



# MARKETING PLAN

# Executive Summary



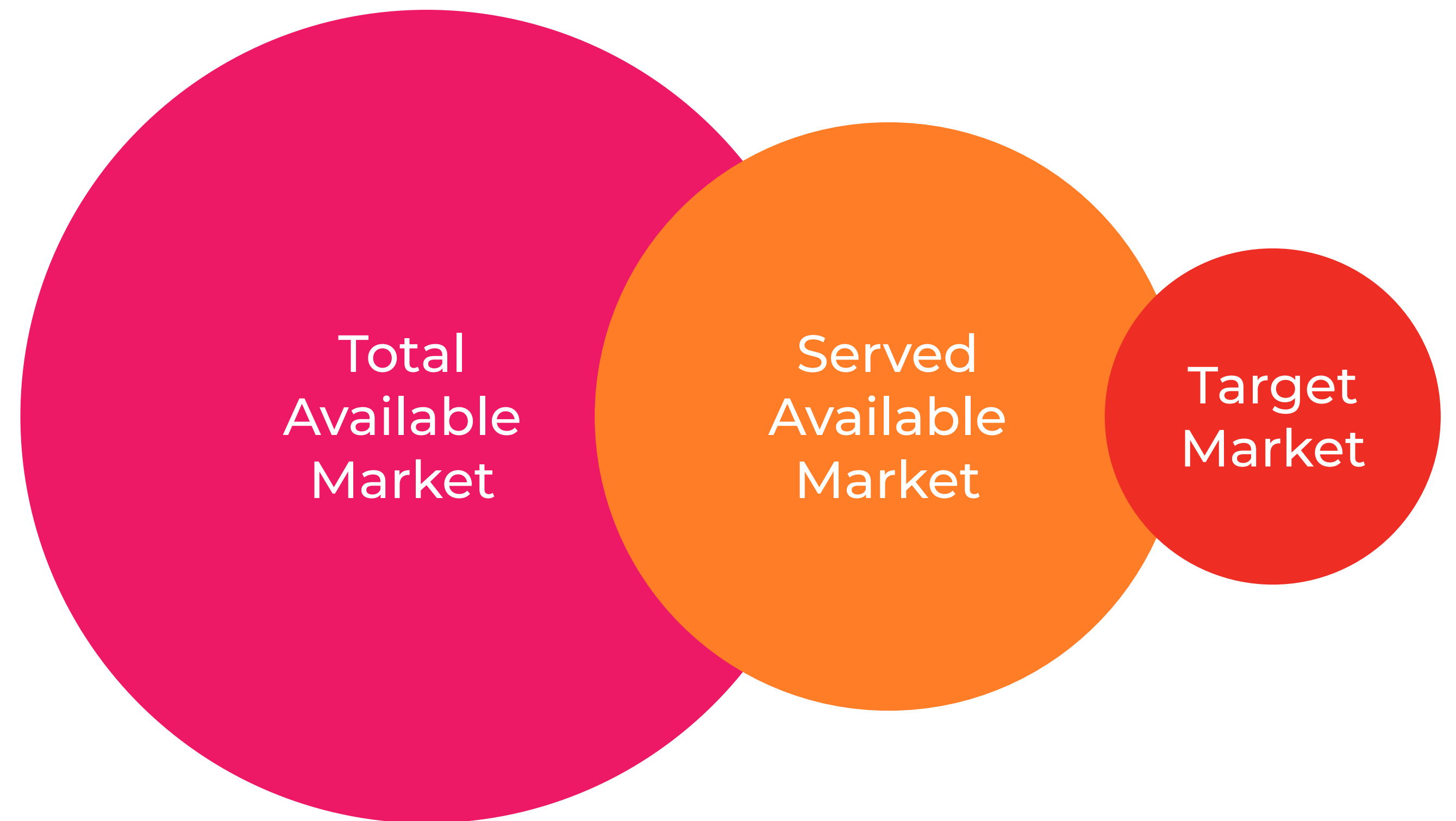
ULTA\_box is more than just makeup, skincare, and hair care products, it offers luxury total body care and wellness for him her and everything in between. At Ulta, we take pride in providing our guests with the experience of discovering new products and services that make them feel beautiful. To satisfy our guests, we have curated three boxes; Silver, Gold, & Platinum. With each box level, guests will have the option to choose which category they would like to pick from; Hair Products, Makeup/Skin Care, Wellness, or an Assortment. The samples will vary from prestige & mass hair care, skin care, fragrance, makeup products, wellness products such as healing crystals and vitamin packets. Our goal is to bring sensational internal and external feelings to all our guests.

# Market Segment Served

## Target Audience



- Women ages 18-30 who live in the United States and who earn an income of \$45-80k a year.
- Women ages 30-65 who live in the United States who earn an income of \$80k+ a year.
- Men ages 30-55 who live in the United States and earn an income of \$65k a year.



# Segmentation



Reaching consumers with a wide range of wallet sizes who are looking for a mix of inspirational products that assist with beauty and health that comes in the form of a box. Additionally, these customers are looking for value, along with beauty and health tips.

As men will be our most challenging market, as we are rising against the status quo that men “Don't Wear Makeup”. When we leveraged Google Trends using “Men’s Makeup,” we noticed that nail care, grooming kits, & Chanel men’s makeup appeared in the top searches. Hence, we would focus on adding these as our MVP.

# Positioning Statement



For the budget-conscious woman interested in trying new products, ULTAbox offers a monthly subscription box filled with six personally selected deluxe samples. We recognize that each woman has her own set of unique needs, so that's why we let our customers choose what samples they'd like to receive in their box each month.

Providing our customers with size and category box options prevents them from being pigeonholed into receiving products from categories that they otherwise would not have wanted/used. Additionally, size options provide more flexibility for every individual that we target.

For men 30-55, we would bring in Jared Leto as our male influencer. He would become the face of our ULTAbox Men. Jared has been known to wear eyeliner, have a beard, has grown his hair out. Additionally, on top of all that, he was the Joker on Batman and is no stranger of makeup. We have also selected him as he is 47 years old and would be well represented and positioned in our mass male market.



# Value Proposition

Beauty and body for him her  
and everything in between.

Offering 3 different box size options across  
3 different categories, gives our customers  
endless options for all wallet sizes and  
personalities.





# S.W.O.T. Analysis/PESTEL



## Strengths

### Political

Cosmetics do not require FDA approval; easier to build GTM strategies for new products and services

### Economic

Ulta provides products that people need/want regardless of income.  
Rapidly growing industry

### Social

Large product and service line to appeal to a variety of consumers.  
Ulta Rewards benefits to increase brand loyalty  
High brand awareness

### Technological

We would create a subsidiary app linked to Ulta's existing customers for their subscription box.

We would also create new hashtags on Instagram to gain more visibility.

### Environmental

For brand recognition we could support Relief Organizations for Natural Disasters by saying 3% of profits of every box will be donated to a new charity every quarter

### Legal

We would have an existing corporation back us up to support the new product

# S.W.O.T. Analysis/PESTEL



## Weaknesses

### Political

Ability to adapt to new regulation; can be a slow process

### Economic

Prestige brand sales can be negatively impacted by economic conditions

### Social

Consumer behavior dictates business decisions

### Technological

We would need to develop a separate app which would take time to implement a new wireframe, UX designs and beta testing

### Environmental

ULTA<sub>box</sub> would need to change with the seasons. If it was summer time, we would need to add in sunscreen. If it was winter, we would consider lotions and hydrators.

### Legal

We would need to justify that this is our own unique idea that is separate from any of the existing competition so we would not have a failing business



# S.W.O.T. Analysis/PESTEL



## Opportunities

### Political

Lobby legislative bodies to pass favorable legislation for the business

### Economic

Facilitate stronger relationships with third-party vendors and suppliers to secure “recession proof” pricing

### Social

Ability to recognize and define beauty trends and make proactive decisions based on market research and user generated content

### Technological

Market the new app and hopefully gain visibility into our to our new demographic of men

### Environmental

Create our boxes out of 100% recycled materials, organic water-based inks and make sure the mailing box can be re-used.

### Legal

Sell product that was cruelty-free, green and not produced in child sweatshops.

# S.W.O.T. Analysis/PESTEL



## Threats

### Political

Changes in labor, environmental, legislation and regulations can cost money. Make sure we are up-to-date on all environmental regulations and import tariffs.

### Economic

Recession/economic crisis could cause people to spend less money on products/services

### Social

Brand loyalty to other beauty salons providing the same services

Stiff competition from prestige beauty stores including: Sephora, Blue Mercury and luxury beauty department stores. Big-box retailers/drugstores (mass market category)

### Technological

Already established beauty brands with integrated website and apps. Augmented reality apps with virtual try-on.

### Environmental

If there was a massive snowstorm or any other natural disaster that would hurt our logistics and delay shipment to our customers.

### Legal

ULTA box would need to differentiate themselves enough as a brand to not carry the same products as the competitors at the same time. If we did, they prices would have to be equal of that of our competitors

# POOR Analysis



## Problems

Ultabox is entering an already oversaturated and competitive market with clear market leaders. Making the Ultabox stand out from the competition could be a challenge. Similar products are included in other subscription boxes.

## Opportunities

Ulta is a household name and has established trust and expertise in the industry. Different box types can appeal to many more consumers giving people more control over their boxes. Based on market research, men are a growing market in the beauty industry and Ultabox Men can capitalize on that.

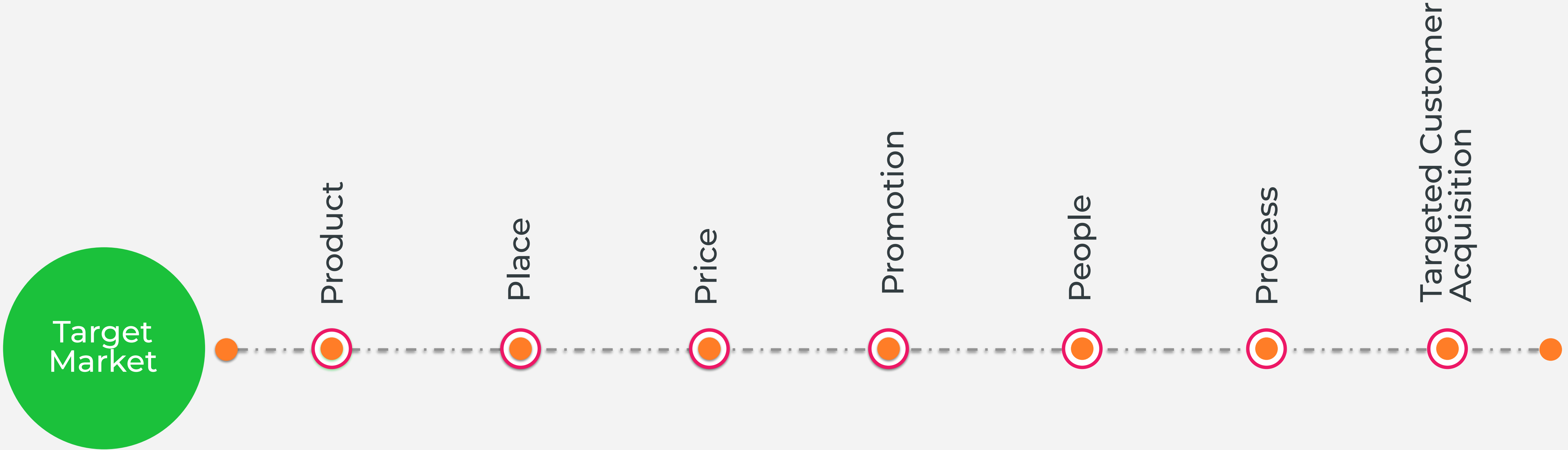
## Objectives

- Increase Brand Awareness by 20% within the first 6 months of launch
- Increase new customer acquisition rate by 15% within the first 6 months
- Cross sell to 15% of Ulta Rewards Members in the first 9 months

## Recommendations

- Refine box offerings and determine operational processes
- Build microsite and mobile app for the Ultabox giving customers the ability to easily choose and manage their subscription
- Develop marketing communications strategy to target existing Ulta customers and new customers

# Marketing Strategy





# Creative Brief



## Objectives



### Lead Generation

Provide coupons with 15% off our Ulta box for first time subscribers



### New Customer Acquisition

Market through Instagram and Facebook to obtain new customers while opening our brand up to the men's market



### Brand Awareness

Leverage Ulta brand to be curious and increase awareness in the new subscription boxes



### Customer Loyalty

ULTA box would be part of the Ulta Rewards program with points being applied to the subscriber's account



### Sales

We would sell the ULTA box online and in store

# Creative Brief



## Target Audience



Women ages 18-30 who live in the United States and who earn an income of \$45–80k a year.



Women ages 30-65 who live in the United States who earn an income of \$80k+ a year.



Men ages 30-55 who live in the United States and earn an income of \$65k a year.

# Creative Brief



## Key Message

ULTAbox is more than just makeup, skincare, and hair products, it offers total luxury body care for everyone and everything in between.

# Creative Brief



## Call to Action

Sign up for a monthly subscription to one of three beauty and wellness boxes.



**ULTA**luxe

**ULTA**mate



# Creative Brief



## How Will We Reach Our Target Audience?



### Digital

- Advertising
- Social Media
- Podcast



### Retail

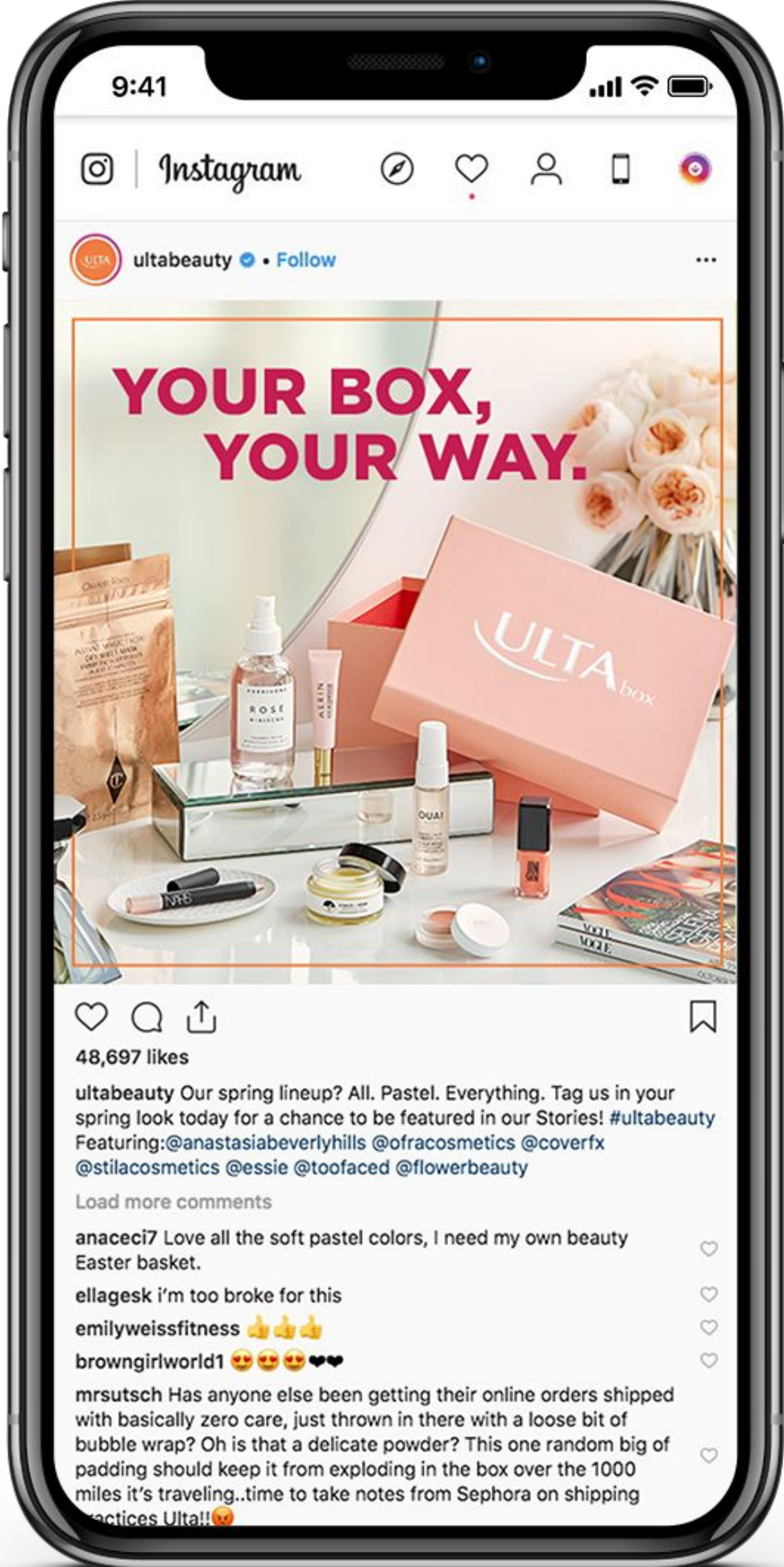
- Banners
- End Caps/Gondolas
- Advertisements
- Product Displays
- Postcards



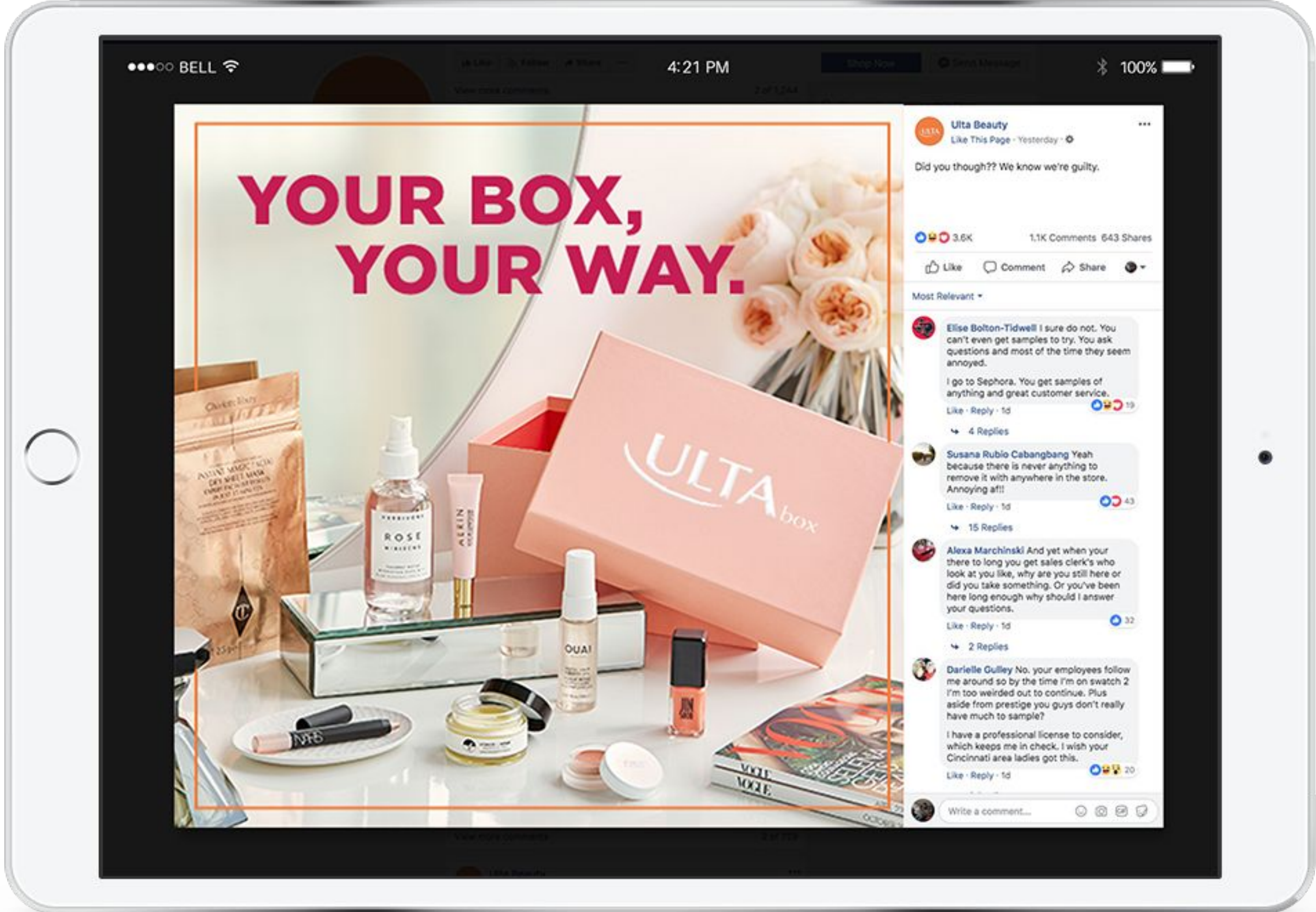
# Storyboard 1



## Instagram



## Facebook





# Storyboard 2



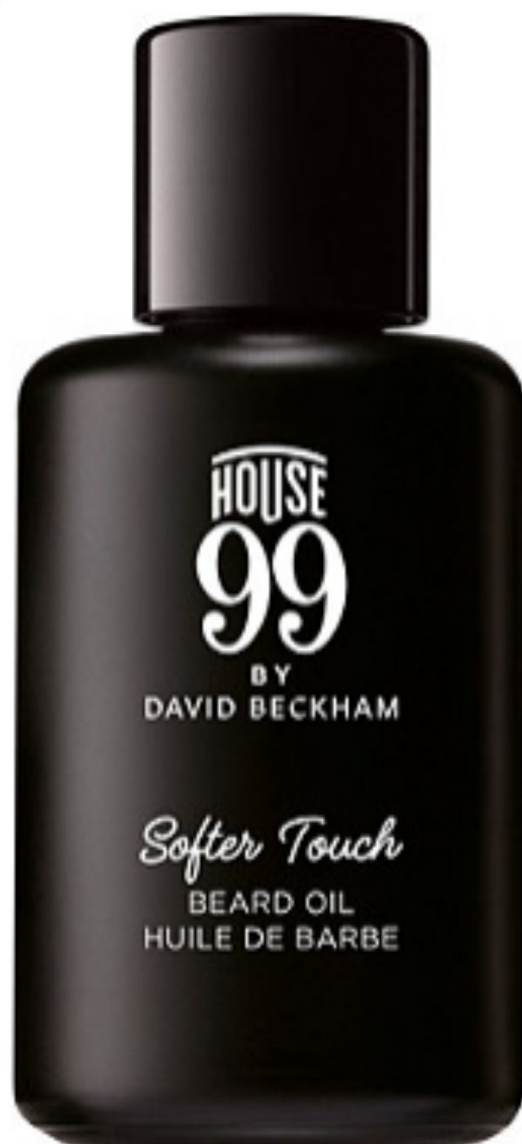
READY TO TRY SOMETHING NEW?

SWIPE >>>



**ABOUT ME:**

I cleanse and condition to improve the overall health of you hair. I make sure you are date ready.



**ABOUT ME:**

You're a wild one. I nourish and tame the beard.



**ABOUT ME:**

I revive and smooth skin. Work well with clean and scruffy faces. Let's get to know each other.



CAN'T CHOOSE JUST ONE?

TRY THEM ALL

# Marketing Budget



This budget is aligned with Ulta’s current focus on a digital marketing strategy. Most of the initial investment will be to introduce the product to our target markets. Since Ulta has a strong digital and social media presence, the Ultabox messaging and content can easily be integrated into existing strategies. We also have a strong loyalty program that we can leverage to promote and sell the Ultabox

Objective	Task	Cost
<p><b>Operationalize Ultabox</b></p>	<ul style="list-style-type: none"> <li>Develop back-end ordering and fulfillment systems</li> <li>Develop distribution strategy</li> <li>Develop and design packaging</li> <li>Order products</li> </ul>	<p>\$4M initial \$1M ongoing</p>
<p><b>Increase brand/product awareness by 20% within the first 6 months of launch</b></p>	<ul style="list-style-type: none"> <li>Develop in-store and digital advertising strategy</li> <li>Develop digital content and graphics</li> <li>Develop in-store advertising copy and graphics</li> <li>Produce in-store displays, signage, and postcard advertisements</li> <li>Produce video content for in store displays, social media, app, and microsite</li> <li>Integrate Ultabox messaging on social media with existing messaging</li> </ul>	<p>\$4M initial \$1M maintenance</p>
<p><b>Increase new customer acquisition rate by 15% within the first 6 months</b></p>	<ul style="list-style-type: none"> <li>Research, identify, and nurture relationships with social media influencers</li> <li>Develop messaging for influencers</li> <li>Build and develop Ultabox mobile app (~200k)</li> <li>Develop Ultabox microsite</li> </ul>	<p>\$700,000 initial \$150,000 maintenance</p>
<p><b>Cross sell Ultabox to 15% of Ulta Rewards Members in the first 9 months</b></p>	<ul style="list-style-type: none"> <li>Develop outbound e-mail marketing drip campaign strategy</li> <li>Develop e-mail content</li> </ul>	<p>\$100,000 initial</p>



# Pro-Forma & ROI



## Projection

Mailed	3,010,811
Proj Orders	174,713
Proj Avg Order \$	\$64
Proj Total Sales	\$11,200,151

## ROI Calculation

Orders	174,713
Sales	\$11,200,151
Cost of Goods	-\$3,920,053
Gross Margin	\$7,280,098
Fulfilment	-\$1,680,023
Advertising	-\$1,340,347
Cont to O/H, Prof	\$4,259,728
G&A Expenses	-\$1,344,018
Net Profit/Loss	\$2,915,710
Return on Investment	218%



# Conclusion



# ULTA<sub>box</sub>

ULTA<sub>box</sub> will inspire and be the leading brand name in households across the country for beauty products. Our assortments will change daily lifestyles for both men and women and for future generations. We will be known for our value and variety along with our 3 different price point box options touching all incomes. Our marketing strategy will be divided amongst our three personas to highlight the universal need for our box. We will grow our reputation by leveraging influencers. Once our product is recognized, we will forge in international markets using multiple strategies.

