

THE L'OREAL E-STRAT CHALLENGE

EPISODE 6

BUSINESS PLAN GUIDELINES



ENTREPRENEURIAL SKILLS / INTERNATIONAL SCOPE / STRATEGIC DECISION-MAKING / MARKETING / TEAMWORK / FUN

L'ORÉAL
e-strat
CHALLENGE
EPISODE 6

THE ULTIMATE BUSINESS GAME

Register your team before 1st December 2005
www.e-strat.loreal.com

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STRATX **BusinessWeek** **EuroNews** **Microsoft** **msn**



THE L'OREAL E-STRAT CHALLENGE EPISODE 6 BUSINESS PLAN GUIDELINES

Welcome to the L'Oréal e-Strat Challenge Semi-Finals!

300 semi-finalists have been chosen based on their Share Price Index (see Official Rules and Regulations for the exact selection procedure). They are now invited to compete in the second stage of the challenge, translating their long and short-term strategic vision into a Business Plan and taking a sixth round of decisions. Professionalism and business sense are very important here, as your performance on this crucial step can lead you to the International Finals in Paris, where the worldwide winners will be chosen.

The objectives of the e-Strat Challenge Business Plan are as follows:

- To express what your strategy has been throughout the rounds of the on-line competition
- To let you reflect upon the particular business issues of a dynamic, consumer-driven and highly competitive industry.
- To call upon your analytic and global-thinking skills, and to allow you to express your business creativity outside of the numerical format of the simulation.

❖ The Business Plan in detail

In your Business Plan, you should address the following points:

1. Please provide a brief analysis of your company's performance for the 5 first Rounds.

- 1.1. What have been your key financial and marketing results in Period 5? (0.5 page)
- 1.2. How did you achieve these results? (0.5 page)
- 1.3. Please provide a SWOT analysis at the end of Period 5 (0.5 page)

2. Forecast:

What levels do you forecast in Round 6 for volume and value market share, revenue, EBIT and share price index?

Please provide these forecasts in a table, with your Period 5 indicators in a separate column, as a reminder.

3. 3-Period Strategy:

- 3.1. If you were to run your company for 3 additional Periods, what would you focus on, strategically speaking?
- 3.2. What growth level do you envision in terms of revenues and overall market share for PRIMA (in value) for the next 3 periods?
- 3.3. What are your firm's chances of success in the long term?
- 3.4. What is your vision for your company?

4. Key Learning Points:

- 4.1. As PRIMA's managing team, what are your three key learning points from the L'Oréal e-Strat Challenge?
- 4.2. What, for you, are the unique strategic issues tied to the dynamics of the cosmetics market, and how do you envision their evolution in the next three years (i.e. 6 e-Strat Periods)?
- 4.3. If you were to express the core concept, values or mission of your business in a slogan or a print ad, what would that be?



5. Personal key learning points

Finally, as a team, what have been your key learning points from the L'Oréal e-Strat Challenge?

❖ Business Plan Scoring Grid

Your Business Plan will be assessed by a pool of L'Oréal executives according to the following grid:

		Points	Approximate nb of pages
1)	Performance Analysis, Period 1 – 5	18 pts	1.5 pp
2)	Forecast, P. 6	10 pts	0.5 pp
3)	3 Period Strategy P. 7 – 9	24 pts	1.3 pp
4)	Key Learning Points	24 pts	1.3 pp
5	Personal key learning points	6 pts	0.4 pp
6)	Quality / Professionalism / Creativity	18 pts	-
GRAND TOTAL		100 pts	5 pp

❖ Format & how to send

In order to ensure fairness and clear, concise expression, the Business Plan should be in the following form:

- a single Microsoft **WORD** file, of a maximum of **5 pages** of standard **A4** format (2cm margins on all four sides, Arial 11 or Times New Roman 12 font, 1.5 line spacing). For our **US players**, the US legal letter format should be used.
- The weight of this word document may not exceed 1.5 Megabytes.
- The 5 pages of the Business Plan can include graphs and/or charts, which can be included in specific sections of your Business Plan or at the end of the document. Please note that no appendices will be accepted in addition to the 5 pages required. However, you may feel free to add a cover page to your Business Plan, in addition to the 5 pages required. Your cover page should include your team's name, the name of each team member, your school, country and zone. Your slogan or ad should be included either in the cover page or in the 5 pages of your Business Plan.
- Should you wish to include any graphical elements into your Business Plan, these should be integrated in the Word document, and should not require any specific software to be viewed, other than Microsoft Word. No sound file or animated images should be included.
- Your Business Plan should be sent **as an electronic mail to students@loreal-estrat.com**

❖ For whom & time limit

For those **300 teams who have been selected to take part in the Semi-Finals**, the decision files and the Business Plan must be submitted at the latest **by 9:00 am on February 21st, 2006**.

Please note that there will be no individual e-mail acknowledgement receipt.