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‘BizAbroad Xpress’商業計劃書

‘BizAbroad Xpress’ Business Plan

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Forewords

The original idea behind BizAbroad Xpress emerged from the writer's intention to solve his own problems after experiencing the painstaking process of setting up three new companies in three different jurisdictions, respectively, in his capacity as his organization's legal department head.

It is important to note that BizAbroad Xpress, together with its underlying business model, is not a mere concept, but offers a real business solution to often the first business hurdle encountered by countless enterprises and individuals worldwide when it comes to starting a business abroad.

The writer envisages an ideal business world where everyone is empowered by modern internet tools to engage in global commerce with ease. Once the required business knowledge becomes widespread and equally accessible to everyone through such internet tools, commerce should naturally flourish.

Abstract

‘BizAbroad Xpress’ Business Plan

By

Jeffrey Ling Deck Lee

This business plan will reveal the scalable business model that BizAbroad Xpress has devised, namely, by creating an online platform that brings together, on the demand side, entities that simply want to start a business (such as register a new company) in a foreign jurisdiction without the hassles that are traditionally associated with the processes involved, and, on the supply side, the carefully vetted top tier business service providers (such as lawyers) that desire to increase the number of their high value international customers.

This business plan includes details on how the BizAbroad Xpress method is appealing enough to make the aforementioned entities and service providers to want to switch from the traditional ways of service engagement and provision to the BizAbroad Xpress way, as well as how this new way possesses sufficient competitive advantage to acts as a challenging barrier of entry to other potential competitors in the business service category.

Keywords: starting business, doing business, business service, lawyer, accountant

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1. Introduction

1.1. Executive Summary

When it comes to starting a business in a foreign jurisdiction, most enterprises and individuals would prefer to register a local company to protect their valuable investment. As a result, lawyers and accountants (as well as other professional business service providers) have traditionally been retained to assist them with this specific task. It is noteworthy that these professions form a lucrative service industry that charges one of the highest service fees on this planet due to their monopoly over certain specialized business knowledge.

BizAbroad Xpress (“BX”) has identified a unique business opportunity here and aims to disrupt the prevailing business processes that this particular industry segment has utilized for many decades. In particular, there are two processes that BizAbroad Xpress wishes to disrupt: how the required business knowledge is being found by and disseminated to the aforementioned enterprises and individuals, and how the relevant details are being requested by and provided to the aforementioned lawyers and accountants for the business start-up purposes.

BX has confidence that consolidating the aforementioned business processes will immensely ease the pains traditionally associated with starting a business abroad. As will be evidenced by the financial figures under Article 10, BX is also confident that it will earn a sustainable profit within the first year of operation through such business process consolidation.

1.2. Organizational slogan, vision, mission, values, and aims

BX aspires to be an all-purposes business services platform propelled by the following assertions:

Slogan: Meeting your business needs abroad!

Vision: The number 1 choice for quality business services abroad

Mission: Create value and make a difference for businesses worldwide

Values: (a) Customers' satisfaction is our top priority; (b) Employees' happiness is our competitive advantage; (c) Sharing unlocks possibilities; (d) Hack everything

Aims: 'The 100% Rules': (a) 80% of corporate revenue from emerging economies¹; (b) 10% of employee's time devoted to innovation; (c) 10% of employees' time devoted to community

1.3. Core team members

BX currently comprises the following core members:

Jeffrey Ling (in charge of product development, marketing, sales)

✓ Currently legal professional with 10 years of relevant experience; qualified lawyer (New Zealand); MBA (Taiwan)

✓ Founder - Entrepreneurs Society of Taiwan; Co-Founder – Profindr.com

¹ http://en.wikipedia.org/wiki/Emerging_markets

Cecily Pan (in charge of finance, product development, sales)

- ✓ Currently an accounting professional with nearly 10 years of relevant experience; certified public accountant (United States and Taiwan)
- ✓ Co-Founder – Mbox

Cliff Lien (in charge of system architecture, database design, search engine optimization)

- ✓ Currently a software engineer with 7 years of relevant experience

Eli Wong (in charge of user interface/user experience, social media, mobile application)

- ✓ Co-Founder – Pasteme.cc; Chirpy.tw

Thomas Chen (in charge of web development, web analytics)

- ✓ Currently a university student

2. Problem Overview

2.1. Problems to be solved for BSUs

Enterprises and individuals that wish to use certain business services for, say, registration of a new company abroad, often encountered the following common issues (this list is by no mean exhaustive):

- ✓ Lack of easy access to all the relevant information (such as foreigner restrictions, minimum capital requirement, tax implications, procedures and costs involved etc). The fact that such information (including those provided by the relevant government agencies) is in foreign language and/or presented in a not-so-user-friendly way does not help either.
- ✓ Inability to comprehend and process the vast specialized knowledge (such as the relevant laws and regulations governing company registration).
- ✓ No readily-available tool to compare the pros and cons of different business entities (such as subsidiary versus branch) or even the different jurisdictions (such as Country A versus Country B).
- ✓ Overwhelming choices when it comes to selecting the right local business service provider to handle the relevant application process. Often, the ranking provided in the relevant directory is not very meaningful in terms of narrowing down the choices.
- ✓ Substantial time, and even money, spent trying to double-check with the selected business service provider what can or cannot be done. Often, this pain is exacerbated

by the technical jargons used.

- ✓ Not sure what kind of end result is standard/acceptable since there is usually no reliable reference source(s) available for making a quick assessment.

The aforementioned issues tend to render many business services users (“BSUs”) feeling the sense of powerlessness. Undoubtedly, there must be an easier way to achieve the same desired outcome(s).

2.2. Problems to be solved for BSPs

Providers of business services (“BSPs”) often encountered the following common issues (this list is by no mean exhaustive):

- ✓ For certain BSPs like lawyers, the national self-governing associations they belong to have imposed rules to the extent that marketing activities are severely restricted in terms of types and scope.
- ✓ BSPs have continually poured money into having the relevant information made comprehensively available in various printed materials, on the internet, and even through overseas seminars, to target audience beyond the national border, yet without being able to measure the benefit(s) of doing so or knowing whether the right crowd is targeted.
- ✓ Despite being included, and even highly ranked, in reputable industry directories, BSPs like law firms must still compete against other law firms also found in the same directories for the attention of the same target audience.

- ✓ Even if the promotional effort got noticed, BSPs must still spend valuable manpower and effort, most of which may be non-chargeable, answering countless telephone/email inquiries from potential customers, who may afterward end up using a cheaper alternative to perform the same work.

There must be an easier way for BSPs to identify which BSUs provide the relatively better return and directly concentrate their valuable resources on them only.

2.3. Solution for both problems

BX perceives the issues faced by BSUs and BSPs as essentially two sides of the same coin. As such, BX will address these identified issues/problems simultaneously with one consolidated process that can be applied universally irrespective of business service category.

In the following, the ‘lean startup’ methodology² and the ‘business model canvas’ methodology³ will be used to partly explain BX’s overall business model in finer details. By the end, the objective of this business plan is to ensure sufficient details are given to demonstrate how BX solves or intends to solve the aforementioned problems.

² http://en.wikipedia.org/wiki/Lean_Startup

³ http://en.wikipedia.org/wiki/Business_Model_Canvas

3. Product Overview

3.1. What BX is creating and why

When it comes to starting businesses abroad, BX has come up with a simple customer-oriented method created to benefit both BSUs who use the BX platform (“BX BSUs”) and BSPs who joined the BX platform (“BX BSPs”). In essence, this method entails streamlining and standardizing the steps on how information is exchanged between BSUs and BSPs. Instead of numerous rounds of verbal/written communication between a BSU and its BSP, BX resorts to: firstly, the availability of an open and searchable information database – allowing BSUs to search for information needed for, say, registering a new company in the selected jurisdiction(s); secondly, the usage of a guided do-it-yourself online form – allowing both BSUs and BSPs to focus on dealing with only the information needed for the specified purpose.

To BSUs, they have nothing to lose from using the BX platform since all the information database will be available free-of-charge. They will not only be able to compare the advantages/disadvantages of using different jurisdictions, the transparency of information database and pricing means BSUs can always compare what they see on the BX platform with their own sources and decide whether it is worthwhile to choose BX.

What truly makes BX exceptional and gives it its competitive advantage is how it will entice each carefully vetted top-tier BSP to join the BX platform and represent the jurisdiction where it is located: not as one of the many BX BSPs in the designated business service category (such as company registration category) for such jurisdiction, but rather as

the sole and exclusive BX BSP in such category for such jurisdiction (or if such jurisdiction can be further subdivided into smaller sub-jurisdictions – each with somewhat distinctive legal system, then in each such sub-jurisdiction within such jurisdiction). That is, each jurisdiction (or sub-jurisdiction) will only have one authorized BX BSP to provide the relevant business services. The rationale behind this extraordinary feature is the hypothesis that, on top of improving the ‘information gathering/search’ stage, the ‘evaluation of alternatives’ stage within the ‘consumer decision process’ is something worth eliminating. BX is convinced that BSUs will be better off without having to select their own BSPs since the opportunity cost involved is not merely the missed opportunity of finding the best BSP available on the market, but the time wasted on what essentially amounts to a zero-or-low-economic-benefit activity.

The other rationale behind the aforementioned feature is the hypothesis that not all BX BSUs have sufficient knowledge base or capacity to help them cope with the vast amount of details procured during the ‘consumer decision process’. As such, the BX BSUs should presumably be comfortable with merely one BSP choice for the selected jurisdiction as long as the overall user experience is made very pleasant for them. Even if the BX BSUs are sophisticated enough for the evaluation task, BX is convinced that time is a scarcer item to BX BSUs than ‘best choice’ and that rational BX BSUs will accordingly rather want to spend their valuable time in a more productive manner. If time is what really matters, everything else will become a luxury (rather than necessity).

Overall, BX is convinced that its platform can really offer real value to BX BSUs through building something that reduces the steps involved and makes decision-making uncomplicated for them.

3.2. Value propositions

In terms of value propositions, BX will summarize the major ones as below:

- ✓ To BX BSUs: BX enables them to experience efficient search for relevant information, engage BX BSPs with the assurance that the service quality to be expected affords them nothing but certainty, and, most importantly, enjoy an enhanced overall user experience as BX edges towards the one-stop-shop status.
- ✓ To BX BSPs: BX enables them to stand out from competition, handle only quality international inquiries through the use of self-customized online form, and, most importantly, enjoy increased international revenue (both directly and indirectly) sources.

A large part of the underlying idea of BX is somewhat comparable to outsourcing – letting someone else (in this case, BX) deals with the mundane and often zero-or-low-economic-benefit task(s) (in this case, the task of finding the right information and the right BSP) involved in the new business start-up process, thereby enabling BSUs to devote their valuable time and resources on the crucial aspects of their overseas expansion plan, such as devising the promotional campaign or staffing the local office for the new market(s). For BX BSUs, BX will design the BX platform to the extent that the BX BSUs can expect the same user experience no matter which jurisdiction they chose. For BX BSPs, standardizing the information collection process means any well-trained personnel can now handle large volume of incoming information with ease. The benefits to be reaped are not difficult to foresee: save time and money for both BSUs and BSPs for the same transaction when compared to using the conventional way.

For example, by using the online form – a form that is well-designed to capture only the needed information, BX will make lives significantly easier for both BX BSUs and BX BSPs: BX BSUs do not need to spend valuable time asking the wrong questions about what to do next, which at the same time means BX BSPs do not need to spend efforts dealing with trivial matters. The ‘online form’ feature is not an alien practice since BSPs often have their own printed forms for use by the BSUs which are prepared for more or less the same purposes. An online version of the same thing removes the hassles typically associated with the paper version and translates to time and cost savings.

At the end of the day, BX believes the great value it can ultimately deliver is that, by using the BX platform, BX BSUs got what they have come to expect while BX BSPs acquired customers with educated expectation.

3.3. How it works

Any BX BSU that intends to, say, register a new business entity in a foreign jurisdiction, can find and compare all the information they needed on the BX platform (such as what details are needed, how long it takes and how much it costs), supply the relevant details by completing a comprehensive yet user-friendly online form, send the completed form via a dedicated link directly to BX BSP of the selected jurisdiction, courier the required documents (such as personal IDs), and pay the pre-specified service fees to BX BSP to trigger the performance of the selected business service. Such BX BSP will verify the accuracy and sufficiency of the details/documents provided, arrange follow-up steps (such as signing hard copy documents), proceed with the registration filings with the relevant authorities, and report to such BX BSU when the relevant registration certificate is

obtained.

Taking a closer look at how will BSPs' practices be impacted after joining the BX platform, one will find that it will be mostly 'business-as-usual'. In other words, the usual service delivery practices will be largely untouched since BX BSPs will still need to exercise the same diligence and care as was the case before joining the BX platform. As can be seen, BX is not trying to alter the fundamental relationship BSPs have with their BSUs, merely facilitate it through the use of internet technologies.

For BSPs who joined the BX platform, in exchange for the enjoyment of the exclusive traffic derived from the 'monopoly' position (which will more likely than not lead to additional works from the same BX BSUs beyond the initial new business start-up), they will need to collaborate, free-of-charge, with BX on the following major terms:

- ✓ Create, update and improve the designated part of information database for the relevant jurisdiction in accordance with the pre-agreed format.
- ✓ Vest any underlying rights of the intellectual property works on the BX platform (such as copyrights) to BX.
- ✓ Set a very competitive service fees schedule for the relevant business services.
- ✓ Pay a pre-agreed fixed percentage of their actual payment received from each BX BSU for the services provided as service charge to BX.

3.4. Example: how to use the platform

On the BX official website⁴, the first page shows a drop-down menu that lets BX BSUs select a country (for example, ‘Singapore’) and an action item (for example, ‘Company Registration’). After the selection is made, the next page will show a summary table of the relevant information telling BX BSUs what details/documents will be required to complete the selected action item.

If BX BSUs are satisfied that, say, registering a company in Singapore, is something they wish to do for sure, they can then proceed to the next page where the online form is and commence to supply the details/documents by following the step-by-step instructions provided next to each blank field. An itemized service fees summary will also be shown to indicate how much in total BX BSUs can expect to spend for the type of work selected, depending on the additional service items checked.

When completing the online form, to save and resume any work-in-progress, BX BSUs will be required to complete a quick membership sign-up in order to access the ‘save work’ feature. Once the online form is completed and documents uploaded, BX BSUs can click the ‘send’ button and BX BSPs on the receiving end will receive the information directly. BX will not act as an intermediary to the information exchange; nor will BX retain any information except for those made/deemed necessary due to: (1) national statutory requirements; (2) internet security purposes.

Once the details/documents provided have been verified as accurate and sufficient, BX BSPs will send a confirmation message to BX BSUs together with a total chargeable service

⁴ See Exhibit 1.

fees summary for payment in advance. After payment is made in accordance with the prescribed payment terms, BX BSPs will commence the relevant work. Any documents that require signing will thereafter be couriered to BX BSUs for their attention. Once all items for registration purposes are available and ready, registration filings and payment will be lodged. The last step is for BX BSUs to wait for the arrival of the registration certificate.

3.5. Product development roadmap

BX recognizes the importance of continuous product improvement/innovation. As such, BX has devised the following 3-year product development roadmap as guideline:

- ✓ All BX BSUs can voluntary sign-up as registered members (“Registered BX BSUs”) in order to enjoy certain perks reserved for Registered BX BSUs.
- Membership sign-up enables BX to collect useful user data to help it improve the BX platform and thereby increase customer satisfaction.
- There are two ways to complete membership sign-up: completion of an online membership registration form, or use one of the following social media membership accounts: Facebook, LinkedIn, Google, Twitter, Sina Weibo, Yahoo, Baidu. Sign-up and any subsequent sign-in will be quicker when Registered BX BSUs registered with a social media membership account.
- During membership sign-up, BX BSUs can further choose to be ‘individual user’ or ‘business user’: the former is for occasional users of the BX platform while the latter is for industry professionals (such as a lawyer) who repeatedly use the BX platform to assist other BSUs. For the ‘business user’ category, BX will introduce

an invitational-only profit sharing program to reward those local users with the heaviest or potentially heaviest traffic (“Local BX Reps”).

- ✓ Any BX BSUs who for whatever reason are uncomfortable using the BX platform by themselves can ask the aforementioned Local BX Reps who are located in the same locality as them to assist them with the use of the BX platform.
 - These Local BX Reps will be scrutinized and certified by BX, and be allowed to share profit with BX for every business service transaction they have helped completed on the BX platform. Such profit will be an additional revenue stream to the Local BX Reps on top of the service fees they will have earned from spending the chargeable hours working on the BX platform on behalf of someone else.
 - These Local BX Reps are more likely to meet BSUs with overseas expansion need, and therefore have greater opportunity to promote the BX platform to them compared to BX undertaking the same task. They essentially act as the local outlets for ‘the BX platform’ experience.
- ✓ BX will formulate a loyalty program to reward BX BSUs and BX BSPs.
 - The loyalty program is designed to encourage: (1) BX BSUs to engage BX BSPs through the BX platform (as opposed to BX BSUs finding BX BSPs on the BX platform but bypassing it when actually engaging them); (2) BX BSPs to get works from BX BSUs through the BX platform (as opposed to BX BSPs persuading BX BSUs to bypass the BX platform for works which can be done through it).

- The loyalty program will encourage cross-referral among BX BSPs (as opposed to one BX BSP referring non-BX BSPs to BX BSUs when there is already another BX BSP on the BX platform who is capable of undertaking the work).
- Thirdly, the loyalty program will encourage BX BSUs to promote the BX platform to non-BX BSUs irrespective of whether they know of any non-BX BSPs who can undertake the same work.
- ✓ To increase the exposure and usage of the BX platform, BX will release an easy-to-use internet tool that anyone can download free-of-charge and build into any websites (“BX Link”) which, with a click, redirects the viewers to the relevant landing page on the BX official website. The BX Link can provide convenience of accessing the BX platform to entities such as BX BSPs, non-BX BSPs, Local BX Reps, government agencies, professional self-governing associations, trade-related organizations, and industry bloggers.
- ✓ To make it more convenient for Registered BX BSUs (especially those of the ‘business user’ category) to access the BX platform, BX will build a dedicated application for them (“BX BSU App”) and supply it free-of-charge to all Registered BX BSUs. Major features will include:
 - Available to computers and tablets, but not handheld mobile devices.
 - Has offline mode, so Registered BX BSUs can use most features of the BX platform without the need to stay online or go to its official website.
 - Correspond with BX’s customer service team instantaneously.

- Correspond with BX BSPs whom Registered BX BSUs have engaged for works.
The line of communication will be direct and secure.
- Send feedbacks on the services performed by the BX BSPs, whether anonymously or otherwise.
- ✓ To make it more convenient for BX BSPs to access the BX platform, BX will build a dedicated application for them (“BX BSP App”) and supply it free-of-charge to all BX BSPs. Major features include:
 - Available to computers and tablets, but not handheld mobile devices.
 - Has offline mode, so BX BSPs can use most features of the BX platform without the need to stay online or go to its official website.
 - Correspond with BX’s customer service team instantaneously.
 - Correspond with BX BSUs who have engaged them for works. The line of communication will be direct and secure.
 - Receives customer feedbacks on the services performed, whether anonymously or otherwise.
- ✓ BX will build a special built-in toned-down application for the popular social networks (such as LinkedIn and Facebook) to take advantage of the viral effect these social networks have on offer (“Social Network App”). Not all features found on the BX platform will be made available on the Social Network App, just sufficient useful functions to make it worthwhile for BSUs to download, repeatedly use it and then

hopefully share with their acquaintances and communities on the same social network.

- ✓ BX will build into the BX platform a customer relationship management tool (“CRM Tool”) to help BX BSPs better manage those BX BSUs who became their customers as well as the demand on their resources (such as manpower).
- ✓ In order to make it easier for BSUs to find BX BSPs and Local BX Reps, BX will build a dedicated appointment booking System (“Appointment System”). The Appointment System will initially be a part of the BX platform, and may eventually become a standalone platform of its own. All BX BSPs and Local BX Reps can be found on the Appointment System and any BSUs can access the Appointment System free-of-charge. The Appointment System may also be built into BX BSPs’ and Local BX Reps’ own official websites so that whenever any BSUs need to visit them about the BX platform, a simple click will redirect them to the relevant landing page on the Appointment System. In other words, making an appointment with BX BSPs and Local BX Reps becomes hassle-free – anytime and anywhere. The aim is to achieve a seamless fusion of online experience and offline experience for all BSUs.
- ✓ BX will work with online payment service providers (such as Paypal) to make online payment on the BX platform possible. The obvious benefit of this is that BX BSPs can receive payment in a timely manner.
- ✓ BX will, depending on the ease of migrating the outsource-able and standardize-able business processes onto the online platform, gradually introduce new business service categories to the BX platform.

- During the initial phase, company registration and tax registration will be the first two business service categories to be made available on the BX platform.
- At the right timing, the following business service categories will be introduced (this list is by no mean exhaustive): company secretariat, notary public, intellectual property protection, product registration, customs and shipping, commercial property leasing, commercial insurance, property management, talent search and payroll, public relations and advertising, translation and printing.
- ✓ BX will divide certain large jurisdictions into smaller sub-jurisdictions so that each such sub-jurisdiction can have its own BX BSPs. By having more geographical areas locally represented, the BX platform can become more relevant to the wider target audience.
- BX will be careful so as not to divide any jurisdictions prematurely until there is sufficient evidence that a substantial number of geographical areas within the same jurisdiction can no longer be well-served by having just one nationwide BX BSP.
- Countries that can be further ‘divided’ into sub-jurisdictions include⁵: China (22 provinces (not including Taiwan, Hong Kong and Macau), 5 autonomous regions, and 4 municipalities), India (28 states and 7 union territories), USA (50 states), Indonesia (33 provinces), Brazil (26 states and 1 federal district), Russia (8

5

http://en.wikipedia.org/wiki/List_of_countries_by_system_of_government#Systems_of_Internal_Governance

federal districts), Japan (47 prefectures), Mexico (31 states and 1 federal district), Germany (16 states), United Kingdom (England, Scotland, Wales, and Northern Ireland), Argentina (23 provinces and 1 autonomous city), Canada (10 provinces and 3 territories), Malaysia (13 states and 3 federal territories), Australia (6 states and 3 territories).



4. Business Analysis

4.1. Key partners analysis

BX sees the following entities as key partners to its sustainable success and therefore deems it imperative to establish/maintain a long-lasting relationship with each one of them:

- ✓ BSPs (such as law firms and CPA firms): BX sees the importance of building and nurturing a healthy partnership with them, especially those top tier BSPs that BX intends to court into becoming BX BSPs, not simply because they are the main source of BX's revenues, but also because they are the best evangelists of the value of the BX platform. That is, BX will rely on BSPs to deliver news about BX by word of mouth – more convincing and costs virtually nothing – to their own customers, many of whom are BX's target audience. It is critical that BSPs, especially BX BSPs, understand that BX is there to help them focus on their own core competencies/activities, and that they do not perceive BX as a competitor, but a strategic complement to their business. Additionally, BX will rely on all BSPs to act as independent observers on the accuracy of BX's information database as well as the service quality of BX BSPs.
- ✓ Government agencies (such as embassies and trade offices): The government of each jurisdiction is vital for being the source to BX's information database. Each government also sets out procedures governing how foreigners can start/do their businesses within its jurisdiction. In other words, governments directly influence how BX delivers its products/services. Furthermore, because many BSUs tend to visit the websites of various government agencies for assistance, it makes sense if a hyperlink

to the relevant landing page on the BX official website can be prominently displayed on these websites.

- ✓ Industry associations (such as law societies, chambers of commerce, import/export associations, and other trade-related organizations): The industry associations are usually the industry standard setters and therefore also influence how BX delivers its products/services. Furthermore, because many BSUs tend to visit the websites of various industry associations for assistance, it makes sense if a hyperlink to the relevant landing page on the BX official website can be prominently displayed on these websites.
- ✓ News media: BX relies on the news media to spread the words about BX all over the world. When BX becomes newsworthy, this can easily multiply the effect of BX's marketing effort. Likewise, any negative publicity can prove lethal due to the same multiplier effect. As such, it is essential for BX to actively court and manage the news media and work it to the advantage of BX.

4.2. Key activities analysis

To deliver value to BX's customers, BX will undertake the following key activities:

- ✓ Product development (such as the product development steps outlined under Article 3.5): Incremental product improvement/innovation, reinforced by validated learning, scientific experimentation and iterative product releases, will continuously take place to ensure BX will eventually have what it takes to become a one-stop shop as more and more business services are put on offer on the BX platform. The necessity for such

improvement/innovation can also be justified by the need to constantly lowering the costs of developing and running the BX platform.

- ✓ Platform management: BX must make sure the BX platform is working as promised, including maintaining the integrity of the information database, helping BX BSPs to focus on their own core competencies/activities, and verifying each transaction is satisfactorily completed.
- ✓ User experience measurement: BX believes customer satisfaction equals to customer retention. Furthermore, if BX BSUs have a pleasant user experience with the BX platform, they are more likely to refer BX to other BSUs. These reasons alone make it justifiable for BX to continually evaluate the overall user experience so that it knows which aspect(s) of the user experience requires enhancement. ■
- ✓ Marketing/personal selling: BX's marketing efforts (such as those outlined under Article 6) are mainly directed at BSUs while BX's personal selling efforts (such as the one(s) outlined under Article 7) are predominantly directed at top tier BSPs. The former is to increase the awareness and trial of the BX platform among BSUs while the latter is to convert top tier BSPs into BX BSPs. The fact that BX only needs to sell to a selected group of vetted BSPs means BX can easily boast a low cost structure to its business model in this respect.

4.3. Key resources analysis

BX has three key resources:

- ✓ Intellectual: Since BX is not a capital intensive venture, the intangible assets created

exclusively for BX as a result of the intellectual efforts commissioned by BX, such as trade secret (business process), trademarks (brand name, logo), copyrights (computer codes, information database), and patents (software, business method), will be invaluable to BX when it comes to acquiring/protecting BX's market share in each jurisdiction.

- ✓ Information database: What truly sets BX apart from its competitors is its content – the vast information database. This database is what draws traffic to the BX official website and its accompanying features. BX's internal team will build the initial information database from studying and organizing business start-up information for most jurisdictions. After the relevant BX BSPs came on-board, BX will rely on them to contribute to and maintain the information database.
- ✓ User generated content: BX will also set itself apart from its competitors with a different type of content – the user generated content. In time, all Registered BX BSUs will be given the ability to contribute discussions, feedbacks, testimonies, reviews etc. on the BX platform for all to see – a way to establish credibility among the general public, especially those who are not so familiar with BX.

4.4. SWOT analysis – perspective of BSUs

If BX BSUs have performed a SWOT analysis on using the BX platform compared to conventional methods, the following is the likely conclusion:

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none">- Use of English language- No need to pay BX anything	<ul style="list-style-type: none">- English is not the preferred language- Unsure of BX quality

<ul style="list-style-type: none"> - No or substantially less search time and cost; one-stop shopping - Bountiful choices on country and business vehicle - Only need to read and provide the relevant details, just enough to understand and make informed decisions - Everything reduced to one form to fill - Information provided by top tier BSP - Discrete communication with BX BSP engaged - Relationship still with BX BSP, not BX - Know how much BX BSP will charge beforehand - Can stop using BX anytime and go direct to BX BSP with no strings attached - BX only keeps basic user details 	<ul style="list-style-type: none"> - Not all countries are available - Information still overwhelming - Time spent on filling in the form - Unable to choose BSP - Unnecessary to use top tier BSP for the simple tasks required - Lack of opportunity to build trust relationship with BX BSP - Confused over BX's role - Lack of payment options - BX keeps user details
<p><i>Opportunities</i></p> <ul style="list-style-type: none"> - Ability to focus on the more important things such as promotional campaign and talent search - Opportunity to become a Local BX Rep or integrate the BX platform as part of own total business solution to own customers 	<p><i>Threats</i></p> <ul style="list-style-type: none"> - Security issues regarding data transmission and storage - Information provided later found inaccurate - BX BSP lacks manpower to meet demand in a timely manner - BX's lack of ownership over customer dispute resolution

4.5. SWOT analysis – perspective of BSPs

If BX BSPs have performed a SWOT analysis using the BX platform compared to

conventional methods, the following is the likely conclusion:

<p><i>Strengths</i></p> <ul style="list-style-type: none"> - Use of English language - BX not competitor as not actually providing services as a BSP - Free trial period - Customizable form for database setup and maintenance - Need not do anything to promote BX - Exclusive traffic derived from the 'monopoly' position - BSUs come through the BX platform using real identity - Direct feedback to BX BSUs, not through BX - Lower customer acquisition time and cost - Receive payment from BX BSUs in advance - Only pay BX when payment is received from BX BSUs - Customer analysis provided by BX for a reasonable fee - BX only keeps basic details of BX BSUs 	<p><i>Weaknesses</i></p> <ul style="list-style-type: none"> - English is not the preferred language - Unsure of BX quality and capability - Fixed period contractual obligations with BX - Manpower and time spent on database setup and maintenance - Need to agree to lowering the usual fee level or setting a fixed fee - Potential competition from same-service BX BSPs of nearby countries - Not easy to filter out the bad or illegal BX BSUs - Lack of opportunity to build trust relationship with BX BSUs - Need to disclose certain billing information to BX - BSUs confused over BX's role - BX keeps too much details of BX BSUs
<p><i>Opportunities</i></p> <ul style="list-style-type: none"> - Ability to reach more international BSUs - Repeat businesses from the same BX BSUs - New BSUs through words of mouth of satisfied BX BSUs - Own customers receiving extra value 	<p><i>Threats</i></p> <ul style="list-style-type: none"> - BX over-promised and under-delivered - Security issues regarding data transmission - Demands become overwhelming - BX withdrawing availability of its platform and finding second source

from other business solution(s) available through the BX platform	- Government or professional self-governing associations may tighten control on BX's business practice
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4.6. Competitors analysis

Potential competitors/substitutes of BX come in different forms and sizes. They can generally be divided into two different categories – offline and online.

✓ Offline: The following methods are common and self-explanatory.

- Unknown referral(s) from friends
- Known local BSPs (such as a local law firm, a local CPA firm etc.)
- Known global BSPs with localized services (such as PWC, Deloitte, Ernst & Young, KPMG etc)
- Known professional services alliances/networks:
 - ◆ Legal alliances: Lex Mundi⁶, TerraLex⁷, State Capital Group⁸, World Law Group⁹, Pacific Rim Advisory Council¹⁰, Meritas¹¹
 - ◆ Legal/Accounting alliances: World Services Group¹², Geneva Group

⁶ <http://www.lexmundi.com/lexmundi/default.asp>

⁷ <http://www.terrallex.org/>

⁸ <http://www.statecapitalgroup.org/>

⁹ <http://www.theworldlawgroup.com/>

¹⁰ <http://www.prac.org/>

¹¹ <http://www.meritas.org/default.aspx>

¹² <http://www.worldservicesgroup.com/>

International¹³, MSI Global Alliance¹⁴

◆ Accounting alliances: Praxity¹⁵, TIAG¹⁶, Leading Edge Alliance¹⁷, PrimeGlobal¹⁸, AGN International¹⁹, BKR International²⁰, DFK International²¹

◆ Accounting networks: BDO International²², RSM International²³, Grant Thornton International²⁴, Baker Tilly International²⁵, Crowe Horwath International²⁶, PKF International²⁷

- Government agencies (such as embassies, trade offices etc.)
- Industry associations (such as professional self-governing associations, trade-related organizations etc.)
- Printed publications:

¹³ <http://www.ggi.com/>

¹⁴ <http://www.msiglobal.org/>

¹⁵ <http://www.praxity.com/Pages/default.aspx>

¹⁶ <http://www.tiagnet.com/>

¹⁷ http://www.leadingedgealliance.com/index.cfm?fuseaction=dsp_home

¹⁸ <http://www.primeglobal.net/>

¹⁹ <http://www.agn.org/>

²⁰ <http://bkr.com/>

²¹ <http://www.dfk.com/>

²² <http://www.bdointernational.com/Pages/default.aspx>

²³ <http://www.rsmi.com/en/default.aspx>

²⁴ <http://www.gti.org/>

²⁵ <http://www.bakertillyinternational.com/web/home.aspx>

²⁶ <http://www.crowehorwath.net/>

²⁷ <http://www.pkf.com/>

- ◆ Law firm directories (such as Chambers and Partners²⁸, Legal 500²⁹, Martindale-Hubbell³⁰ etc.)
- ◆ Guidebook: *Legal Guidance for Establishing Corporations in 40 Countries and Regions* (authored by Walter Chen)³¹
- ✓ Online: Some of the following methods are rather unknown, so further clarification becomes necessary for them.
 - Key words search using online search engines (such as Google, Bing etc.)
 - Legal information services (such as HG.org³², FindLaw³³, LexisNexis³⁴, Doing Business³⁵ etc.)
 - Legal document services:
 - ◆ www.legalzoom.com; www.rocketlawyer; www.bizfilings.com;
 www.corpnet.com; www.uslegalforms.com; www.incorporate.com;
 www.lawdepot.com etc.
 - ◆ These online platforms operate with a different business model – they are essentially online legal document services providers with their own in-house

²⁸ <http://www.chambersandpartners.com/>

²⁹ <http://www.legal500.com/>

³⁰ <http://www.martindale.com/>

³¹ <https://hk.lexiscn.com/book/cn/book-read-1051.html#1524>

³² <http://www.hg.org/>

³³ <http://www.findlaw.com/>

³⁴ <https://www.lexisnexis.com/en-us/home.page>

³⁵ <http://www.doingbusiness.org/>

lawyers providing the actual business services, although they do not assert themselves to be a law firm. This poses as a potential risk since most national law societies or bar associations will not permit any entities to provide legal services without a valid practicing license. Additionally, these online platforms are for USA market only so far. In other words, they are not designed with foreigners and foreign jurisdictions in mind.

- Business consultation services:
 - ◆ www.upcounsel.com; www.startupoverseas.co.uk; www.startupr.com etc.
 - ◆ These online platforms do not provide an in-built capture-all online form that deals with the information exchange hassles.

Whether offline or online, the aforementioned approaches are viewed as incapable of efficiently and effectively addressing the problems raised under Article 2. For BSUs, having the needed information scattered among various channels invariably means they will have to go through many of the aforementioned approaches at some stage before even starting the actual application process for, say, company registration. BX is here to make a change for the better.

5. Target Universe

5.1. Statistics

Based on the statistics found on Wikipedia, BX believes, for the initial phase, it may be worthwhile to target BX BSUs from the following countries first (“Target BSUs”):

- ✓ Top 25 countries by FDI abroad³⁶: United States, France, United Kingdom, Germany, Netherlands, Hong Kong, Switzerland, Japan, Spain, Belgium, Canada, Italy, Sweden, Ireland, China, Russia, Australia, Norway, Denmark, Singapore, Taiwan, Austria, Brazil, Finland, South Korea.
- ✓ Top 25 countries by exports³⁷: China, United States, Germany, Japan, France, Netherlands, South Korea, Italy, Russia, United Kingdom, Canada, Hong Kong, Singapore, Saudi Arabia, Mexico, Belgium, Spain, Taiwan, Switzerland, India, Malaysia, United Arab Emirates, Thailand, Brazil, Australia.
- ✓ Countries mentioned by at least two other countries as their leading import source³⁸: Argentina, Australia, Brazil, China, European Union, India, Japan, New Zealand, Russia, Singapore, South Africa, United States, Uzbekistan.

In other words, BX’s marketing efforts will be honed at Target BSUs during the initial phase of scaling.

Based on the latest statistics found on Wikipedia, BX believes, for the initial phase, it may

³⁶ http://en.wikipedia.org/wiki/List_of_countries_by_FDI_abroad

³⁷ http://en.wikipedia.org/wiki/List_of_countries_by_exports

³⁸ http://en.wikipedia.org/wiki/List_of_countries_by_leading_trade_partners

be worthwhile to target BX BSPs from the following countries first (“Target BSPs”):

- ✓ Top 25 countries by received FDI³⁹: United States, France, United Kingdom, Germany, Hong Kong, Belgium, Netherlands, Spain, China, Canada, Switzerland, Italy, Brazil, Australia, Mexico, Sweden, Russia, Singapore, Ireland, Saudi Arabia, Japan, Poland, India, Austria, Denmark.
- ✓ Top 25 countries by imports⁴⁰: United States, China, Germany, Japan, France, United Kingdom, Italy, South Korea, Netherlands, Hong Kong, India, Canada, Spain, Singapore, Mexico, Belgium, Taiwan, Russia, Turkey, Switzerland, Brazil, Australia, Austria, Poland, Thailand.
- ✓ Countries mentioned by at least two other countries as their leading export market⁴¹: Australia, Brazil, China, European Union, Hong Kong, India, Japan, Russia, Singapore, South Africa, Switzerland, United Arab Emirates, United States.

In other words, BX’s personal selling efforts will be honed at Target BSPs during the initial phase of scaling.

5.2. Tax havens

When it comes to setting up business vehicles, BX will also extend its coverage to include BX BSPs from the following major tax havens⁴² (for easy reference, the definition “Target BSPs” shall be extended to include the following tax havens):

³⁹ http://en.wikipedia.org/wiki/List_of_countries_by_received_FDI

⁴⁰ http://en.wikipedia.org/wiki/List_of_countries_by_imports

⁴¹ http://en.wikipedia.org/wiki/List_of_countries_by_leading_trade_partners

⁴² http://en.wikipedia.org/wiki/Tax_haven

- ✓ Sovereign Tax Havens: Bahamas, Cyprus, Liechtenstein, Luxembourg, Monaco, Panama, San Marino, Seychelles
- ✓ Non-sovereign Tax Havens: Bermuda, British Virgins Islands, Cayman Islands, Isle of Man

5.3. Customer types

It should be clear by now that BX has two customer types: primary customers and secondary customers. Within each type, BX has further defined the scope as Target BSUs and Target BSPs respectively. Even so, due to the scarcity of resources, for the initial phase, BX must further narrow its scope and concentrate only on:

- ✓ For primary customers: small and medium enterprises⁴³ (“SMEs”) among Target BSUs with overseas expansion need (“Target SMEs”).
 - Compared to large enterprises, it is quite likely that Target SMEs do not know any local BSPs for the jurisdiction(s) they are interested in or do not have competent staff who can handle the overseas expansion steps for them. As such, they are presumably more likely to be happy at paying for certainty.
 - Example of Target SMEs:
 - ◆ All SMEs in jurisdictions categorized as Target BSUs

- ✓ For secondary customers: top tier law firms and CPA firms found among Target BSPs

⁴³ See various definitions given:

http://en.wikipedia.org/wiki/Small_and_medium_enterprises

(“Target Firms”).

- Compared to those not in the top tier, it is quite likely that Target Firms can afford to put high caliber staff in charge of their contribution and presence on the BX platform. As such, they are presumably more likely to instill confidence among the BX BSUs as well as better equipped to handle a sudden surge in demand from BX BSUs for their services. The other crucial reason is that, compared to those not in the top tier, Target Firms are more likely to want to have more international customers.
- Examples of Target Firms:
 - ◆ Top 10 law firms in each jurisdiction categorized as one of Target BSPs
 - ◆ Top 10 CPA firms in each jurisdiction categorized as one of Target BSPs

Once BX can secure sufficient resources, it will carefully and gradually undertake the following expansion steps:

- ✓ For primary customers: BX will aim for all BSUs (including large enterprises and potential candidates for Local BX Reps), especially those from the developed economies⁴⁴. Examples include:
 - Top 50% multi-national enterprises from each developed economy
 - Top 50% multi-national enterprises from each emerging economy

⁴⁴ http://en.wikipedia.org/wiki/Developed_market

- All mid-size law firms in each jurisdiction
- All mid-size CPA firms in each jurisdiction
- All mid-size business consulting firms in each jurisdiction
- ✓ For secondary customers: BX will aim to sign up any top tier BSPs, especially those from the emerging economies. Examples include:
 - Top 10 law firms in each emerging economy
 - Top 10 CPA firms in each developed economy
 - Top 10 BSPs in any other business service category in each jurisdiction

6. Marketing Strategy

6.1. Objectives – acquisition, retention, referral and revenue

BX's limited marketing resources must be spent solely for the measurable objectives of (1) acquiring new BX BSUs, (2) retaining existing BX BSUs, and (3) getting referral to potential BX BSUs. The ultimate objective of any marketing efforts is to increase revenue for BX.

In particular, BX needs to deliver sufficient marketing messages to BSUs to the extent that:

- ✓ For acquisition: BSUs are interested in what BX has to offer, as can be evidenced by the numbers of site visit, newsletter sign-up and membership activation.
- ✓ For retention: BSUs are confident BX provides better user experience, as can be evidenced by more than one site visit from the same BSUs.
- ✓ For referral: BSUs are willing to share BX with their friends, as can be evidenced by the viral coefficient.
- ✓ For revenue: BSUs are convinced BX saves them time and money, as can be evidenced by their willingness to pay for the business services ordered.

6.2. Marketing tools

For each of the following identified objectives, multiple marketing tools will be employed, with emphasis being placed on those tools that can yield high volume, high conversion, and/or low cost.

- ✓ For acquisition: search engine optimization (SEO), search engine marketing (SEM), internet ads, magazine ads, billboards, flyers, public relations etc.
- ✓ For retention: social networks, email marketing etc.
- ✓ For referral: social networks etc.
- ✓ For revenue: official website etc.

6.3. Online tools

In light of BX's limited resources, instead of opting for the traditional marketing methods, majority of BX's marketing efforts will be devoted to the following online tools in order to generate worldwide awareness of the BX platform:

- ✓ Search for relevant key words on search engines (such as Google, Bing, Baidu etc.):
 - SEO: BX will attempt to rewrite the content on the BX platform to organically achieve a higher ranking for BX's official website on the search engine result page.
 - SEM: There are several types of paid online advertising campaigns (such as pay-per-click (CPC), pay-per-action (CPA), and pay-per-impression (CPI)) that can be utilized to promote the visibility of BX's official website. The objective is to have the search engines purposely include BX's official website on the search engine result page.
- ✓ Place targeted internet ads on social networks:

- In light of the dominant business-to-business nature of the BX platform, it is will more cost-effective if BX's advertising dollars are spent to display the internet ads only to the social network members who meet the targeting criteria. A good example is to use LinkedIn Ads⁴⁵.
- ✓ Visit the official fan page on social networks for tips and updates:
 - For all announcements: Facebook⁴⁶, LinkedIn⁴⁷, Google +⁴⁸.
 - For short announcements: Twitter⁴⁹, Sina Weibo⁵⁰.
 - For demonstration and testimonies: Youtube⁵¹.
- ✓ Send emails to potential and current BX BSUs, especially those who have subscribed to it on the BX platform, in the attempt of maintaining and extending the relationship with them.
- ✓ Visit BX's official website⁵² to experience its various offerings, such as:
 - E-commerce enabler.

⁴⁵

http://partner.linkedin.com/ads/info/Ads_faqs_updated_en_US.html?utm_source=li&utm_medium=el&utm_campaign=gate-c

⁴⁶ <https://www.facebook.com/BizAbroad>

⁴⁷ <http://www.linkedin.com/groups/BizAbroad-Xpress-Official-Fan-Page-4702204>

⁴⁸ <https://plus.google.com/103208013347239582190/posts>

⁴⁹ <https://twitter.com/BizAbroadXpress>

⁵⁰ Yet to be built.

⁵¹ <http://www.youtube.com/user/bizabroadxpress>

⁵² <http://www.bizabroadxpress.com/>

- User-generated content: discussions, feedbacks, testimonies, reviews etc.
- Share with friends:
 - ◆ ‘Share’ button: Post a link of the official website on own social networks for others to see.
 - ◆ ‘Email’ button: Send an email message about BX to friends.
- Online real time Q&A.

When using the aforementioned online tools, BX will attempt to collect, measure and analyze every aspect of the internet traffic generated by BX’s target audience (such as hit, page view, visit, bounce rate, exit rate, duration, active time, frequency, click path etc.) using search analytics tools (such as Google Trends⁵³) and web analytics tools (such as Google Analytics⁵⁴, Alexa⁵⁵ etc.). As part of BX’s viral marketing initiatives, BX will constantly identify individuals with high social networking potential (such as industry bloggers) and convert them to become evangelists for the BX platform.

6.4. Printed tools

When the resources permit, BX will magnify its marketing efforts to include the following more traditional marketing tools:

- ✓ Periodic publications:

⁵³ <http://www.google.com/trends/>

⁵⁴ <http://www.google.com/analytics/>

⁵⁵ <http://www.alexa.com/>

- Major business magazines (this list is by no mean exhaustive): Business Week, Entrepreneur, Fast Company, Financial Times, Forbes, Fortune, Harvard Business Review, Money, Red Herring, The Economist, Wall Street Journal etc.
- Industry journals (this list is by no mean exhaustive): law society, bar associations etc.
- ✓ Billboards located in certain locations (this list is by no mean exhaustive):
 - Golf courses, driving ranges, tennis courts, country clubs, marinas, international airports, international train stations etc.
- ✓ Flyers at certain locations (this list is by no mean exhaustive):
 - Central business districts, major business conferences etc.

6.5. Public relations

BX will direct some of its marketing efforts on selected public relations (PR) events:

- ✓ Press releases and featured profile on major technology news and blogs (this list is by no mean exhaustive):
 - Techcrunch⁵⁶, Mashable⁵⁷, GigaOM⁵⁸, VentureBeat⁵⁹, Readwrite⁶⁰ etc.

⁵⁶ <http://techcrunch.com/>

⁵⁷ <http://mashable.com/>

⁵⁸ <http://gigaom.com/>

⁵⁹ <http://venturebeat.com/>

⁶⁰ <http://readwrite.com/>

- ✓ Road shows in strategically-selected cities (this list is by no mean exhaustive):
 - Major trade shows/exhibitions, product launch/demonstration events etc.
- ✓ Event co-host or co-sponsor (this list is by no mean exhaustive):
 - Startup events, business networking events, ‘Starting Business in ____’ seminars, business model contests, community projects etc.

6.6. Road shows

In order to create exposure among Target BSUs, BX will attend major trade shows/exhibitions and organize product launch/demonstration events in most-populated⁶¹ or strategic cities. The 3-year road show itinerary is as below:

For 2013: Road shows in selected Asia countries: Taipei, Tokyo, Osaka, Seoul, Beijing, Tianjin, Shanghai, Wuhan, Chongqing, Guangzhou, Dongguan, Shenzhen, Hong Kong, Hanoi, Ho Chi Minh City, Bangkok, Yangon, Dhaka, New Delhi, Lahore, Karachi, Ahmedabad, Mumbai, Hyderabad, Bangalore, Chennai, Kuala Lumpur, Singapore, Auckland, Melbourne, Sydney, Jakarta, Manila.

For 2014: Road shows in selected Middle East, Europe, and Africa countries: Dubai, Doha, Riyadh, Tel Aviv, Istanbul, Sofia, Bucharest, Budapest, Warsaw, Kiev, Moscow, St. Petersburg, Helsinki, Stockholm, Oslo, Copenhagen, Amsterdam, Brussels, Frankfurt, Berlin, Prague, Vienna, Munich, Milan, Zurich, Paris, London, Dublin, Lisbon, Madrid, Barcelona, Rome, Casablanca, Lagos, Kinshasa, Cape Town, Johannesburg, Nairobi, Cairo.

⁶¹ http://en.wikipedia.org/wiki/List_of_cities_proper_by_population

For 2015: Road shows in selected North America and Latin America countries: Vancouver, Toronto, Boston, New York, Philadelphia, Chicago, Austin, Mexico City, Caracas, Rio de Janeiro, Sao Paulo, Buenos Aires, Santiago, Lima, San Diego, Los Angeles, San Francisco, Seattle.

6.7. Regional marketing offices

In the event that BX has secured substantial funding for major overseas expansion initiatives, BX will establish 12 regional marketing offices, as below, to support its worldwide marketing campaign:

- ✓ For Taiwan, Japan, Korea: Taipei.
- ✓ For China, Hong Kong, Macau: Shanghai.
- ✓ For Southeast Asia: Singapore.
- ✓ For Oceania: Auckland.
- ✓ For South Asia: Mumbai.
- ✓ For Middle East: Dubai.
- ✓ For Africa: Cairo.
- ✓ For Europe: Zurich.
- ✓ For North America (except USA): Toronto.
- ✓ For USA: Los Angeles.

- ✓ For Latin America (except Brazil): Santiago.
- ✓ For Brazil: Sao Paulo.



7. Channels Strategy

BX will perceive the following channels as vital to its success:

- ✓ Official website: This is the platform where information search and exchange take place, and value proposition delivered. BX's platform team will ensure that the official website is made available 24-hours/7days. The widespread availability of BX BSU App and BX BSP App is designed to increase the visit to the official website.
- ✓ Social networks: Fan pages have been created on the popular social networks (such as Facebook, LinkedIn, Google+ etc.), the main purpose of which is to raise worldwide awareness of the BX platform among the various online communities. When utilized wisely together with the Social Network App, this kind of channel can become the most cost-effective one in causing BX to become visible and viral among the target audience as well as making overall user experience complete. BX will also use social networks for lead generation.
- ✓ Friendly websites: BX will persuade the relevant government agencies and industry associations in each jurisdiction to display the BX Link on their websites. BX perceives them as essential channel partners for facilitating the gradual behavioral shift from the conventional method of business start-up to the BX method.
- ✓ Direct sales force: To effect its personal selling efforts, BX will maintain a dedicated team of account managers to contact and serve the BX BSPs directly. Their main responsibilities will include: maintaining a good rapport with the relevant industry that BX BSPs are in, scouting for potential BX BSPs, negotiating partnership with them,

acting as the contact window between BX's database team and BX BSPs' contact windows, increasing BX BSPs' direct and indirect revenues with the aid of the CRM Tool, measuring BX BSPs' satisfaction, and resolving disputes relating to BX BSPs.

- ✓ Indirect sales force: With the aid of the Appointment System, BX has the ability to create for itself essentially a new category of channel – a voluntary sales force comprising BX BSPs and Local BX Reps who will help promote the use of the BX platform. With the Appointment System, BX can increase not only the online traffic, but also the offline traffic, for BX BSPs and Local BX Reps, making BX an integral part of their business practice. BX BSPs and Local BX Reps will benefit from the Appointment System in two ways: direct revenue from spending chargeable hours helping the BSUs using the BX platform; and indirect revenue from additional works from the same BSUs beyond the scope of what the BX platform provides. As such, it makes sense for BX BSPs and Local BX Reps to want to use the Appointment System, which is just another tool for promoting the use of the BX platform.

8. Customer Relationships and Quality Assurance

8.1. Relationship with BX BSUs and BX BSPs

When it comes to taking care of customer relationship, BX will confine its efforts to the following approaches:

- ✓ Self-service: The do-it-yourself designs such as find-and-compare and the online form will have a heavy emphasis on making any favorable user experience easily duplicable for those BX BSUs using the BX platform repeatedly, especially when aided by the mass customization capability the BX platform has on offer. Although customer service personnel will be available at the same time to deal with any issues in relation to self-service, BX is nonetheless confident that BX will offer an empowering experience to BX BSUs to the extent that any interaction between BX BSUs and BX's customer service personnel will be kept to a very minimal.
- ✓ Dedicated personal assistance: For BX BSPs, BX will use a team of dedicated account managers to personally look after them to make sure that their needs (both technical and non-technical) are met on a timely manner.
- ✓ Communities:
 - BX intends to build an ecosystem around BX BSUs so as to increase their dependency on BX. In other words, BX wants BX BSUs to repeatedly visit the BX platform for all their business needs. To make this an easy decision, BX will make sure that those BSUs who have registered to become the Registered BX BSUs will stand to benefit from the following membership privileges (this list is

by no mean exhaustive): access to an extensive network of BX BSPs covering multiple business service categories; exclusive promotional deals for the featured jurisdictions; smart tips based on usage history and preferences; rewards from the loyalty program; and access and right of contribution to the user-generated content.

- For BX BSPs, BX will also build for them a community they can call their own with the following membership privileges (this list is by no mean exhaustive): exclusive representation right in the selected jurisdiction(s); free promotional campaigns (such as featured profile of them in the emails sent to all BX BSUs); free platform support and upgrade; rewards from the loyalty program; and VIP access to CRM Tool and Appointment System.
- ✓ Co-creation of products: Feedbacks will be routinely solicited from both BX BSUs and BX BSPs through questionnaires and interviews etc. to provide ideas/inputs and impetus for continuous product improvement/innovation. It is important that both BX BSUs and BX BSPs are brought in at a very early stage to participate as a co-owner of the entire co-creation process.

8.2. Disputes from BX BSUs:

The most anticipated issue from BX BSUs regarding the BX platform is quality:

- ✓ Since the services on the BX platform are customized and straightforward (that is, limited room for complication) and are provided by top tier BSPs, it becomes relatively unlikely for BX BSUs to have any disputes with BX.

- ✓ The BX platform itself is free-of-charge to BX BSUs, and BX receives absolutely no payment from them, so the latter should have a weak ground when it comes to actionable claims.
- ✓ BX will display a noticeable and reasonable disclaimer on its official website to make it transparent to all viewers that BX is not the actual BSP behind the services on offer on the BX platform nor is it legally qualified to provide any such services, and therefore will not be in a position to guarantee the quality of the services provided by the BX BSPs.
- ✓ Most quality issues will be in relation to the services provided by the BX BSPs. To effectively tackle this issue, BX will replace any incompetent BX BSPs based on a demerit point system. With this system, BX is essentially putting BX BSUs in charge of quality assurance. Finding a suitable replacement should not be too troublesome in light of the potentially enormous financial incentive BX has on offer.
- ✓ Although it is very likely that the business conducts of each BX BSP are already governed by the rules of their own self-governing associations, for quality assurance purpose, BX will put in place a stringent code of conducts for all BX BSPs to observe.
- ✓ Just in case there is any doubt, if BX BSUs wish to engage the same BX BSPs for additional works beyond the scope of what the BX platform provides, it is only prudent to inform such BX BSPs that they shall be held solely responsible to BX BSUs should they accept such additional works.

8.3. Disputes from BX BSPs:

The most anticipated issues from BX BSPs regarding the BX platform are:

- ✓ Hiding details of actual receipts from BX BSUs or refusing to pay service charges due to BX: Instead of creating an audit mechanism to ascertain whether BX BSPs comply with the agreed payment arrangement in an honest and timely manner, BX will instead ensure that only the top tier BSPs become BX BSPs on the assumption that top tier BSPs will not risk their professional reputation and their ‘monopoly’ position for base gain. Furthermore, in the after-use satisfaction survey sent to BX BSUs, BX will ask them specific questions to the extent that it becomes rather challenging for any BX BSPs to hide details from BX.
- ✓ Liabilities arising from poor services performed by BX BSPs: In the written non-renewable contract with all BX BSPs, BX will ask them to indemnify BX against any liabilities arising out of or relating to their poor service quality. Furthermore, every time when a BX BSP ‘vacancy’ becomes available, only the carefully vetted top tier BSPs will be invited to make a bid, with priority given to the candidate which has indicated the highest willingness to cooperate. This design is fundamental to ensure that BX BSPs’ service quality always remains of the highest standard.

9. Revenue Model

9.1. How BX makes money

While the BX platform is free-of-charge to all BSUs, BX will charge all BX BSPs a percentage on the actual payment they received from each BX BSU as service charge.

- ✓ For example⁶², a Taiwan-based BX BSU spent a total of NT\$60,000 to have an Australia-based law firm register a new company in Australia for it. Presumably, BX can collect on average NT\$3,000⁶³ as its service charge from such law firm.
 - Assuming this law firm can complete on average 100 similar transactions each month for the same country, BX can collect NT\$3.6 million/year from such law firm.
 - Assuming BX has 10 such law firms in 10 different countries, BX can collect NT\$36 million/year from them.
 - Assuming BX has 30 such law firms in 30 different countries, BX can collect NT\$108 million/year from them.
- ✓ The above examples do not yet take into consideration the CPA firms (as well as other BSPs) that BX will also make available on the BX platform. Accordingly, it is not unreasonable for BX to expect to collect a much higher revenue amount from BX BSPs each year, especially after the initial phase.

⁶² Based on the writer's actual experience of registering a new company in Australia with Taiwanese shareholders.

⁶³ Assuming a minimum of 5% commission will be charged.

9.2. Other revenue sources

In addition to collecting a fixed percentage service charge from BX BSPs, BX will explore the possibility of developing revenue streams from the following sources:

- ✓ Platinum package for BX BSUs who frequently use the BX platform:
 - A fixed amount of service charge will be payable monthly in advance to BX, then BX deducts the required amount and pay it to the relevant BX BSP after such BX BSP has completed the transaction.
- ✓ Advertisement space for vetted top tier BSP:
 - For jurisdictions that are not yet ‘stationed’ by a BX BSP, any vetted top tier BSPs may opt for a simple advertisement of its services on the BX platform as long as they belong to the relevant business service categories (this list is by no mean exhaustive): company secretariat, notary public, intellectual property protection, product registration, customs and shipping, commercial property leasing, commercial insurance, property management, talent search and payroll, public relations and advertising, translation and printing.
- ✓ Total package deal for BX BSUs who desire one-stop shopping:
 - Instead of approaching different BX BSPs one-by-one and be charged separately to complete all business start-up steps (from company registration to a fully-staffed, fully functional office), BX BSUs can order a complete one-stop package comprising all the required business services at a discounted package

price.

✓ Secondary BX BSP:

- In certain more popular jurisdictions which are ‘stationed’ by a BX BSP (“Primary BX BSP”), it may become necessary for BX to bring in another BX BSP (“Secondary BX BSP”) to the same jurisdiction.
- The only scenario that requires this drastic arrangement is when the number of transactions within such jurisdiction evidently overwhelmed the capacity of Primary BX BSP, leading to widespread or potentially widespread customer dissatisfaction.
- To make this arrangement acceptable to Primary BX BSP, BX will offer it with an incentive package which it cannot voluntarily refuse: Secondary BX BSP will pay twice the amount of the usual service charge to BX, of which half will go to Primary BX BSP (which Primary BX BSP can use to offset the service charge payable to BX); Secondary BX BSP will only get called upon to service the BX BSUs when, and only when, a demand overflow situation is triggered.

10. Financials

The capital required for setting up an internet startup such as the one BX contemplates will not be substantial. A considerable portion of the total initial one-off expenditure will be used on purchasing new laptops and the relevant productivity software.⁶⁴ The figure shows the founding team does not need a huge amount of capital to make a start.

Before BX can work out how much revenue it can roughly generate, it firstly needs to establish how much it will cost to acquire each new customer. Since BX has considered targeted internet ads (such as LinkedIn Ads) to be the most cost-effective way of reaching its wider target audience, the figures used for the assumptions are devised in light of this marketing tool. It then works out that BX will need to spend NT\$270,000 each month, reaching 12 million small business professionals on LinkedIn, in order to acquire about 90 non-repeated paid customers each month.⁶⁵ The figures give BX a further understanding in terms of which metrics to manipulate/improve in order to maximize the return on the internet ads spending (such as getting higher click through rate or lower average cost per click).

With respect to expenses, BX has identified two major cost components from the key activities outlined under Article 4.2: (1) technology aspect – product development and platform management, and (2) human aspect – user experience measurement and marketing/personal selling. Whichever aspect it is, as an internet startup, BX expects major expenditures on personnel and worldwide exposure, which is why the two largest expense

⁶⁴ See Exhibit 2.

⁶⁵ See Exhibit 3.

items during the initial few years are salaries and internet ads costs.⁶⁶

With respect to revenue, BX will be cautious and for demonstration purpose rely solely on the income generated from the consumption by BX BSUs of just one type of business service, namely, that of law firms.⁶⁷

Despite assuming that the average commission generated per consumption is NT\$3,000, which is the same level as the cost per customer acquisition (based on the targeted internet ads scenario mentioned above), the reason why the revenue throughout the year can still manage an exponential growth is because of the increasing number of repeated customers and referred customers not generated directly through the internet ads, but through other marketing means.

For other possible revenue streams BX has identified under Article 9, it is likely that those revenue streams will not be explored until after 2015. Even so, it is expected that BX will start to realize some profit by early 2014 and become financially independent by that same year.

⁶⁶ See Exhibit 4. Since it is an internet startup, BX has assumed that there will be no salary expense for the founding team during the first 6 months and no non-salary expenses during the first 5 months.

⁶⁷ See Exhibit 4. For demonstration purpose, BX has assumed that during the initial few years there will only be a steady incremental rise to the number of new law firms on the BX platform.

11. Future Business Strategies

11.1. Strategic alliance

BX is open to the possibility of a strategic alliance with any compatible multi-national business service consulting firms to create synergy, extend its reach, and ultimately augment the value it offers to all BSUs.

11.2. Initial public offering

BX has plan to be listed on a major stock exchange when it becomes apparent that it needs substantial funds for major acquisition endeavors in order to increase the potency of the BX platform – either using such funds for acquiring compatible products/services or for acquiring key technologies.

11.3. Acquired by other(s)

Based on its viable business model and healthy financial forecasts, if necessary, it should not be too difficult for BX to offer itself as a lucrative acquisition target to any major multi-national conglomerates.

12. Action Items

12.1. Minimum viable product

BX's founding team has built a minimum viable product⁶⁸ (prototype) for market testing and demonstration purposes.

12.2. Product demonstration and commercial launch

When a finished product becomes available, BX will commence to approach all identified potential BX BSPs and demonstrate to them what the BX platform is capable of. It is expected that BX will become ready for its first commercial launch, in Taiwan, by the April or May 2013.

12.3. Continuous optimization

BX will continue to improve the quality of the BX platform in order to improve the acquisition rate of the new BX BSUs, the retention rate among the existing BX BSUs, and the referral rate to the potential BX BSUs.

12.4. Funding for scaling

When BX is ready to scale up, BX will approach angel investors and/or venture capitalists for different funding rounds.

12.5. Who BX is looking for right now

BX is currently looking for the following types of individuals to join its entrepreneurial

⁶⁸ http://en.wikipedia.org/wiki/Minimum_viable_product

endeavor:

- ✓ Entrepreneurial-minded coding and marketing talents
- ✓ Professionals with the right connections abroad
- ✓ Investors/mentors who are genuinely interested in taking BX to the next level



Appendix

Exhibit 1 Screen shot of official website

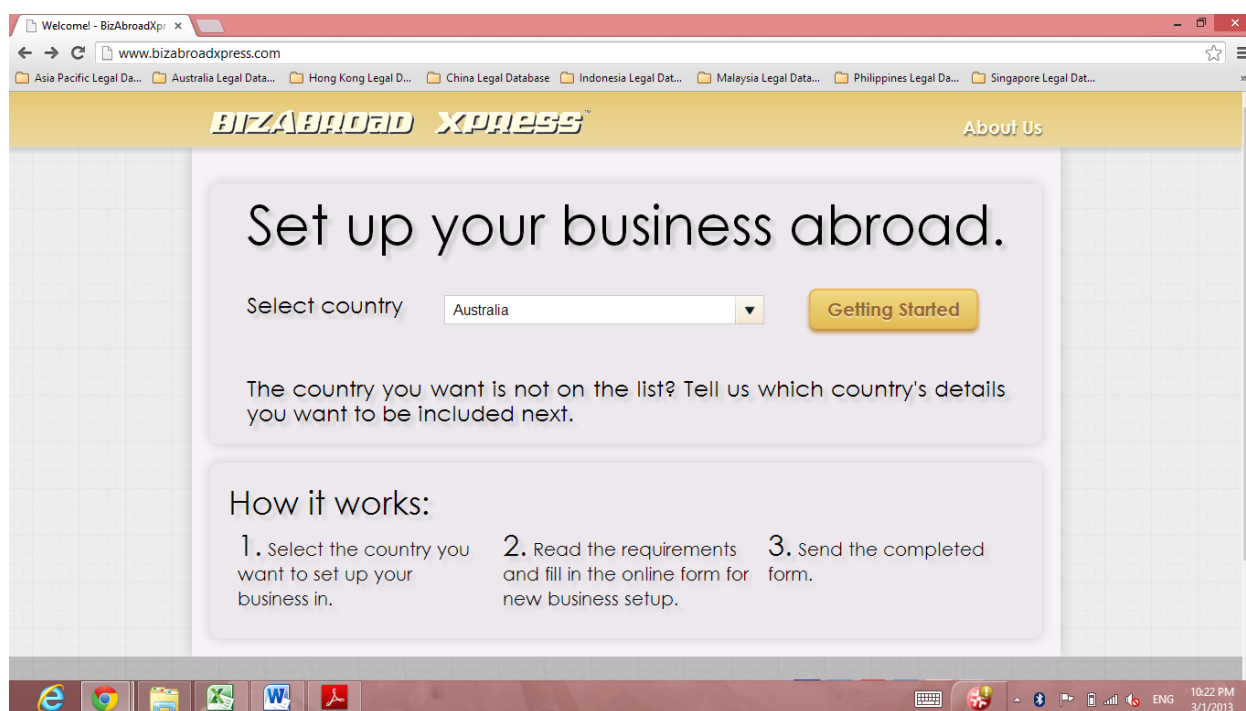


Exhibit 2 Total initial one-off expenditure

Expenditure items (NT\$)	Amount
Company and tax registration costs	\$15,000.00
Domain name registration	\$350.00
Laptops and software (4 laptops)	\$120,000.00
Stationery	\$5,000.00
Total initial one-off expenditure	\$140,350.00

Exhibit 3 Cost of customer acquisition

Cost of Customer Acquisition	Monthly (NT\$)	Improvement
Number of online advertisement (LinkedIn)	1	
Number of small business professionals reached	12,000,000*	
Average click through rate	0.025%**	Higher
Total clicks (leads) generated	3000	
Average cost per click (pay-per-click basis)	\$90.00	Lower
Budget of online advertisement	\$270,000.00	
Conversion to email subscription %	20%**	Higher
Number of email subscribers	600	
Conversion to registered membership %	10%**	Higher
Number of registered members	300	
Conversion to actual consumption %	3%**	Higher
Number of actual customers	90	
Conversion to repeated consumption %	10%**	Higher
Conversion to referral consumption %	3%**	Higher
Monthly online advertisement expenditure	\$270,000.00	

*According to LinkedIn Ad

** Conservative assumption

Exhibit 4 Revenues and costs (summary)

Assumptions	NT\$
Average commission per service order	\$3,000.00
Cost of customer acquisition (from ads)	\$3,000.00

2013 (NT\$)	2013	2014	2015
Revenues			
Number of new law firm(s)	6	12	12
Number of orders from new customers	540	1080	1080
Number of orders from repeated customers	161	2866	15194
Number of orders from referred customers	48	860	4558
Number of total new service orders	749	4806	20833
Commission (invoiced)	\$ 2,247,130.56	\$ 14,418,656.75	\$ 62,498,000.75
Total revenues	\$ 2,247,130.56	\$ 14,418,656.75	\$ 62,498,000.75
Expenses			
Advertising (internet etc)	\$ 1,890,000.00	\$ 3,240,000.00	\$ 3,240,000.00
Depreciation (4 laptops @ 36 mths lifespan)	\$ 23,333.33	\$ 40,000.00	\$ 40,000.00
Mobile data plan (4 laptops)	\$ 28,000.00	\$ 48,000.00	\$ 48,000.00
System maintenance (server)	\$ -	\$ 36,000.00	\$ 120,000.00
Rent (co-working space)	\$ 24,500.00	\$ 180,000.00	\$ 360,000.00
Electricity and water and telephone	\$ -	\$ 36,000.00	\$ 72,000.00
Transportation expenses (business trips)	\$ 360,000.00	\$ 720,000.00	\$ 720,000.00
Wages			
CEO	\$ 450,000.00	\$ 1,320,000.00	\$ 1,740,000.00
Staff (3 persons)	\$ 840,000.00	\$ 2,460,000.00	\$ 2,820,000.00
Total expenses	\$ 3,615,833.33	\$ 8,080,000.00	\$ 9,160,000.00
Gross profit	-\$ 1,368,702.77	\$ 6,338,656.75	\$ 53,338,000.75

Reference

English language books:

- 1) Osterwalder, A., Pigneur, Y., Smith, A., and Clark, T., *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*, John Wiley& Sons Inc, United States, 2010
- 2) Ries, E., *Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses*, Random House Inc, United States, 2011

Chinese language books:

- 3) 林之晨，「Mr.Jamie 網路創業七堂課」，PCuSER 電腦人出版社，台灣，2011
- 4) 林之晨，「Jamie 流行銷：向可口可樂、星巴克等 20 個一流平牌學 APP 行銷」，智園出版，台灣，2012