

# Executive Summary

## Making AI Role-Play Sticky & Revenue-Driving for Beauty Advisors

### Purpose

This document explains how the proposed AI-powered Beauty Advisor role-play tool drives measurable business impact for L'Oréal by making practice habitual, trusted, and directly aligned with in-store commercial operations.

### Business Problem

L'Oréal operates at massive scale with over 100,000 Beauty Advisors supported by limited trainer capacity. While classroom training exists, there is insufficient opportunity for repeated practice, personalized feedback, and preparation for complex or less common customer scenarios. This results in inconsistent consultation quality, under-selling of routines, and avoidable knowledge errors at the point of sale.

### Core Insight

Revenue improvement does not come from more information, but from better conversations. Beauty Advisors who confidently diagnose needs, explain routines clearly, and handle resistance appropriately convert more customers, sell more complete solutions, and build stronger long-term trust.

### How the Tool Creates Stickiness

- 1 • Event-triggered practice: Role-play scenarios unlock in response to real business moments (product launches, promotions, onboarding), ensuring relevance and timely usage.
- 2 • Trainer-calibrated feedback: AI evaluation mirrors existing L'Oréal coaching rubrics, building trust and encouraging repeated voluntary practice.
- 3 • Micro-practice design: Each session fits into a 3–5 minute in-store window, removing productivity trade-offs and lowering adoption friction.
- 4 • Quiet accountability: Personalized recommendations and progress indicators encourage engagement without surveillance or punitive scoring.

### How Stickiness Translates to Revenue

- 1 • Higher conversion rates: Better diagnostic conversations lead to more confident purchase decisions.
- 2 • Increased average basket size: Routine-based selling replaces single-product transactions.
- 3 • Stronger repeat purchase and loyalty: Correct advice improves results, trust, and repurchase behavior.
- 4 • Faster ramp-up for new Beauty Advisors: Reduced time to in-store effectiveness minimizes lost sales.

### Strategic Fit for L'Oréal

The solution aligns tightly with L'Oréal's multi-brand, multi-category portfolio strategy. It enables responsible trading-up, protects brand and compliance standards, and standardizes consultation quality without scripting — at the scale required by China retail operations.

## **Expected Outcome**

By embedding trusted AI role-play into daily operations, L'Oréal transforms training from episodic events into a continuous performance engine. The result is more capable Beauty Advisors, more consistent in-store experiences, and sustainable revenue uplift driven by better human conversations — not harder selling.