

Hong Ya – Oversea Authorization Localized Model

Client : Hong Ya

Project : DoIT, MOEA – Commerce Service Industry

Internationalization Operation Model Innovation Research and
Application Project

Business Model Innovation
Research Division

Problem

Due to unfamiliar language, culture, and markets, they mostly entered the market by authorizing. With defective system, they faced difficulties on intelligence collection partner selection and the establishment of terms of authorization.

Solution

1. Provide business diagnosis, and surveys on competitors ,consumers and shopping districts.
2. Establish an internationalized authorization evaluation module: self- assessment form, competitor investigation, authorization survey, and proposals for terms of authorization.



Result

1. Officially landed in Subang Jaya, Malaysia in July 2015.
2. The turnover is about \$600,000 NTD per month, and the gross profit is about 33%. The franchise income is 4 million NTD, and the royalty is 3%.
3. In 2016, it opened a new store in Mabumen, Johor, with an annual turnover of 8 million NTD.
4. It is expected that 13 stores will be opened within 5 years and the franchise funds and profits will be around 50 million NTD.