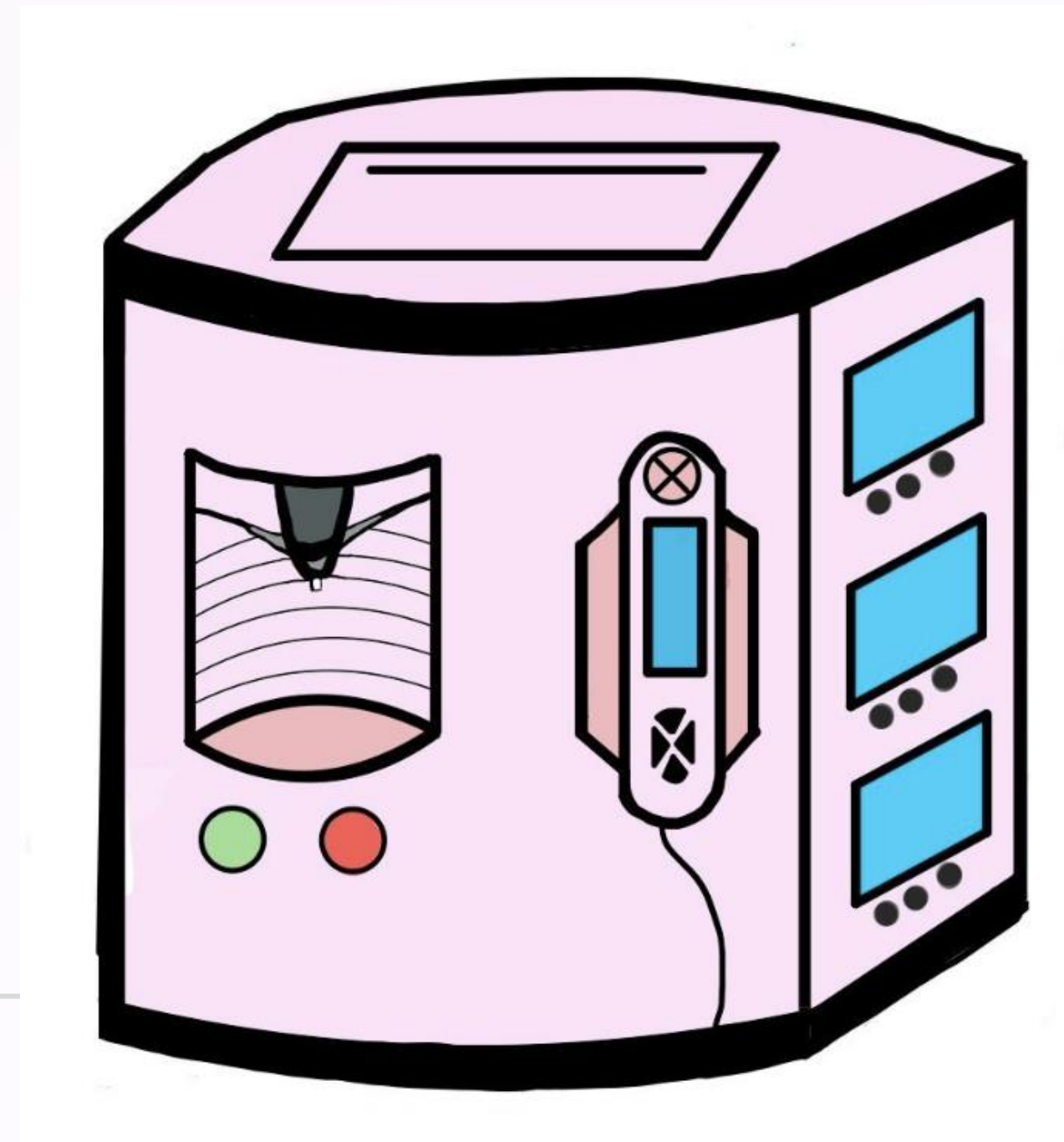


Mat@Chic

Match your inner beauty.

Marketing Plan by Group 3

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Introduction to MATCHIC

MATCHIC is a revolutionary foundation-mixing smart machine suitable for makeup lovers of all ages. It will custom-mix foundation to cater to your specific skin needs daily.

Whether you need an extra hydration boost in your foundation for the winter season, an SPF boost for the summertime, a dewy look for a party night, or increased coverage for bad skin days, we've got you covered.

Our goal is to bring out your inner beauty every single day.



Vision & Mission

Vision: To empower every person to channel their inner beauty.

Mission: To boost self-confidence and inner beauty in everyone through an efficient method of customizing foundation with a cosmetic mixing machine.





How It Works

Customers can take a quick and easy quiz on the website to determine which shade of pigment they will need to use to get their right color match.

Three small shade samples will be sent with the machine so the customer can try which pigment matches closest to their skin before purchasing the full-size pigment.

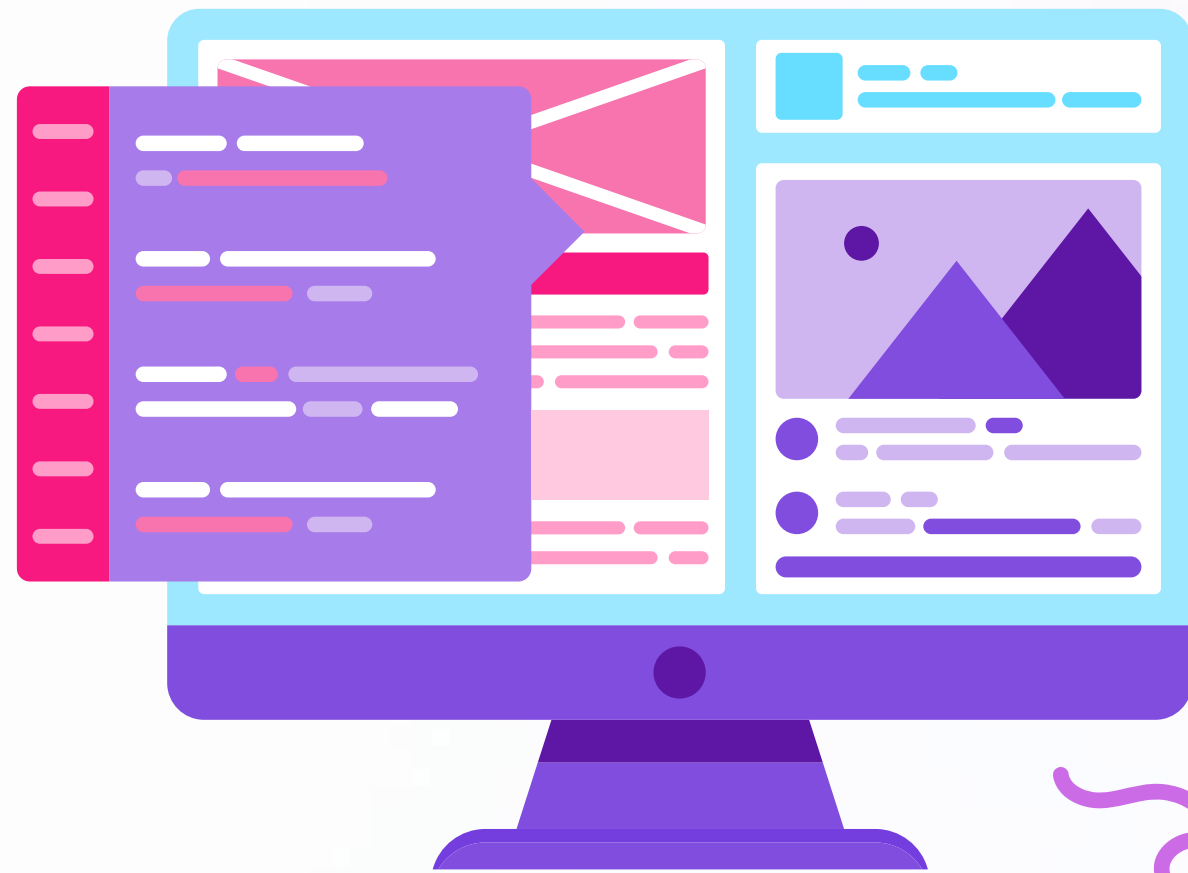
Once the customer's machine is shipped and delivered, the customer will insert the pigment cartridge in the machine along with provided sample cartridges of serum, moisturizer, and SPF.

If one decides to use their own serum, moisturizer, or SPF with the machine, they simply have to fill them into the cartridges and close them.

Matchic

Web

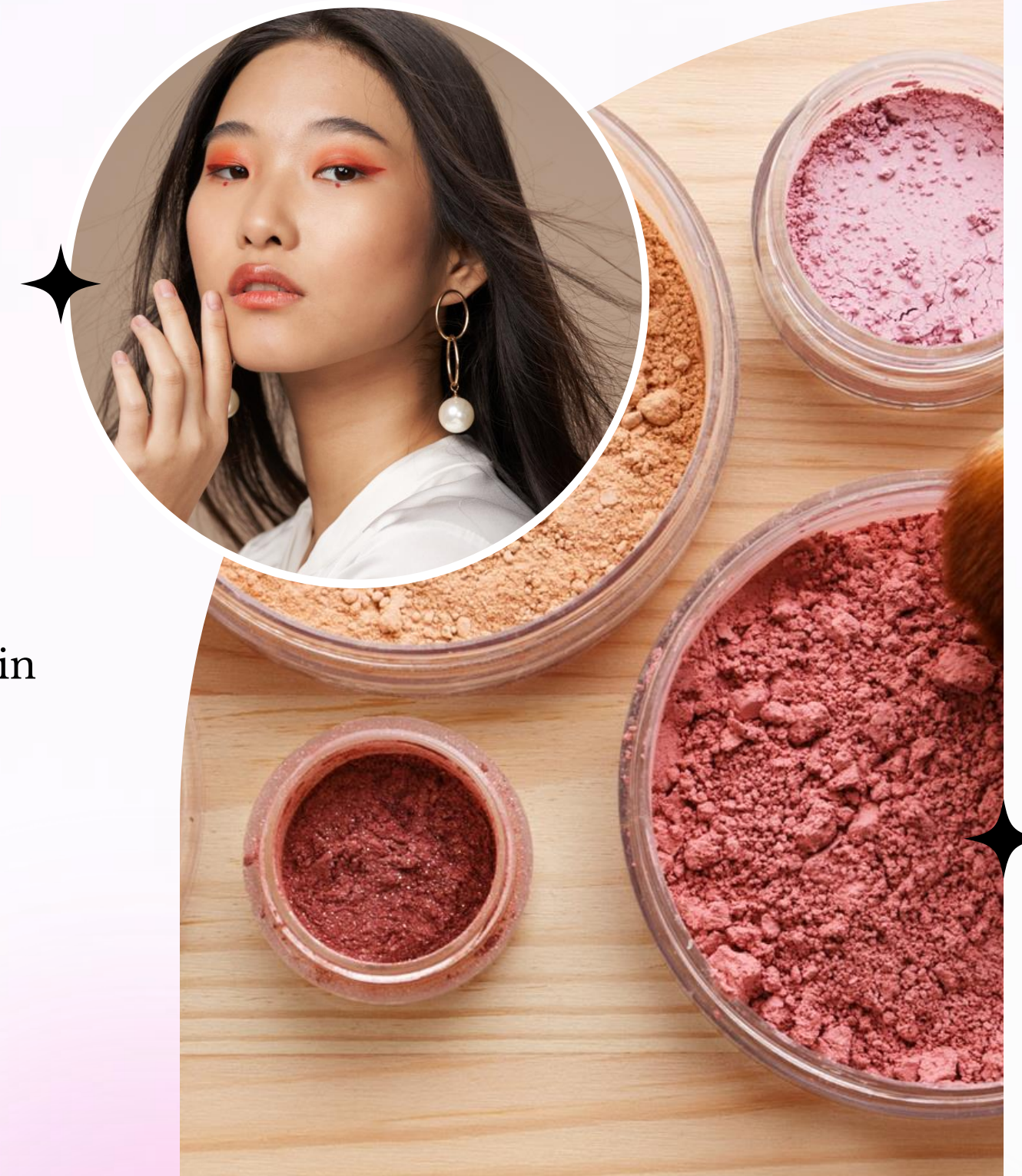
MATCHIC Website



Expert software, including skin-matching quiz

Order all pod refills in one place

Explore different options for the machine and learn more about it





MATCHIC Website Quiz Example

What's your skin type?

DRY Married to my moisturizer

OILY I live for blotting papers and powder

COMBINATION Each part of my face has a mind of its own

BALANCED Yeah, I'm blessed





How It Works (Continued)

Each machine comes with a starter pack of small, recyclable cartridges—similar to the pods used in coffee machines—comprised of pigment, serum, moisturizer, and SPF. The materials used in the cartridges are made of natural, paraben-free, sustainable ingredients with skin-loving properties to appeal to environmentalists, skincare enthusiasts, and beauty fanatics alike.

First, the user analyzes his/her skin moisture level with the machine's hydration sensor. The sensor then sets the machine settings to correspond to the results. Second, the customer inserts the desired cartridges into the top of the machine and selects coverage, finish, and tint from the preset choices. Finally, the customer presses the mix button and receives a bespoke foundation straight from the dispenser onto the machine's removable plate. The plate, which is anti-bacterial and easily washed with warm water, can be used to help apply the foundation.

Problem Statement

Customers who use foundation in their makeup routine must buy numerous costly foundation products to get the specific benefit of that product, such as its coverage or finish. It is usually infrequent to see a foundation product that matches every need of a customer or matches skin changes that occur throughout the day.

We want to satisfy as many needs as possible by allowing customization of foundation utilizing an innovative machine at a lower cost using non-comedogenic, skin-friendly ingredients.

Never waste your money on so many different foundation products again, as MATCHIC, the foundation mixing machine will provide everything you need in a foundation and the ability to customize it every day.



Situation Analysis

What is currently available in the market to satisfy the need?

Different foundations are offered in the market right now that can satisfy customers' needs. However, these foundations have unique pros/cons, such as high coverage or matte finish, and customers rarely can have everything they are looking for in one product. This means they have to turn to several product purchases to satisfy their need, which can become costly.





Situation Analysis (Continued)

What are the problems/deficiencies, and why is there a need for a new product?

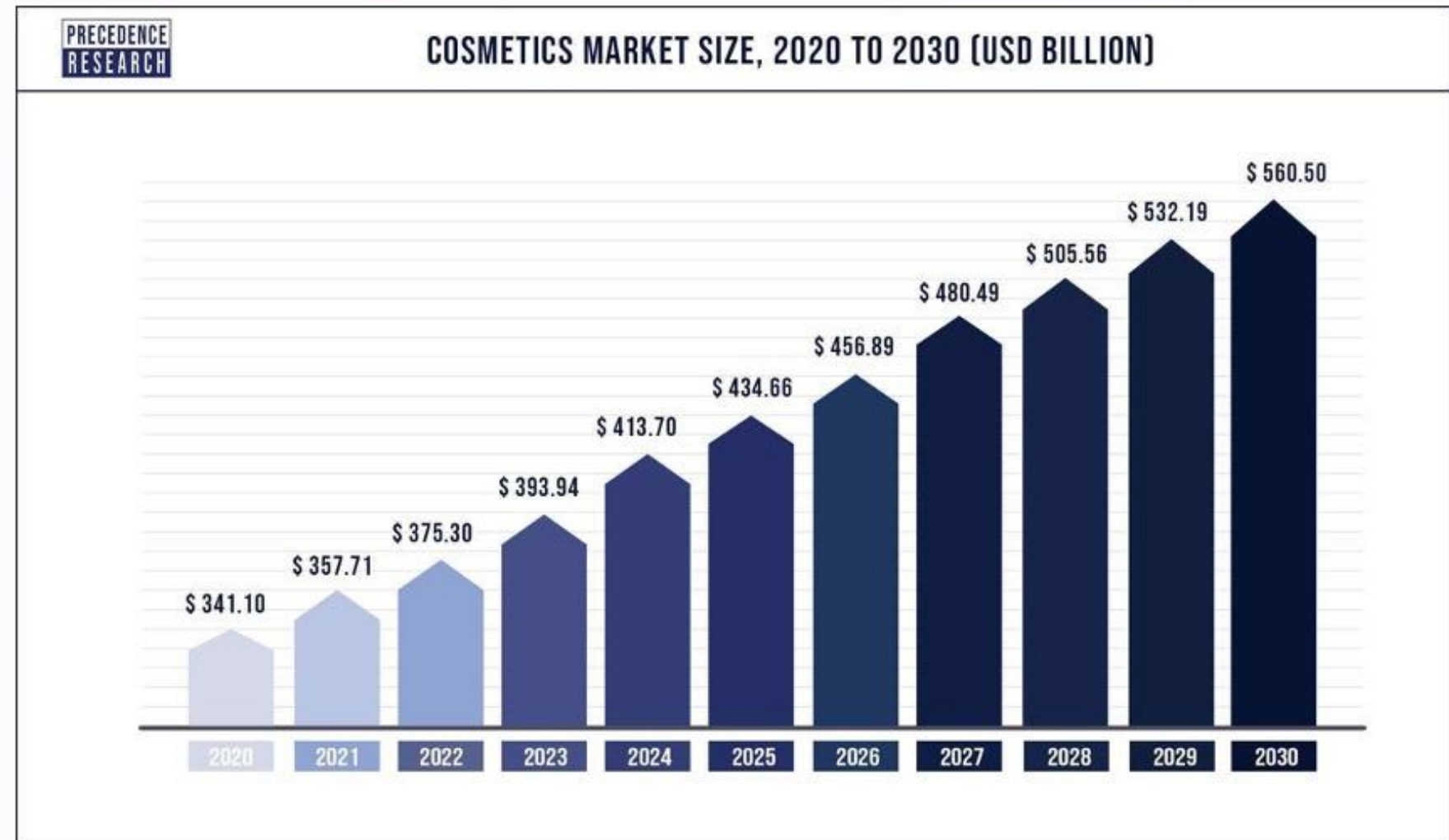
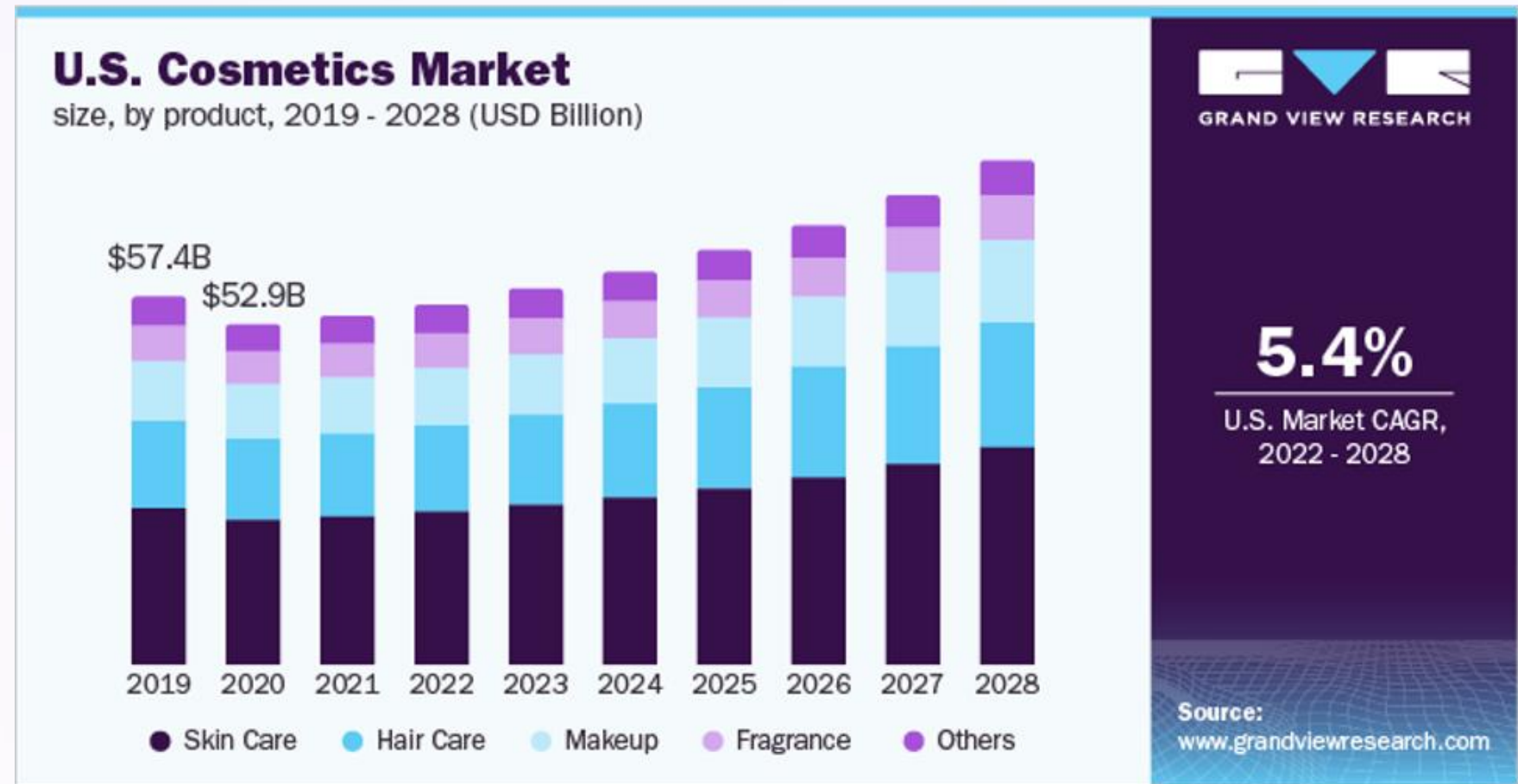
- Not one product to satisfy all needs daily
- Every foundation has its benefit (usually one) without great adaptability/flexibility—it doesn't make sense for customers to buy new foundations for every whim.
 - Customers should be able to customize the foundation without breaking the bank!

Matchic ● Market Analysis

Market Analysis

Launching a product in the Cosmetics Category is astute from both the U.S. and global standpoints, as both markets are primed to continue significant growth for the next several years.

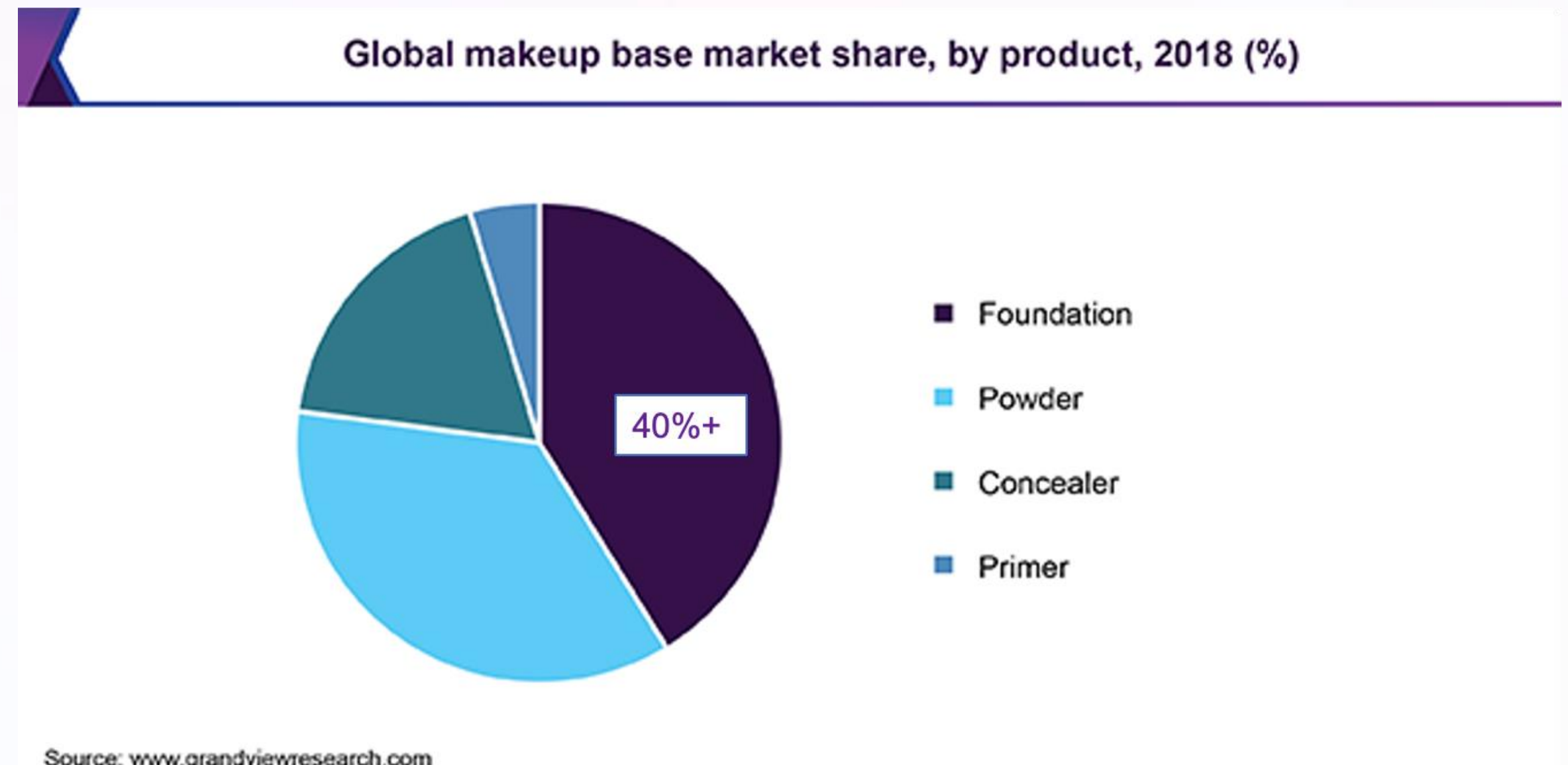
As of 2021, the global cosmetics market was projected to be worth \$560.50B by 2030, with increased projections following each new analysis. We aim to launch our product in the U.S. in 2023.



Market Analysis (Continued)

Breaking down the Cosmetics Category into facial makeup, the largest global market share in 2018 was foundation, with over 40%, creating the ideal setting for our MATCHIC foundation mixing machine.

The beauty industry is still booming and thriving more than ever today, thus looking at historical data, we can make a logical conclusion that MATCHIC will be a successful product.





Potential Market in Terms of Dollars, Profits and Sales

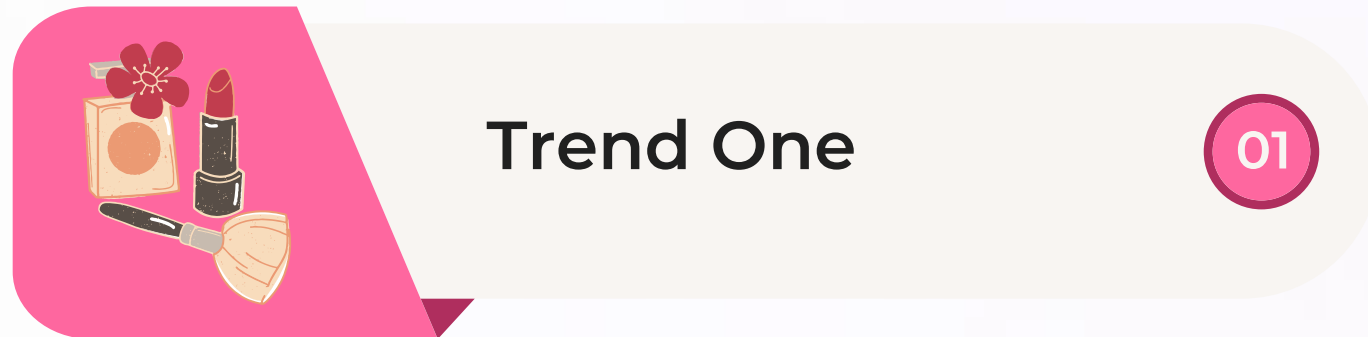
To arrive at these numbers, we made assumptions based on market analysis & competitor pricing in the cosmetic industry and the company's strategy, expense, and market research. MATCHIC's sales forecast is conservative, with room for domestic and global expansion based on future marketing and sales strategy.

Potential Customers	Sales Forecast		
	2023	2024	2025
Generation Z (10-25 yrs)	\$ 48,720.83	\$ 60,901.03	\$ 76,126.29
Millennials (26-41 yrs)	\$ 38,463.81	\$ 48,079.76	\$ 60,099.70
Generation X (42-57 yrs)	\$ 28,206.79	\$ 35,258.49	\$ 44,073.12
Baby Boomers (58-67 yrs)	\$ 12,821.27	\$ 16,026.59	\$ 20,033.23
Total Sales	\$ 128,212.70	\$ 160,265.88	\$ 200,332.34

Direct Cost of Sales	2023			2024			2025		
Generation Z (10-25 yrs)	\$	24,360.41	\$	30,450.52	\$	38,063.15			
Millennials (26-41 yrs)	\$	19,231.91	\$	24,039.88	\$	30,049.85			
Generation X (42-57 yrs)	\$	14,103.40	\$	17,629.25	\$	22,036.56			
Baby Boomers (58-67 yrs)	\$	6,410.64	\$	8,013.29	\$	10,016.62			
Total Cost of sales	\$	64,106.35	\$	80,132.94	\$	100,166.17			

Segment	Potential Customers	Sales Forecast			Growth
		2023	2024	2025	
38%	Generation Z (10-25 yrs)	\$ 584,649.91	\$ 730,812.39	\$ 913,515.49	20%
30%	Millennials (26-41 yrs)	\$ 461,565.72	\$ 576,957.15	\$ 721,196.44	20%
22%	Generation X (42-57 yrs)	\$ 338,481.53	\$ 423,101.91	\$ 528,877.39	20%
10%	Baby Boomers (58-67 yrs)	\$ 153,855.24	\$ 192,319.05	\$ 240,398.81	20%
	Total Sales	\$ 1,538,552.40	\$ 1,923,190.50	\$ 2,403,988.13	

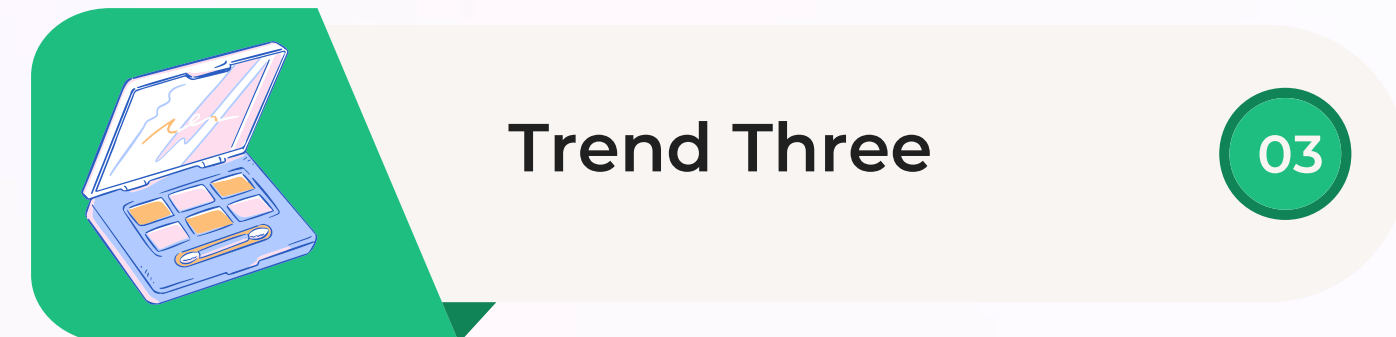
Market Trend



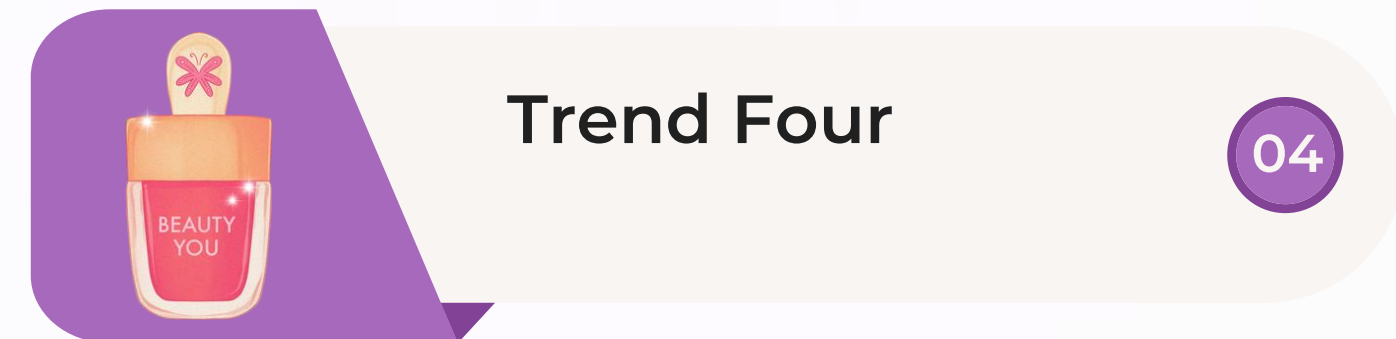
Over 80% of women between 18 and 64 have used makeup in the past year.



Hispanic women are the most likely to use makeup, with over 86% reporting using makeup.



76% of men have reported caring more about their appearance, so this might be a potential target market.



Black women are the least likely to use makeup, but this might be because of their trouble matching skin tones.

★ Market Research

Primary Research



Surveys

Conduct online and by phone to ensure customers' foundation needs and wants are captured.



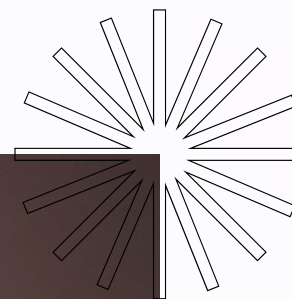
Focus Groups

Administer using survey results and prototype machine to test consumer response further.



Observation

Conduct post-launch to determine what should be changed in future iterations or before a global launch.



Secondary Research



Industry News

Gather research from Statista, NielsenIQ, GrandViewResearch, and others.



Websites and Social Networks

Collect information on customer foundation needs, popular influencers, and color psychology in cosmetic packaging.



Internal Sources

Use company data from initial launch to adjust future promotions and tailor consecutive launches.

Potential Target Markets



Makeup artists

Our target market will focus heavily on the beauty and cosmetic industry as makeup artists use foundation in their craft. A foundation mixing machine will help them accomplish their art more quickly and efficiently.



Make-up gurus/influencers

Make-up gurus/influencers need to buy many foundation products for their craft. Having a foundation mixing machine will make their job easier and more seamless.



Regular make-up lovers/users, mainly women ages 18-34

Regular make-up lovers/users who want to wear foundation to work, school, outside, inside, or for any occasion. A foundation mixing machine will allow them to save money and target all skin concerns daily.

Potential Target Markets (Continued)

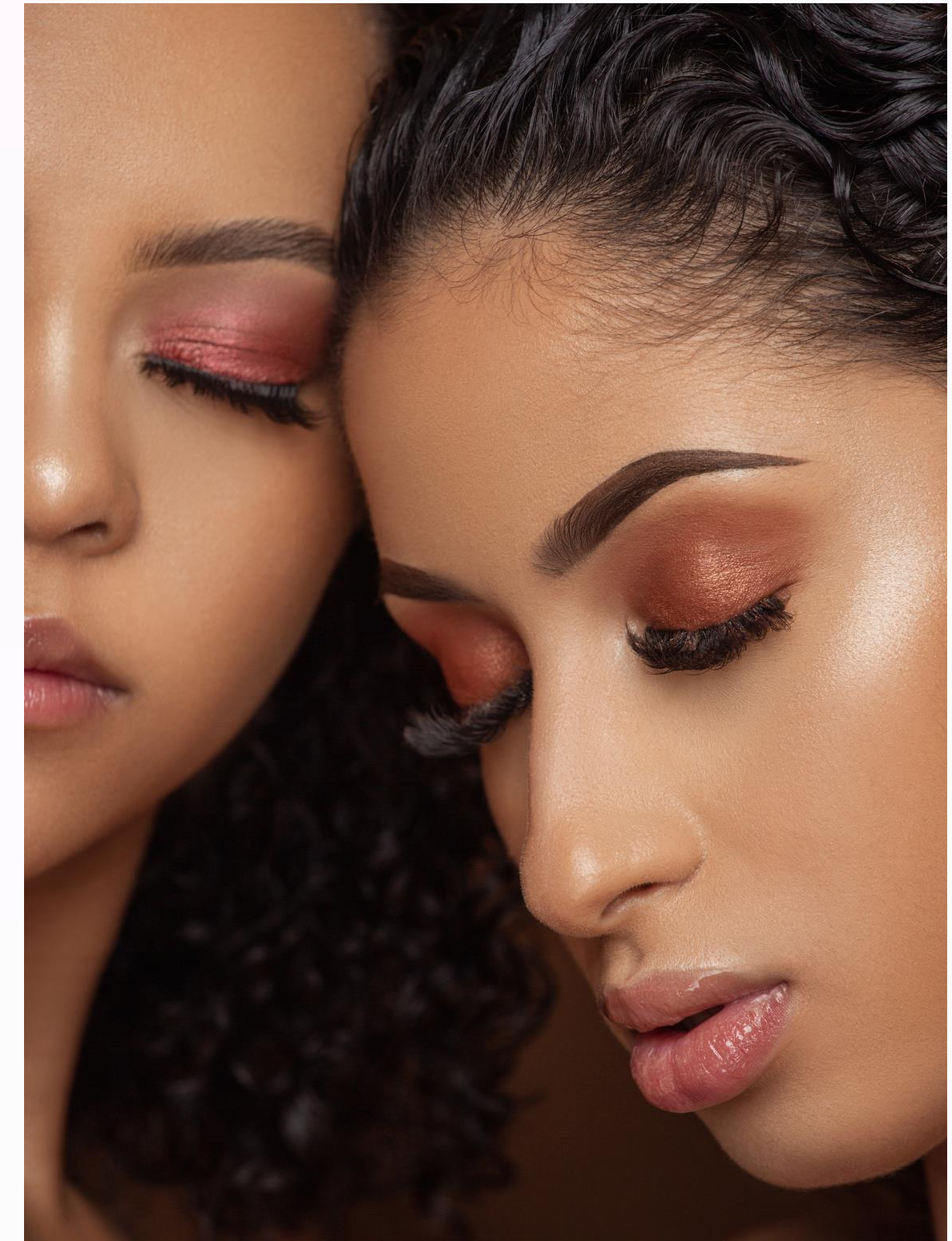
Market Segments

As a **start-up company**, we first want to focus the product domestically in the United States. Thus, the total available market is all Americans. The served available market is Americans roughly 12 and up; however, our target market is the population that uses foundation most: **women between the ages of 18 and 34.**

These women tend to be working-class women, have trouble matching their skin tone to mainstream foundation products, and someone whose foundation needs might vary (ex. matte vs. dewy and full coverage vs. light coverage).

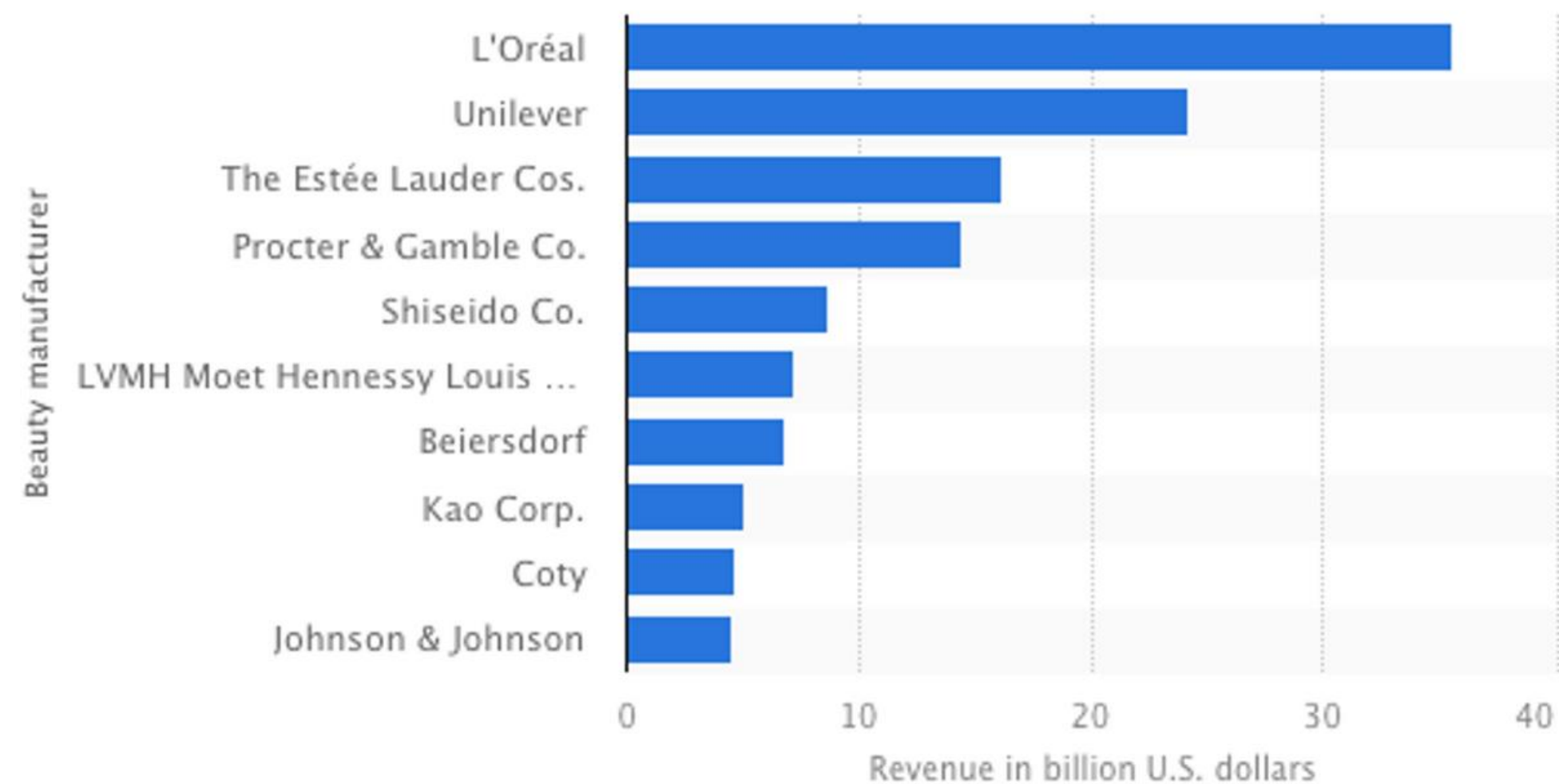
Market Segment for Men

The men's segment of the cosmetic industry is forecasted to grow as it is a trend among them to utilize beauty products. This can be a future potential customer whose characteristics also include caring about appearance, wanting to cover up blemishes, and enhancing their natural beauty.



Competitor Analysis

Revenue of the leading 10 beauty manufacturers worldwide in 2021 (in billion U.S. dollars)



Some of MATCHIC competitors who are prominent Cosmetics Foundation Market players across the globe include:

- L'Oreal Paris
- KIKO MILANO
- REVLON
- Estée Lauder
- Make Up For Ever
- Fenty Beauty
- Dior
- Chanel
- Burberry
- Amorepacific
- Shiseido
- Laura Mercier
- Kao
- Pola Cosmetics
- KOSÉ SEKKISEI
- Avon True
- Chando
- Maybelline”

SWOT Analysis



strengths

- Custom matching for all ages, sexes, ethnicities, and cultures
- Ability to adapt to customer demands as per region, occasion, or skin type using non-comedogenic, skin-friendly materials
- Unique combinations with à la carte add-ons and available presets
- Association with Professional Make-up artists, models, and influencers of the fashion world.
- One-time purchase of the machine, affordable to many income groups



opportunities

- Change in customer behavior- there are observed shifts from harsh chemical-based cosmetics to skin-friendly cosmetics.
- With the growth of online shopping, individuals are willing to experiment with looks and invest in cosmetics.
- Emerging markets in the sun-belt and warmer regions create opportunities that our product caters to.



weaknesses



- Varying levels of interest in make-up displayed by different segments
- Some users might not want to drop a considerable fee for the machine at the start

threats



- Embracing natural beauty is a rising trend in the beauty industry, which may cause reluctance in individuals to invest in our product.
- Competition from individual drug-store and premium-line products that can multi-task (Ex: 3-in-1 anti-aging, SPF, and foundations)
- Competition from similar technologies like Lancôme

✦

Our Differentiator



MATCHIC's unique selling proposition compared to our competitors is how customizable and personalized the foundation product can be.

With our foundation mixing machine, makeup lovers everywhere will always have a perfect product to use daily based on their skin needs.

It is cost-effective, and the goal is always to bring out and enhance your inner beauty.



Marketing 4P's

Product:

MATCHIC foundation mixer is an intelligent cosmetic mixing machine suitable for makeup users of all ages. Product specifications include:

- Brand Name: **MATCHIC**
- Brand Slogan: Match your inner beauty.
- Package: Machine and start-off cartridges kit.
- Brand Colors: Purple is the primary color with some shades of pink.
- Brand Logo:

MatChic

Match your inner beauty.



Marketing 4P's

Promotion

- Targeted social media ads to those who like watching makeup videos, and the algorithm will do its work (more targeted towards women ages 18 to 34) & campaigns.
- We would put ads in between Instagram posts or in between TikTok and YouTube videos.
- Pay an influencer with a large following to include the product in their routine or promote it on social media.
- Coupons, sweepstakes or contests, premiums, rebates, samples, loyalty programs, and point-of-purchase displays.
- Machine Warranty 5 years

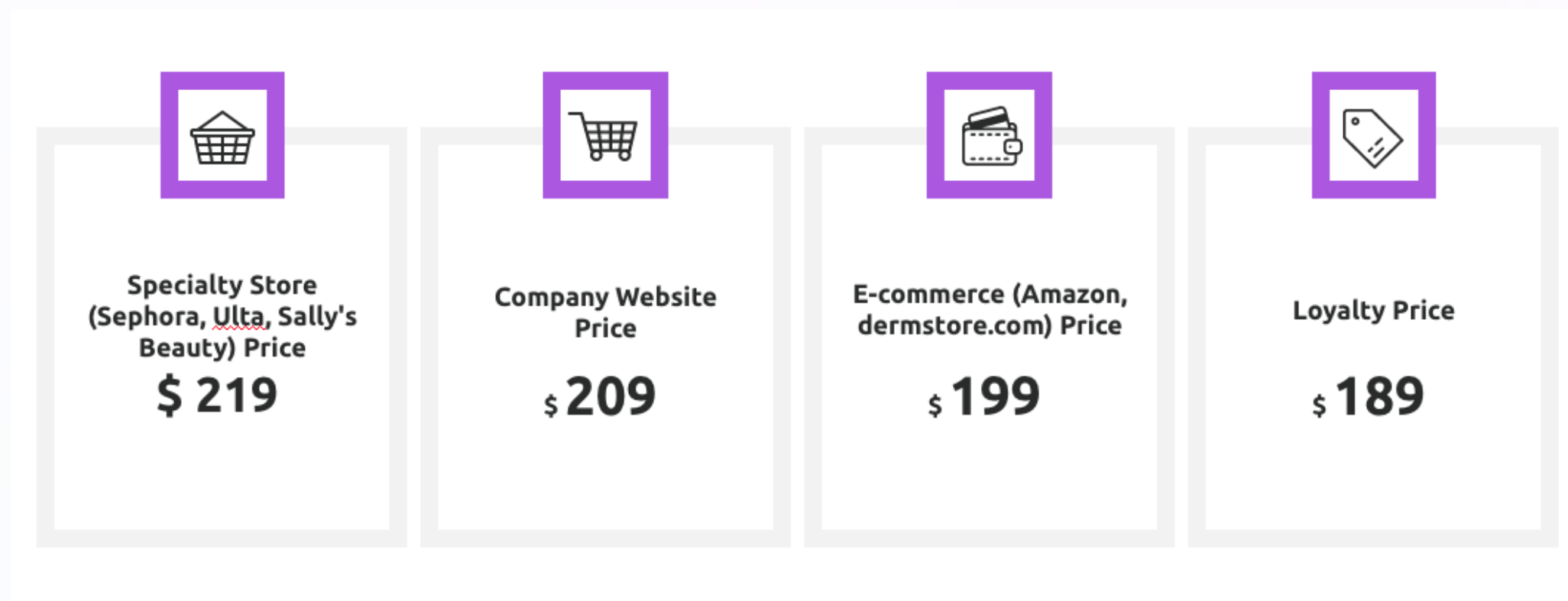


Marketing 4P's

Price

To determine the pricing of MATCHIC and the capsules that come with it, market research was done on the average pricing of high-quality, popular foundations and their pricing point, as those products will be our competitors. Then logical pricing points for MATCHIC were determined with our target customers in mind. Our only discounts will be during the holiday season, when our customers can receive 10% off all our products.

Regional/national to start and test the market, get feedback, monitor the product, improve, then go global later.



Financial Breakdown

Main Product		
	Starter Kit	Individual Product
Base Feature	Machine	\$99.99
	Pigment	\$15.99
	Serum	\$24.99
	Moisturizer	\$15.99
	SPF	\$19.99
		\$176.95

			Monthly Forecast			
			Package Sales		Individual Product Sales	
No.	Product	Unit Price	Qty.	Revenue	Qty.	Revenue
1	Machine	\$ 99.99			50	\$ 4,999.50
2	Pigment	\$ 15.99			150	\$ 2,398.50
3	Serum	\$ 24.99			120	\$ 2,998.80
4	Mositurizer	\$ 15.99			100	\$ 1,599.00
5	SPF	\$ 19.99			60	\$ 1,199.40
Starter Kit (Includes 1 to 5)			650	\$ 115,017.50		\$ 13,195.20
			Monthly Sales			\$ 128,212.70

Break-Even Analysis	
Monthly Units Break-Even	530
Monthly Sales Break-Even	\$44,934.84
Assumptions	
Average Per Unit Revenue	\$ 113.46
Average Per Unit Variable Cost	\$40.27
Estimated Monthly Fixed Cost	\$28,000.00

**The break-even analysis indicates that \$44,934.84 will be required in monthly sales revenue to reach break-even point.



Marketing 4P's

Place/Distribution

- Physical retail stores such as Sephora, Ulta
- Online e-commerce store for our brand
- Third-party beauty resellers that are reputable
- Large e-commerce platforms such as Amazon

Marketing Expense Budget

	Marketing Expense Budget		
	2023	2024	2025
Website (dev, upkeep, hosting)	\$60,000	\$54,000	\$57,000
Social Media Ads	\$18,000	\$21,000	\$26,000
Influencer Promotion	\$2,500	\$5,000	\$10,000
Total Expenses	\$80,500	\$80,000	\$93,000
Percent of Sales	5.23%	4.16%	3.87%
Contribution Margin	\$ 992,491.20	\$ 1,240,614.00	\$ 1,550,767.50
Contribution Margin/Sales	64.51%	64.51%	64.51%

Most of our budget will go toward the website's AI functionality and online advertising on Instagram, Tiktok, and YouTube.

In 2023, web development will increase its overall cost. In 2025, all prices will increase in anticipation of the upcoming launches. Since influencers are critical in the beauty market, we plan to hire one to gain more popularity and traction on social media.

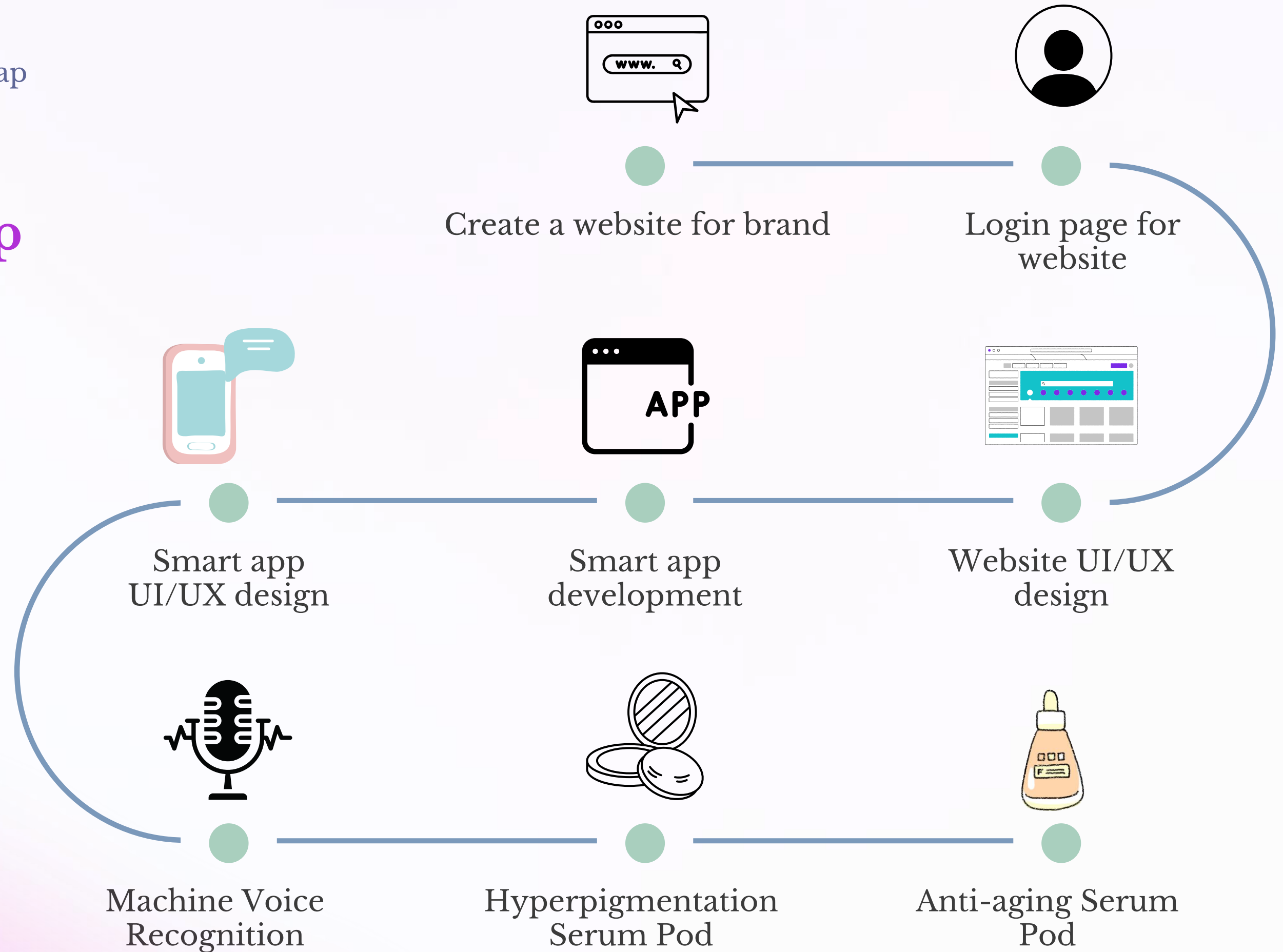
Limitations/Potential Threats

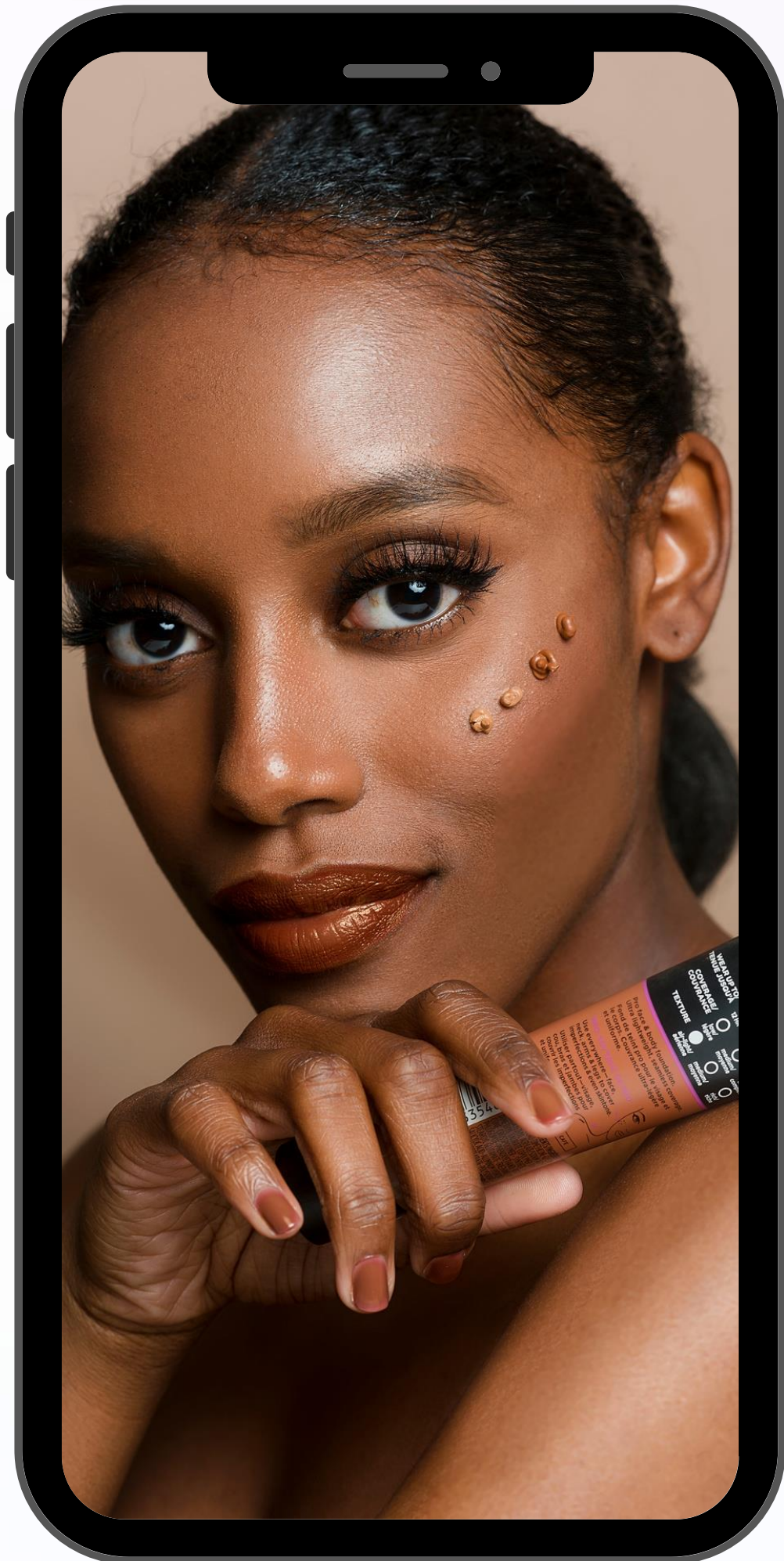
- MATCHIC will get a patent because big makeup companies or shady companies can produce our machines and sell them for their benefit
- The machine is a bit expensive to produce, so we are limited to how many we can manufacture based on our budget at the start.
- Every person is different, and there are so many needs. There will be a limitation on the number of specific benefits/customization we will offer at the start, which targets mainly moisture, coverage, finish, SPF, and skin tone matching.



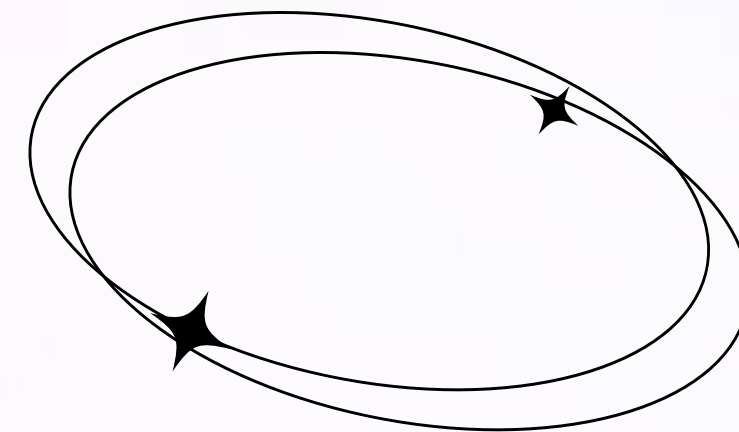
Matchic ● Product Roadmap

Product Roadmap





Stay In Touch With Us



Phone

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Website

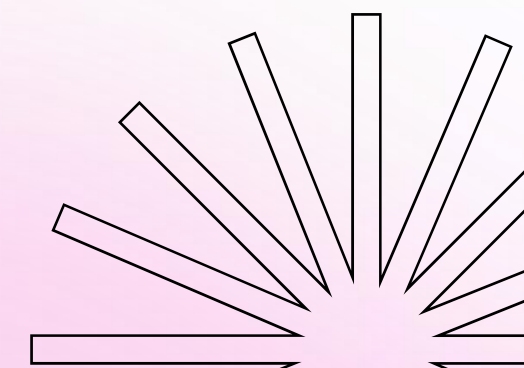
www.matchic.com

Mail

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Address

123 Anywhere St., Any City



Thank You!



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