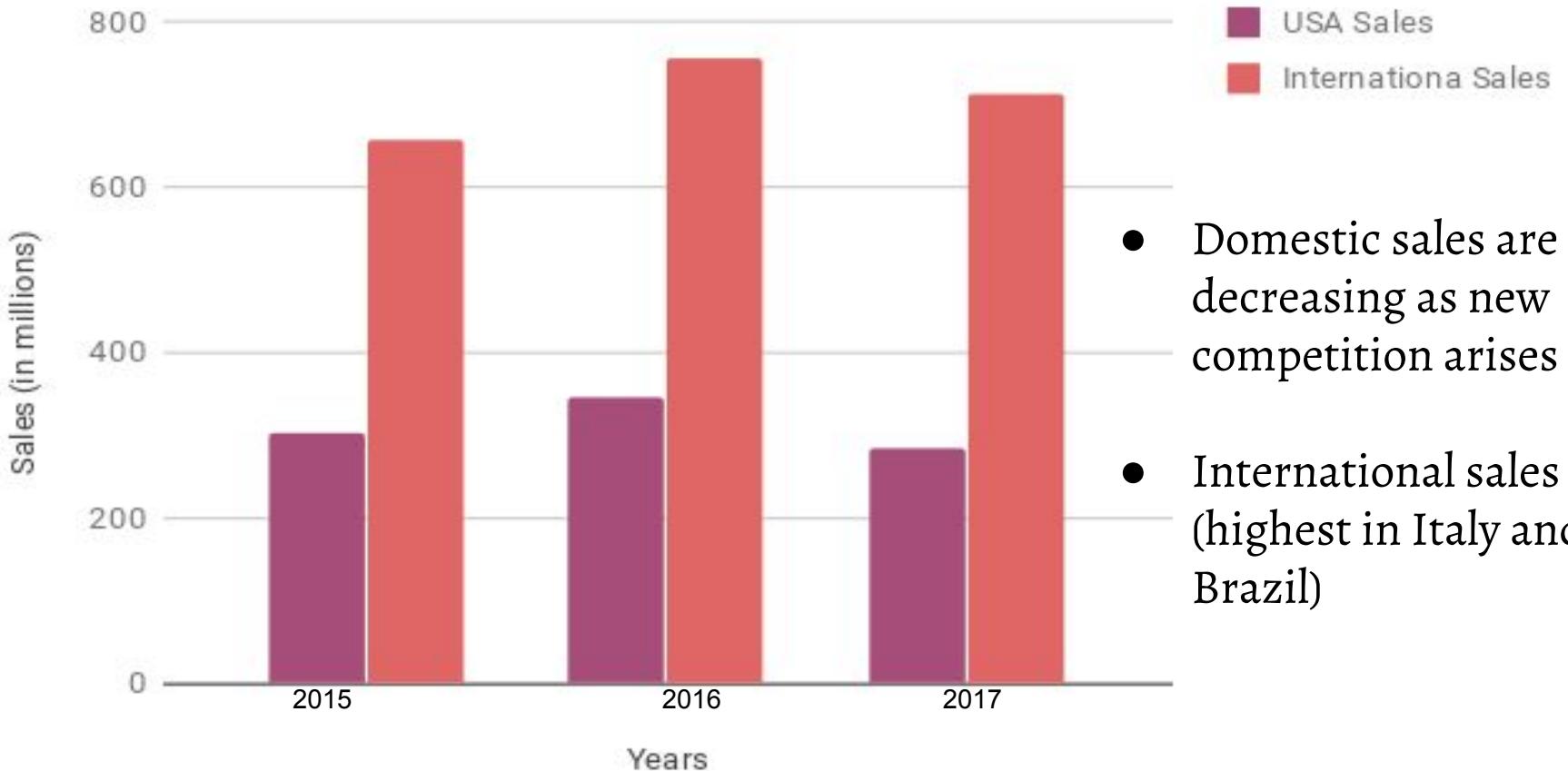
*M.A.C sells more lipstick than any other non drug store brand.

*Outside of profit and net sales M.A.C. has the largest celebrity following than any other niche brand.

*Although M.A.C is not number one in the speciality makeup section, it is the leading prestige make-up brand in Brazil and several other Latin American countries. That is, in part, a credit to its product line.

Josephine Mobley

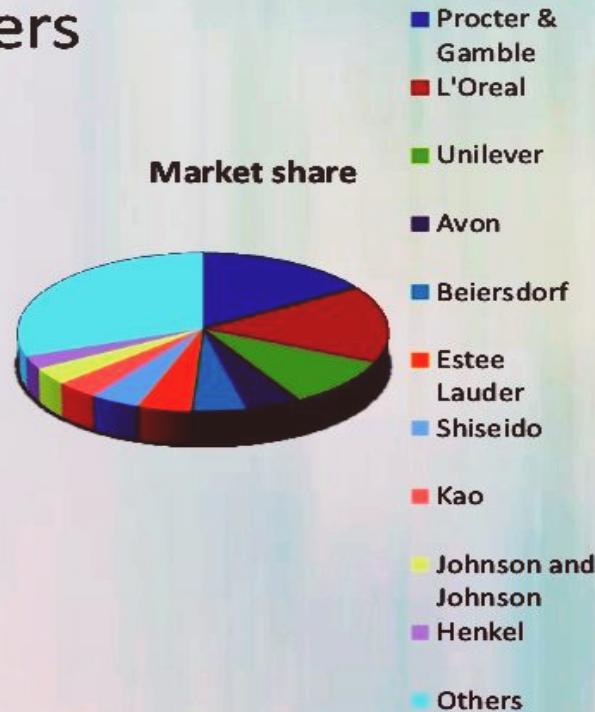
SALES GROWTH



Competitive Sales and Shares

Top 10 players

Company	Beauty Sales (US Billions)
Procter & Gamble	\$26.3
L'Oreal	\$25.8
Unilever	\$16
Avon	\$7.6
Beiersdorf	\$7.5
Estee Lauder	\$7.3
Shiseido	\$6.9
Kao	\$5.9
Johnson & Johnson	\$5.6
Henkel	\$4.4



- MAC, under Estee Lauder, is in 6th position, while Procter & Gamble and L'Oreal products dominate the market.

Current Advertising Strategy

Packaging

*** MAC has high quality and unique packaging that sets it apart from competitors**

- “M.A.C gives a sleek, dramatic and clean image. I also feel that M.A.C make-up artists represent their sleek image through their over-the-top clean looks.” -Benojir
- “I purchase MAC products off of the packaging alone.” -Tenisha



Wendy Camacho

Current Advertising Strategy

Promotional videos

- “Their collaboration ad was inspiring but I wasn’t even sure what was being sold. It could’ve been better in displaying the product they were trying to sell.”
-Nihada
- “The first one was freaky and a little bit scary. I like that the second one focuses on diversity but it does not motivate me to buy.” -Samia
- [Promotional Video shown](#)

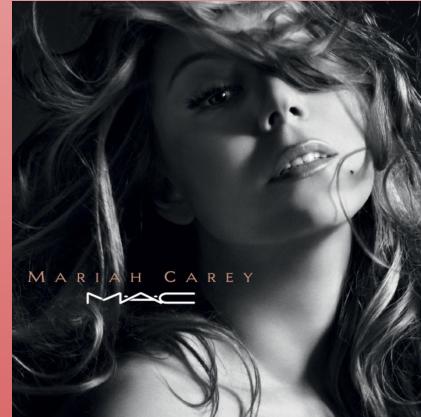


Wendy Camacho

Current Advertising Strategy

Collaborations with celebrities

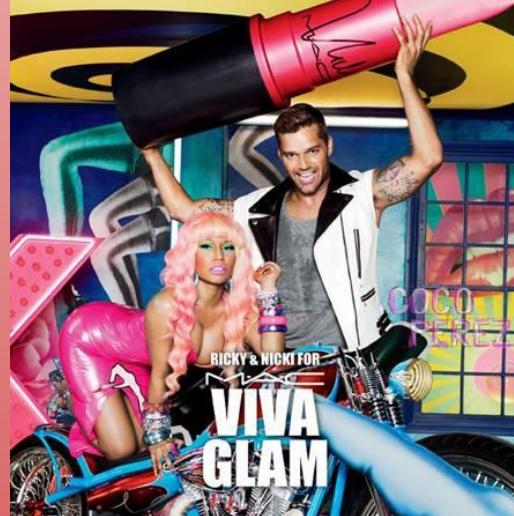
- “When I think of MAC, I think of the Selena collection. I started using M.A.C. after that.” -Yina
- “Honestly i just love when they (MAC) collaborates with celebrities every single drop is huge for the makeup industry” - Yessica



Wendy Camacho

Campaign: Viva Glam & The M.A.C. AIDS Fund

- In 1994, as HIV and AIDS continued to spread across the globe, M·A·C made HIV/AIDS organizations the beneficiaries of the company's charitable focus and the M·A·C AIDS Fund was created
- 100% of the purchase price of any VIVA GLAM product goes toward the M·A·C AIDS Fund
- Collaborate with admirable names from popular culture to front their campaign
- Viva Glam Impact



Wendy Camacho

Marketing Mix (4 P's)

Product

Product: Include professional quality makeup, skincare, and fragrances

Services:

- Walk-in demos
- Private Appointments
 - Prom
 - Wedding



Price

Targets professional makeup artists
Prices are comparable to their competitors
(high end makeup)

Place

Sold today in over 120 countries around the world (available in-store and online)

- Macy's
- Ulta
- Nordstrom
- Lord & Taylor
- Ulta Beauty

Promotion

Slogan: "All Ages, All Races, All Sexes"

- Social Media
- Billboards
- Celebrity Collaborations
- Mac Select Program: valuable customers receive special offers

IMC Spending

M.A.C 2016 Total Media Spending (\$13,575,392)

Natl Newspapers

1.2%

Magazines

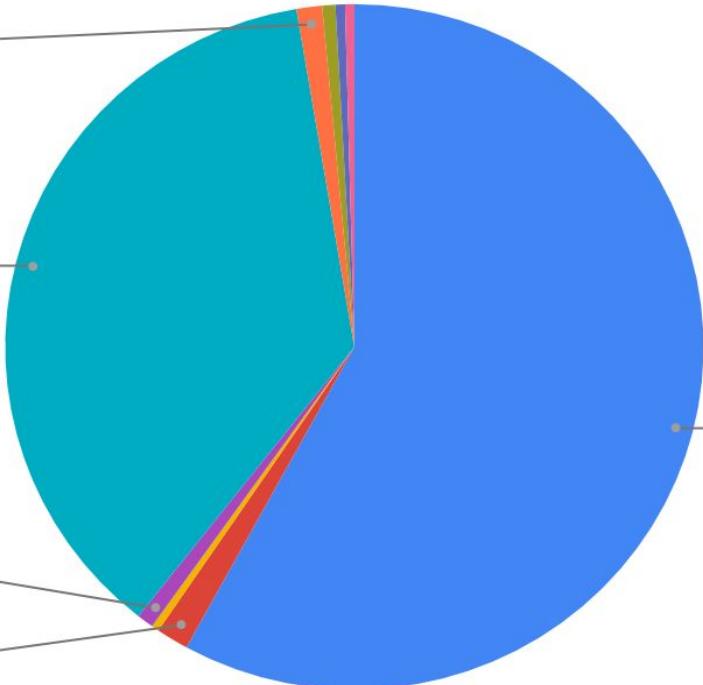
36.7%

B-to-B Magazines

0.8%

Mobile Internet

1.5%



- US Internet - Search
- Mobile Internet
- US Internet - Display (0.35%)
- US Online Video (0.01%)
- B-to-B Magazines
- Magazines
- Natl Newspapers
- Outdoor (0.6%)
- Hispanic Magazines (0.44%)
- Local Magazines (0.43%)

Need Recognition- Why use cosmetics?

- To cover up imperfections
- To feel more confident
- To look better (healthier, etc.)
- For self-expression



“The main purpose is to enhance my features in order to look beautiful and feel good! Not only that, it is fun and you discover how you can achieve different looks according to your mood.” - Emily Tan

Kimberly Yee Tan

Need Recognition- Why use cosmetics?

- It is fun to use - a hobby
- To look the part for special occasions
- For practice

“It was the first non-drug store brand that I used and I instantly fell in love. No other brand can compare to how I feel when I wear M.A.C.” -Elizabeth



Kimberly Yee Tan

Information Search- What to buy?



- Youtube videos
- Online Reviews
- Social media



“I usually decide on which brands to buy by looking at the pricing and quality, as well as reviews especially from people who the same type of skin as me.” -Sumaiya



Information Search- What to buy?



- Going to stores
- Advertisements
- Word-of-mouth

“I usually buy when I see a really good advertisement. That’s what draws my attention and gives me the urge to make a purchase.”
-Alysa



Evaluate Alternatives- What are my options?



And MORE!

Kimberly Yee Tan

Purchase Decision

- Price
- Matches Skin Tone
- Works well on skin type
- Quality - Long lasting

“I think the quality of their products are fantastic. Price wise, they are at the same level of brands being sold at Sephora so I never feel guilty when I buy M.A.C.” -Kassandra



Purchase Decision

- Skin benefits
- Convenience
- Suitable for occasion
- Causes (Cruelty-free, recycling programs)

“Everyday stuff I wear light coverage, but like M.A.C. I just feel like it is very heavy, so I don’t consider it...”
- Radhiyah Kaiyum



Trends in Cosmetics



- **Neutral eye shadow**
 - Neutral eye shadow palette have became popular for every occasion
 - “Lately I've been loving how MAC has been branching out with eyeshadow palettes it gives a new light to their brand that's commonly known for lipstick” - Kayleigh N
- **Nude Lip colors**
 - Nude lip colors are a staple in a lots of individuals everyday makeup look
 - “After applying MAC Velvet teddy lipstick i just feel a lot more confident and ready for the day” - Adria P
- **More Foundation shades**
 - FENTY's recent success due to its 40 shades of foundation colors will have a domino effect on all other brands, leading to more color variety overall
 - “With the huge success of Fenty Beauty you can expect a lot more new makeup companies opening up everywhere.” – Stephanie H

Trends in Cosmetics



- **Vampy lip colors**

- Yes its finally fall and the leafs aren't the only thing changing but so are the lip colors.
 - “MAC’s different lip shades are a staple in their company and big reason why they’re so unique when it comes to other companies” - Marissa D

- **Cut Crease Eye Looks**

- Basically a simple technique used to make ones eyes get a lot more attention by making it seem bigger and brighter than usual.

- “Their quality is on point because you can always distinguish them from other brands based on the distinct smell of their lipsticks and the pigmentation and longevity” - Ashleigh B



Why aren't you buying MAC?



- “I look for things that would suit my skin color...as a woman of color many brands don't cater to me.” -Wilness
- “...Lower their price, and have better customer service... they act like one of the best and that they don't have any competition.” -Anyssa
- “I can get better products from other stores for cheaper.” -Annabell
- “They cause acne.” -Sabina
- “When I think of MAC, I think of intense makeup, I don't know why.” -Annabell
- “If they had more discounts or sales I'd shop there more.” -Kayla
- “I find it hard to find MAC (products) since they don't sell them anywhere besides in stores.” -Omaris

Positive Insights

- Products are well packaged and catch consumer's eyes when shopping in MAC stores
- People who purchase from MAC, love their lipstick products
- They have celebrity collaborations for products



- "I like how they package some of their products...some items look more appealing than they did months ago."-Tenisha
- "Everytime I go to MAC I pick up a new lipstick"-Jalyssa
- "I like the collaboration MAC has with Nicki Minaj"-Rassi



Negative Insights

- MAC's products are perceived as overpriced, The quality doesn't match the asking price
- Their Customer Service leaves a lot to be desired, associates described as snobby and boujee
- They haven't been innovative in years, and they don't seem to be doing anything to stand out against the competition

- "I think they should improve their price points, I feel as though they are expensive for no reason"-Anyssa
- "Their customer service sucks, I've walked out of the store because of it"-Sabina
- "I feel like they reproduce many things but place it in different packaging and increasing the price because of the packaging"-Wilness

Key Problems



- MAC Cosmetics prices are perceived to be too high
- They don't offer enough variety of products to suit needs of women who are of different skin tones
 - MAC isn't offering anything new to the market
 - Although MAC has great presentation and products are packaged beautifully, they're lacking in quality which doesn't retain customers

Recommended Strategy

- Increase promotions and publicly advertise discounts.
 - Promote their own products more through advertisements instead of solely focusing on collaboration promotions.
 - Discounted products and applicable promotions usually only apply to their merchandise in partnered department stores and not as often in their own stores.
 - M.A.C. should run paid advertisements on Instagram and Twitter to increase visibility and website traffic.
 - **“M.A.C does not air enough advertisements, causing a lack of exposure of the products of the brand to the public/target audience.” -Myungseon**
- Collaborate with beauty bloggers and youtubers.
 - Provide merchandise for them to do giveaways with which increases exposure as well as providing them with a custom discount code consumers can use when checking out on M.A.C.’s website.
 - **“...Bloggers don’t really talk about them because they don’t really send PR packages like all these other companies do now.” -Sadia**

15 Important Insights

- M.A.C. is often associated with bad customer service and a rude store atmosphere.
- M.A.C. doesn't seem to target makeup beginners, often intimidating them.
- M.A.C. is seen as a product that once was very popular before new brands expanded.



- M.A.C. doesn't seem to be a company that is relevant in the makeup community.
- Women determine what brand they like by the products it offers.

Zarina Irshad

15 Important Insights - Continued

- M.A.C. is very expensive for college students, it might be an incentive to give them discount.
- M.A.C. should try to introduce new products that appeal to a diverse market.
- M.A.C. isn't innovative, doesn't stand out against the competition.
- Collaborations with celebrities becomes an incentive to buy (Selena, Lady Gaga, Halsey, Nicki Minaj).
- The only advertising ever really noticed from M.A.C. involve collaborations with celebrities.



Zarina Irshad



15 Important Insights - Continued

- Consumers are generally satisfied with their purchase of M.A.C products and agree that the products are of good quality.
- M.A.C. does not air enough advertisements, causing a lack of exposure of the products of the brand to the public/target audience.
- Consumers like to know how the product works on their skin types whether through advertisements or reviews online before trying or buying products.
- More makeup is being purchased online than ever before because of all the influencers.
- M.A.C. foundations are not popular among Asians as they do not match well with Asian skin undertones and are geared more towards European skin color.

Zarina Irshad

15 Best Quotes

- “MAC is a well-known brand. They have turned it into a household name and even if you are unfamiliar with what MAC has to offer, you would still know that they provide top quality cosmetic products.” -Jon
- “If no one greets me when I walk in the store, I walk right back out” -Jalyssa
- “After I buy something that I paid a lot of money for I tend to regret it afterwards but with M.A.C. I know that the quality I’m getting is great and worth the price, there’s no hint of regret when I purchase a M.A.C. product. Also when I use it, it glides on perfectly, does tend to cake a little, but that’s nothing I can’t fix.”
-Nihada
- “I feel like they don’t really come up with new products anymore and bloggers don’t really talk about them because they don’t really send PR packages like all these other companies do now.” -Sadia
- “Everyone needs a M.A.C. product in their collection, they’re a classic.” -Carolina



Zarina Irshad

15 Best Quotes -Continued

- “M.A.C has high quality cosmetics. Even though the pricing may be a little steep/inconvenient to some you know you’re always getting quality product with each purchase - Getting a bang for your buck.” -Amilcar
- “There are so many better brands that *are* cruelty-free.” -Nicole
- “They should lower their price, and have better customer service...they act like one of the best and they don’t have competition”-Anyssa
- “When I think of MAC, I think of the Selena collection. I started using M.A.C. after that.” -Yina
- “Lately I’ve been loving how MAC has been branching out with eyeshadow palettes it gives a new light to their brand that’s commonly known for lipstick” - Kayleigh N



Zarina Irshad

15 Best Quotes -Continued

- “When I wear MAC, it feels like I’m wearing money.” -Farjana
- “MAC’s different lip shades are a staple in their company and big reason why they’re so unique when it comes to other companies” - Marissa D
- “Their quality is on point because you can always distinguish them from other brands based on the distinct smell of their lipsticks and the pigmentation and longevity”- Ashleigh B



- “People used to use it so it is nostalgic and is considered classic. But now there are many options so it is not as hyped. Only the collaborations might attract people to buy.” -Komal
- “Yes, I’m always happy with my purchase... I love buying their foundation. It is good quality and the foundation lasts long.” -Hugues

Zarina Irshad