



FPT UNIVERSITY

HARMONY HUT

International Business

The Mini Karaoke Room Business Plan



GRP490_G11



Mentor
Dr. Nguyen Duy Hong

TEAM MEMBERS



Le Thi Thien Thanh
HS153026



Dam Phuong Anh
HS150656



Dinh Thi My Duyen
HE153030



Do Thi Mai Huong
HS150179



Mentor

Dr. Nguyen Duy Hong

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AND FUTURE PLAN**

**HARMONY
HUT**

The Mini Karaoke Room Business Plan





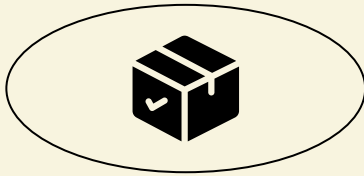
01 INTRODUCTION



Graduation Thesis

Background of Karaoke Industry

Global



2022 - 2027



CAGR \approx 3.65%



Figure 1: Market Size Outlook
Source: Technavio (2022)

Vietnam

- 2022 | USD 41.45 million
- 2027 | USD 78.55 million

CAGR 2022 - 2027 \approx 12.36%

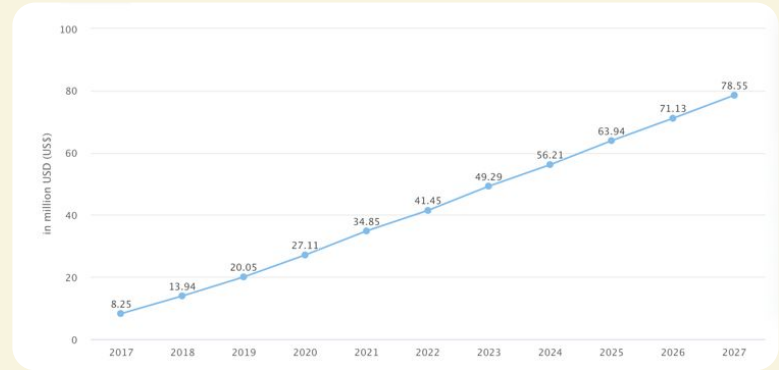
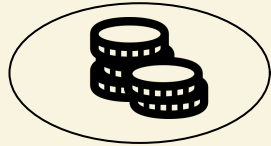


Figure 2: Entertainment market revenue in Vietnam
Source: Statistic Market Insights (2023)

37.000 karaoke businesses



Market Problem Identification



High Costs of
Traditional Karaoke
Rooms in Vietnam



Limited Availability
for Small Groups in
Vietnam



Inadequate Privacy
and Comfort in
Vietnam



Limited Customization
and Personalization in
Vietnam

**HARMONY
HUT**

**KARAOKE THU NHỎ CHO
NHÓM BẠN CÙNG HÁT VANG**

**HARMONY
HUT**



02

MARKET ANALYSIS

PESTEL

1

Political factors

4

Technological factors

2

Economic factors

5

Environmental factors

3

Sociocultural factors

6

Legal factors

Market Segmentation

Demographic



- Age
- Gender
- Occupation
- Marital status
- Income



Psychographic

- Lifestyle
- Interest
- Attitudes and values
- Personality characteristics

Geographic



Behavioral

- Buying Habits
- How to use the item
- Brand fidelity
- Decision making method

Location Analysis

Population

8.418.883

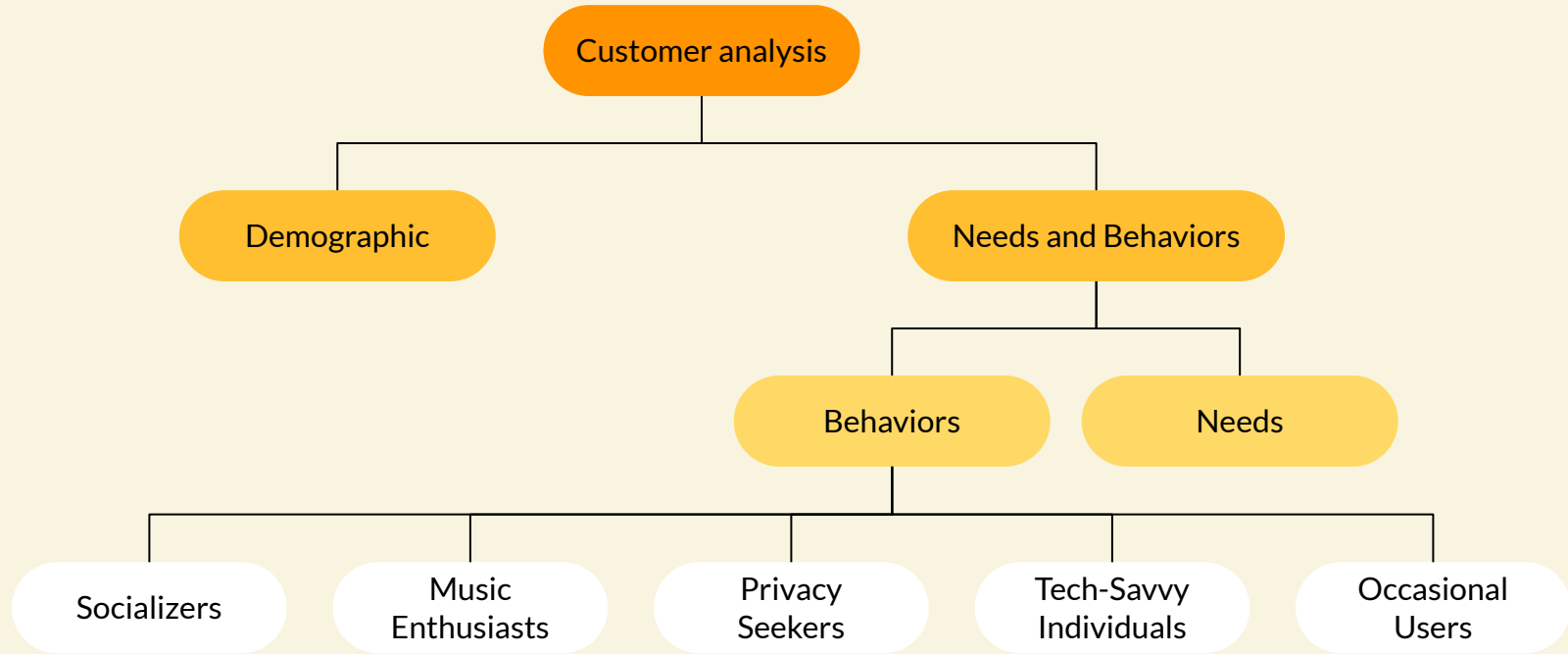
01

02

.....
18.7 million

Visitors

Customer Analysis



Industry Player

Player landscape



Players analysis

Conventional players



New style players



03

BUSINESS INTRODUCTION



**HARMONY
HUT**

Group GRP490_G11



Company Information

International Name	HARMONYHUT LIMITED LIABILITY COMPANY
Tax Code	0123456789
Address	10 Xuan Thuy, Cau Giay District, Hanoi City, Vietnam
Representative	Le Thi Thien Thanh (born in 2001 - Hanoi)
Phone	033 782 3438
Operating Date	2023-07-06
Managed by	Tax Department of Hanoi City
Type of Enterprise	Limited Liability Company
Status	Active (granted registration certificate)
Last Updated Tax Code	0123456789 on 2023-07-06 23:59:35.
INDUSTRY CODE	INDUSTRY NAME
9329	Other entertainment and recreation activities
5610	Restaurants and mobile food service activities
5630	Beverage serving activities

Company Information

VISION

HarmonyHut aims to transform Vietnam's karaoke scene, setting a future where personal touch, privacy, and comfort are at the forefront.

MISSION

At HarmonyHut, we're dedicated to creating a unique karaoke space tailored for small groups, setting new standards and leading the way for the industry in Vietnam.

CORE VALUES

Community

We want to bring people together and create connections.

Privacy

We ensure a safe, private space for our customers.

Customer centricity

We always think of our customers' needs.

Shareholder centricity

We focus on growth and good returns for our shareholders.

Quality

We aim for the best in everything we do.

Innovation

We use the latest technology for the best experience.

UNIQUE SELLING POINTS

1

**Unrivaed
affordability**

2

**Adaptable
room options**

3

**Enhanced privacy
& comfort**

4

**Customization &
personalization**



04

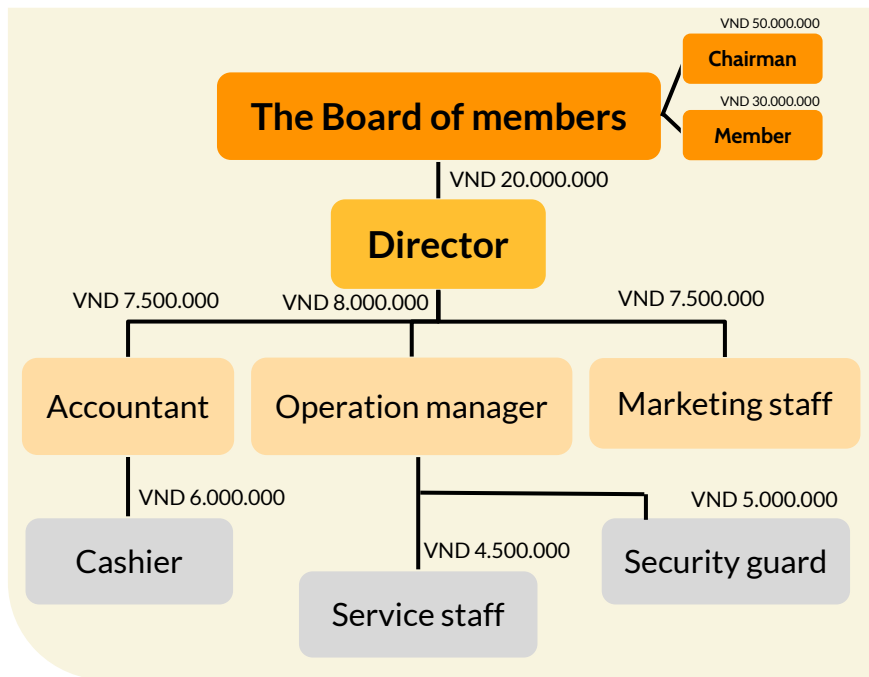
KEY ACTIVITIES PLAN



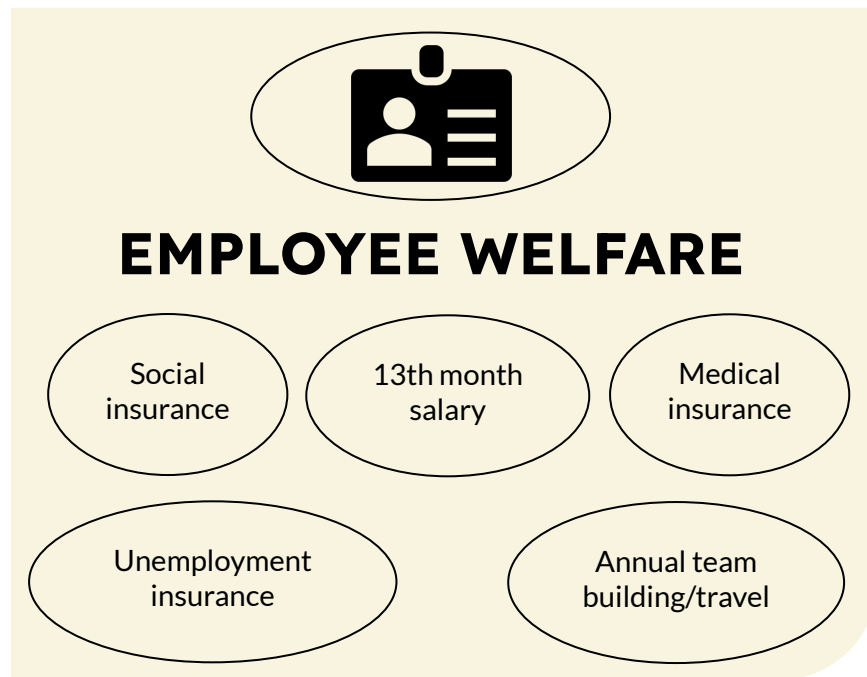
Graduation Thesis

Key Resources

Human Resources



Structure of HarmonyHut Limited Liability Company
Base salary for each position at HarmonyHut (per month)



Human Resources factors at HarmonyHut

Suppliers Resources



The relationship between “HarmonyHut - The Mini Karaoke Room” and suppliers of tangible products, services supplier.

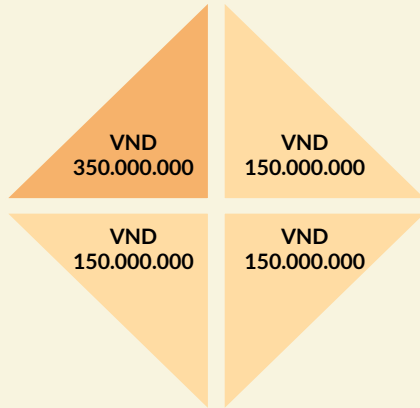
Services Supplier



Financial Resources



EQUITY



VND 800.000.000

THE TOTAL CAPITAL

**VND
1.000.000.000**

CORPORATE LOANS

Ha Khau Building Materials and
Construction Joint Stock
Company

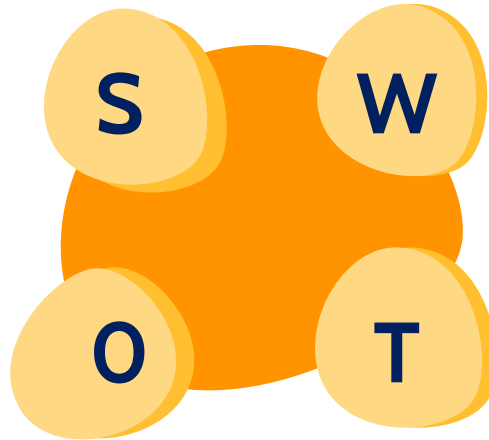
The interest rate on a loan
8% per year

VND 200.000.000

Strategic Analysis

Strengths

- Affordability
- Customizability
- Modern Karaoke system
- Soundproof rooms



Opportunities

- Karaoke market is expanding
- Tourism and Hospitality Industry

Weaknesses

- Limited market reach
- Reliance on urban consumers
- High Initial Investment
- Reliance on machines and electric lights
- Regulatory conformance

Threats

- Fierce competition
- Economic variables

Strategic Analysis

MARKETING MIX 7PS



PRODUCT



PRICE



PLACE



PROMOTION



PROCESS



PHYSICAL
EVIDENCE



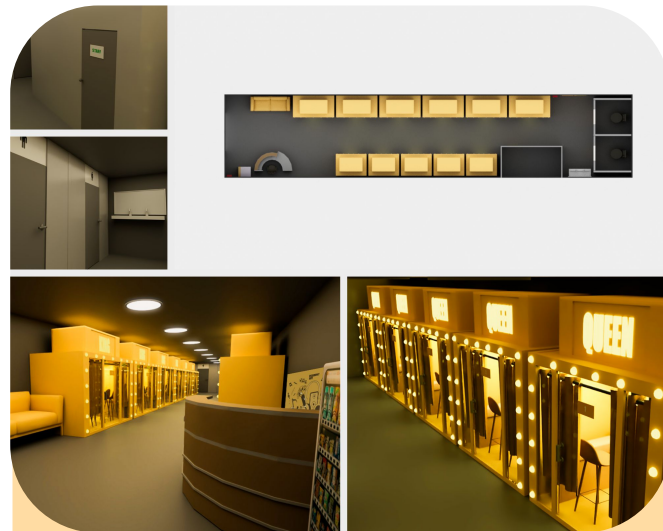
PEOPLE

Product



Karaoke
singing
interface

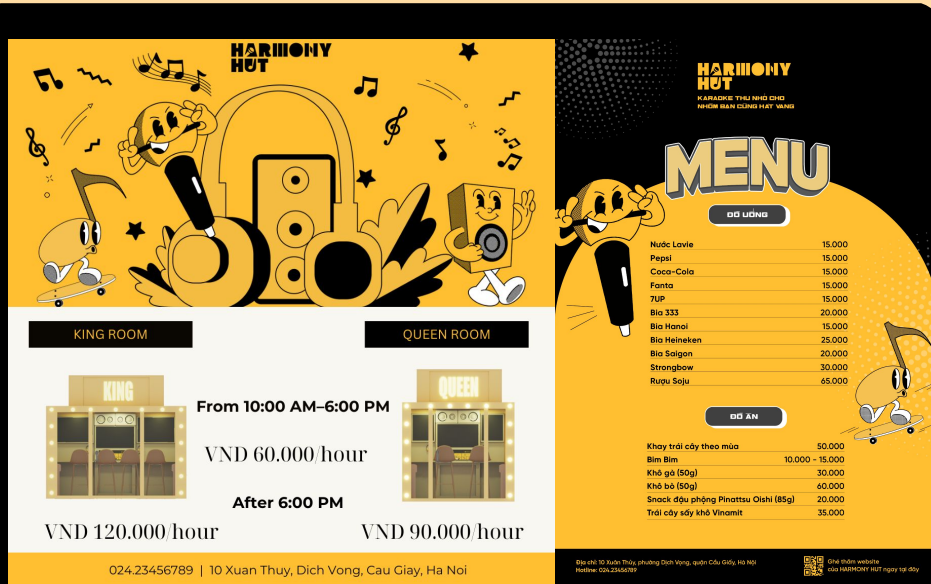
Backdrop for
customers to
take check-in
photos



The overall setting
of HarmonyHut



Price



HARMONY HUT
KARAOKE THU NHỎ CHƠI
NHƯM BÀN CUNG HÁT VANG

MENU

ĐỒ UỐNG

Nước Lavie	15.000
Pepsi	15.000
Coca-Cola	15.000
Fanta	15.000
7UP	15.000
Bia 333	20.000
Bia Hanoi	15.000
Bia Heineken	25.000
Bia Saigon	20.000
Strongbow	30.000
Rượu Sôju	65.000

ĐỒ ĂN

Khay trái cây theo mùa	50.000
Bim Bim	10.000 - 15.000
Khô gà (50g)	30.000
Khô bò (50g)	40.000
Snack đậu phộng Pinattau Oishi (85g)	20.000
Trái cây sấy khô Vinamit	35.000

KING ROOM

QUEEN ROOM

KING
From 10:00 AM-6:00 PM
VND 60.000/hour
After 6:00 PM
VND 120.000/hour

QUEEN
VND 90.000/hour

024.23456789 | 10 Xuan Thuy, Dich Vong, Cau Giay, Ha Noi

Địa chỉ 10 Xuân Thủy, phường Dịch Vọng, quận Cầu Giấy, Hà Nội
Hotline: 024.23456789

QR code linking to the website
Hãy tham website
của HARMONY HUT ngay tại đây

Place

10 Xuan Thuy street, Dich Vong ward, Cau Giay district, Ha Noi

**Social
Media**

- Google
- Tiktok
- Facebook
- Instagram

People

Human Centered Approach

Strong Emphasis on Training
and Developing

Promotion



Advertising

- Print ads
- Social Media
- Paid search

Sales promotion

- Loyalty program
- Free gift with purchase



PR

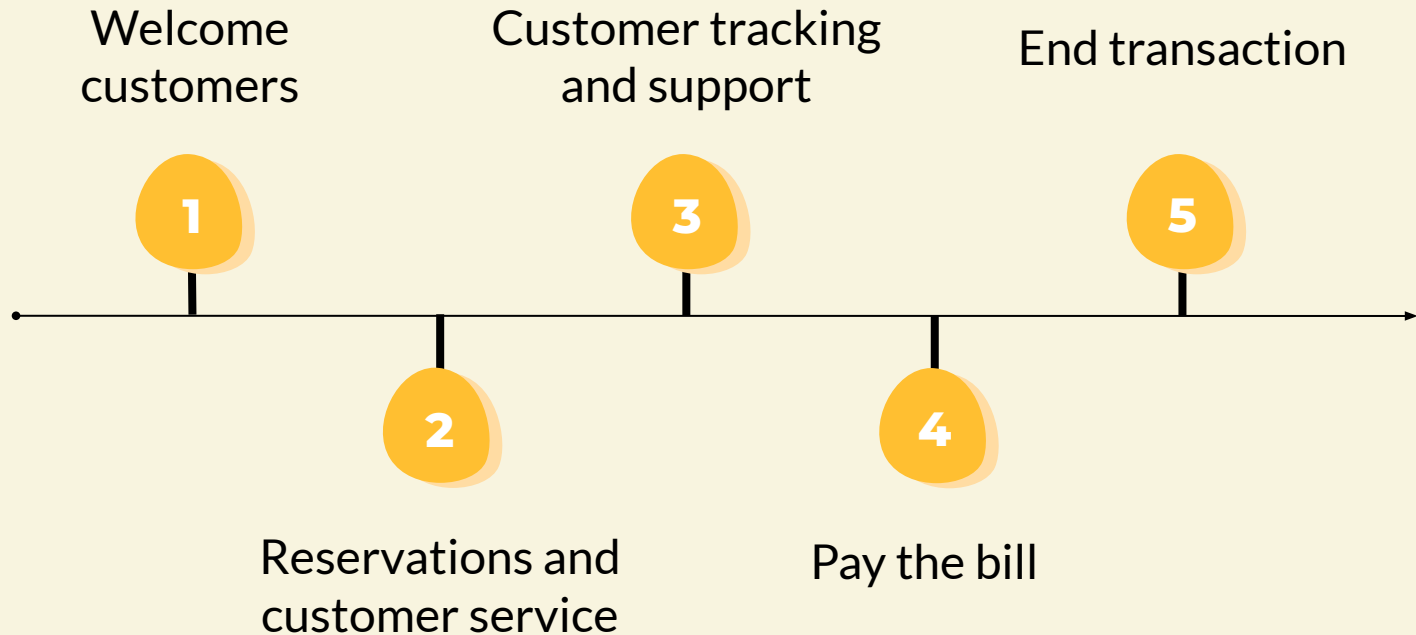
- KOLs
- Words of mouth

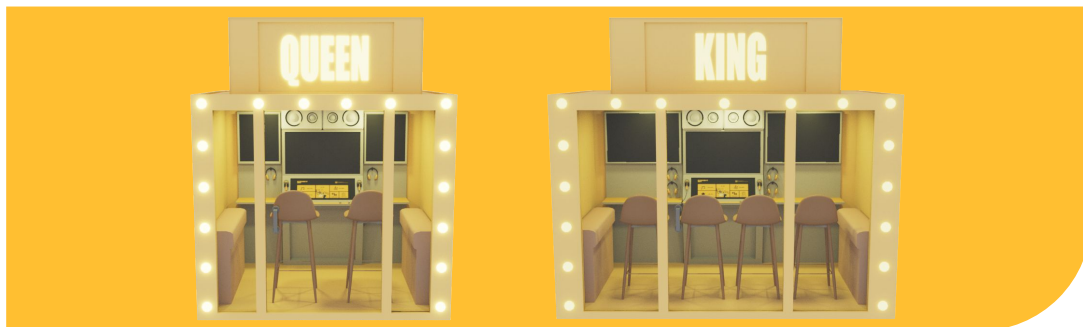
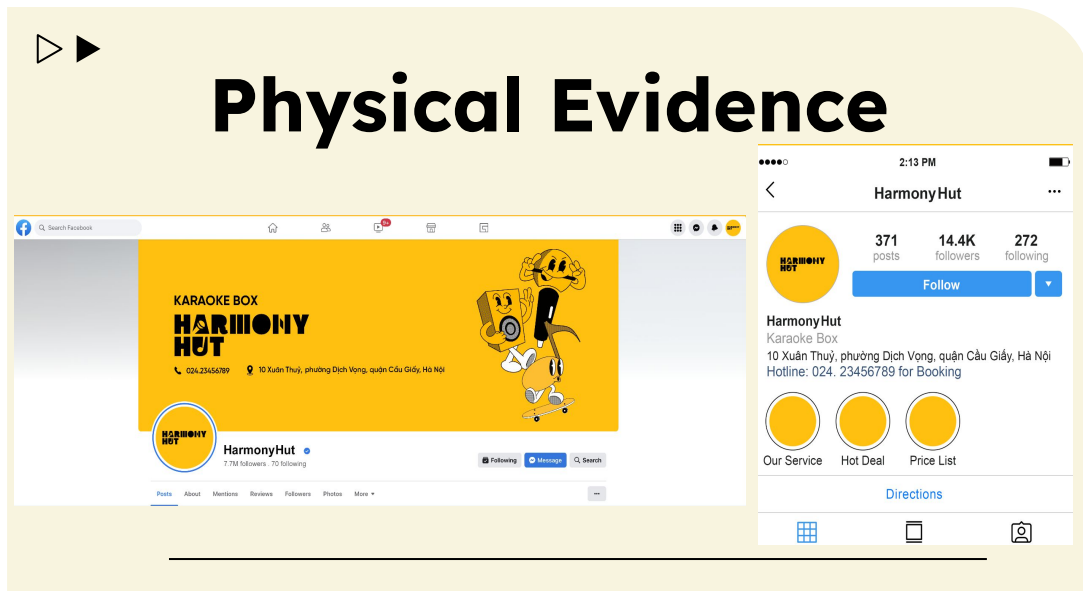
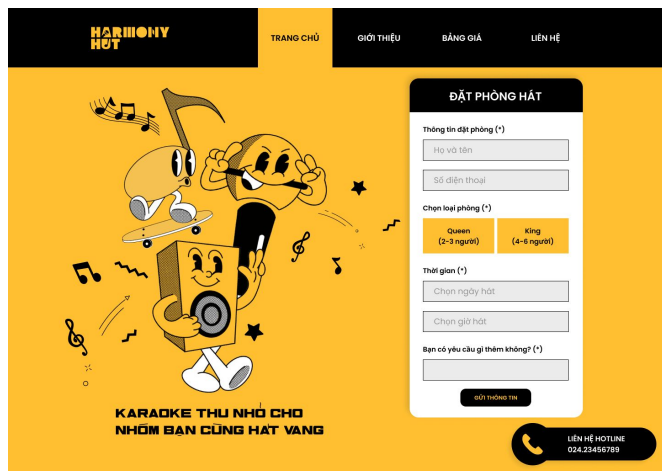
Direct marketing

- Direct selling



Process





Marketing plan in the first year

TOTAL BUDGET
VND 211.500.000

PRE-OPENING STAGE

- (1/9/2023 - 22/11/2023)

SOCIAL MEDIA

Direct



VND 9.000.000

OPENING STAGE

- (23/11/2023 - 30/11/2023)

SOCIAL MEDIA

VND 2.500.000

POST-OPENING STAGE

- (1/12/2023 - 31/8/2024)

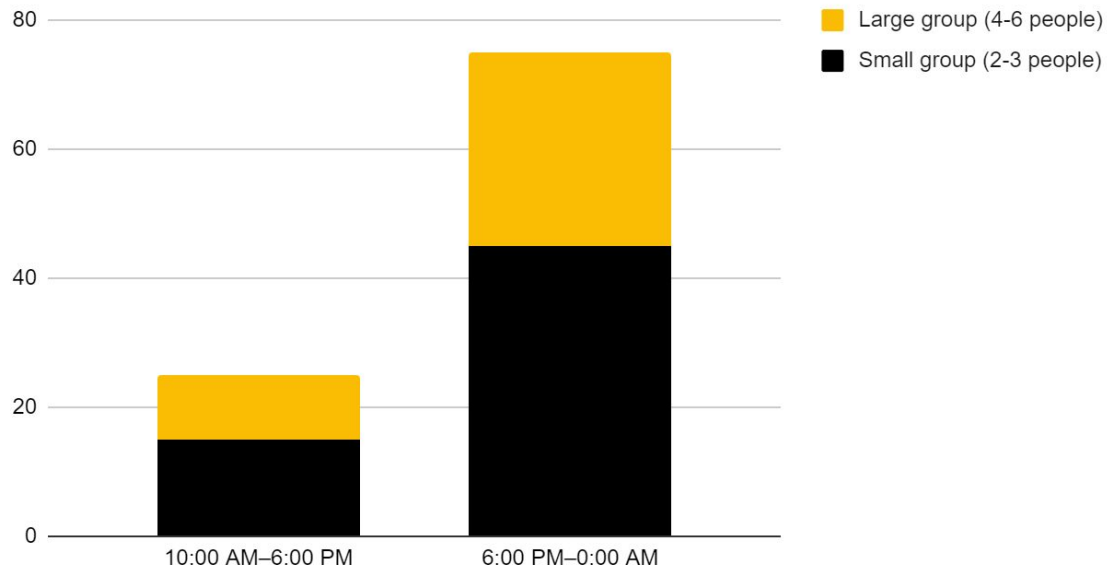
SOCIAL MEDIA

WEBSITE

DIRECT

VND 200.000.000

Revenue Stream



Forecasting and allocating sales by customer group and time slot (unit %)

Revenue Stream

a. Optimistic

Optimistic				
Items	10:00 AM–6:00 PM		6:00 PM–0:00 AM	
	King room	Queen room	King room	Queen room
Revenue of Rental Hours per year	284.700	613.200	1.226.400	1.314.000
Revenue of Beverage per year	131.400	197.100	367.920	525.600
Revenue of Snack per year	113.150	226.300	362.080	509.175
Total Revenue	529.250	1.036.600	1.956.400	2.348.775
Total	5.871.025			

Table 1: Estimated total revenue per year in Optimistic case (Unit: 1000 VND)

Revenue Stream

b. Most Likely

Most Likely				
Items	10:00 AM–6:00 PM		6:00 PM–0:00 AM	
	King room	Queen room	King room	Queen room
Revenue of Rental Hours per year	262.800	547.500	1.138.800	1.248.300
Revenue of Beverage per year	118.260	183.960	335.070	473.040
Revenue of Snack per year	90.520	203.670	316.820	407.340
Total Revenue	471.580	935.130	1.790.690	2.128.680
Total	5.326.080			

Table 2: Estimated total revenue per year in Most Likely case (Unit: 1000 VND)

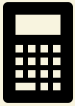
Revenue Stream

c. Pessimistic

Pessimistic				
Items	10:00 AM–6:00 PM		6:00 PM–0:00 AM	
	King room	Queen room	King room	Queen room
Revenue of Rental Hours per year	219.000	481.800	1.051.200	1.182.600
Revenue of Beverage per year	98.550	164.250	275.940	394.200
Revenue of Snack per year	67.890	181.040	248.930	339.450
Total Revenue	385.440	827.090	1.576.070	1.916.250
Total	4.704.850			

Table 3: Estimated total revenue per year in Pessimistic case (Unit: 1000 VND)

Capital Expenditures



INITIAL INVESTMENT
VND 923.970



OWNER CAPITAL
VND 1.000.000



DEPRECIATION COST
(per year)
VND 143.750,29



Furniture
VND 72.000



Sales Management Tools
VND 14.000



Karaoke equipment
VND 362.390



Customer service tools
VND 5.200



Brand identity kit
VND 6.240



Decoration and equipment
VND 369.600



Others
VND 94.540

(Unit: 1000 VND)

Optimistic Case

Most Likely Case

Pessimistic Case

Total cost
per day

Total cost
per year

Total cost
per day

Total cost
per year

Total cost
per day

Total cost
per year

4.873,80

1.778.937,00

3.626,80

1.323.782,00

2.126,70

776.245,50

(Unit: 1000 VND)

Cost of Service

a. Cost of goods sold

Year	2023 <i>(last 3 months)</i>	2024	2025	2026	2027
Optimistic	444.734,25	1.867.883,85	2.017.314,56	2.178.699,72	2.396.569,69
Most Likely	330.945,50	1.363.495,46	1.404.400,32	1.474.620,34	1.592.589,97
Pessimistic	194.061,38	791.770,41	831.358,93	872.926,88	942.761,03

(Unit: 1000 VND)

Cost of Service

b. Growth in Cost of goods sold

Operating expense



TOTAL EXPENSE (Unit: 1000 VND)					
Items	2023 (last 3 months)	2024	2025	2026	2027
Office expenses	73.950	598.200	598.200	598.200	598.200
Payroll expenses	772.740	3.316.960	3.316.960	3.393.280	3.393.280
Marketing expense	11.500	200.000	206.000	212.180	222.789
Depreciation	35.937,57	143.750,29	143.750,29	143.750,29	143.750,29
Costs incurred	50.000	40.000	40.000	40.000	40.000
TOTAL	944.128	4.298.910	4.304.910	4.387.410	4.398.019

05 FINANCIAL ANALYSIS

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Inflation rate

According to Statista.com's forecast, Vietnam's inflation is expected to stay at 3.92% in 2023 and fall to 3.5% from 2024 to 2027.

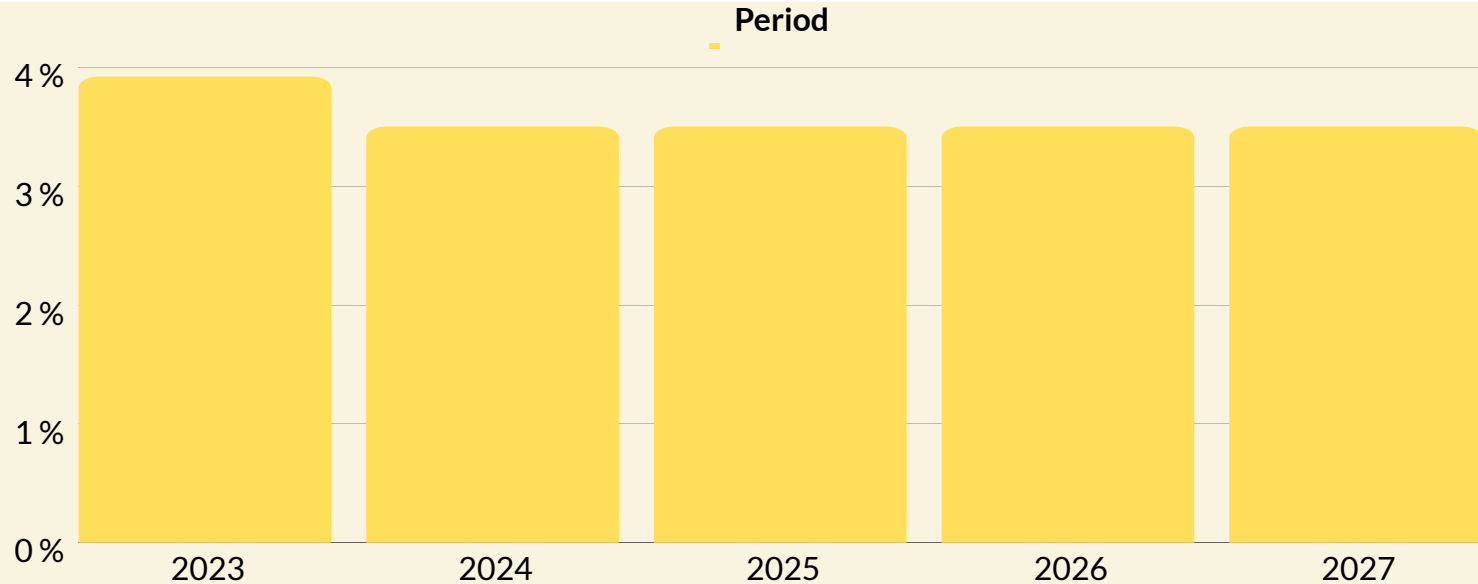


Figure 3: Vietnam's inflation rate forecast (2023 - 2027)

FINANCIAL PROJECT

Optimistic case

	Beginning cash	2023 <i>(last 3 months)</i>	2024	2025	2026	2027
Net Revenue		1.467.756,25	6.340.707,00	6.974.777,70	7.672.255,47	8.823.093,79
Total Expenses		947.877,57	4.310.910,29	4.313.910,29	4.393.410,29	4.401.019,29
Net Profit After tax		-18.811,02	-203.762,07	168.032,98	458.447,35	1.056.872,07
Gross Profit Margin (%)		69,70%	70,54%	71,08%	71,60%	72,84%
Net Profit Margin (%)		-2%	-5%	4%	9%	18%
Net Cash Flow	76.030,00	141.174,43	263.087,29	794.626,00	1.658.294,03	3.190.853,66

(Unit: 1000 VND)

Payback period = 24 months

FINANCIAL ASSESSMENT INDICATORS

OPTIMISTIC

Estimated cost of capital

12.2%

NPV (Unit: 1000 VND)

3.741.011,09

IRR

57%

Profitability Index (PI)

5,05



FINANCIAL PROJECT

Most Likely case

	Beginning cash	2023 <i>(last 3 months)</i>	2024	2025	2026	2027
Net Revenue		1.331.520,00	5.752.166,40	6.212.339,71	6.833.573,68	7.721.938,26
Total Expenses		947.877,57	4.310.910,29	4.313.910,29	4.393.410,29	4.401.019,29
Net Profit After tax		-35.272,76	-265.166,22	84.953,86	387.264,76	881.949,61
Gross Profit Margin (%)		75,15%	76,30%	77,39%	78,42%	79,38%
Net Profit Margin (%)		-4%	-7%	2%	8%	16%
Net Cash Flow	76.030,00	118.726,93	156.487,58	574.107,88	1.333.680,32	2.644.030,92

(Unit: 1000 VND)

Payback period = 28,4 months

Estimated cost of capital

12.2%

NPV (Unit: 1000 VND)

2.967.309,07

IRR

47%

Profitability Index (PI)

4,21

FINANCIAL ASSESSMENT INDICATORS

MOST LIKELY



FINANCIAL PROJECT

PESSIMISTIC

	Beginning cash	2023 <i>(last 3 months)</i>	2024	2025	2026	2027
Net Revenue		1.176.212,50	4.940.092,50	5.335.299,90	5.762.123,89	6.338.336,28
Total Expenses		947.877,57	4.310.910,29	4.313.910,29	4.393.410,29	4.401.019,29
Net Profit After tax		-47.142,78	-477.425,85	-150.572,23	123.508,58	571.162,02
Gross Profit Margin (%)		83,50%	83,82%	84,26%	84,70%	84,98%
Net Profit Margin (%)		-5%	-12%	-4%	3%	11%
Net Cash Flow	76.030,00	100.303,55	-110.047,11	31.832,99	475.241,76	1.402.890,17

(Unit: 1000 VND)

Payback period = 32,4 months

FINANCIAL ASSESSMENT INDICATORS

PESSIMISTIC

Estimated cost of capital

12.2%

NPV (Unit: 1000 VND)

1.114.277,26

IRR

15%

Profitability Index (PI)

2,21





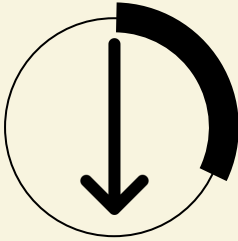
HARMONY
HUT

06

RISK MANAGEMENT AND FUTURE PLAN

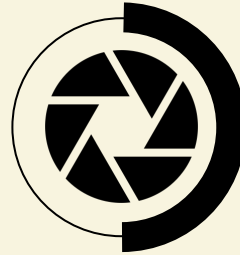
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Risk management



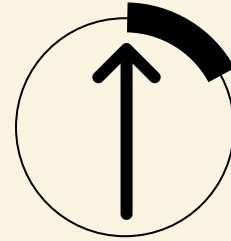
LOW

- Physical risk
- Compliance risk



MODERATE

- Financial risk
- Strategic risk
- Legal risk
- Human risk



HIGH

- Competition risk
- Security risk
- Operational risk

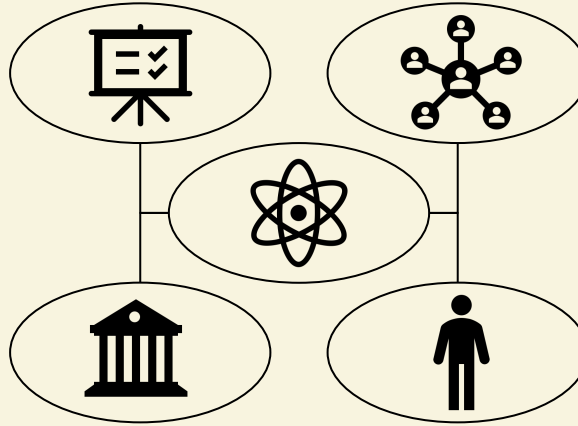
Risk management

Operational risk

Implement robust operational processes and develop contingency plans to mitigate disruptions. Assess and mitigate operational risks regularly for uninterrupted operations.

Security risk

Implement robust security measures, conduct routine security audits, and provide cybersecurity training to personnel. Establish incident response plans to reduce security vulnerabilities.



Strategic risk

Conduct regular market research and develop flexible strategic plans for adaptability to changing trends.

Competition risk

Conduct regular competitor analyses, differentiate with unique value propositions and continuous innovation, and prioritize building strong consumer relationships for increased loyalty.

Human risk

Develop effective strategies for recruitment and retention, offer extensive training programs, and foster a positive work environment for enhanced employee engagement.

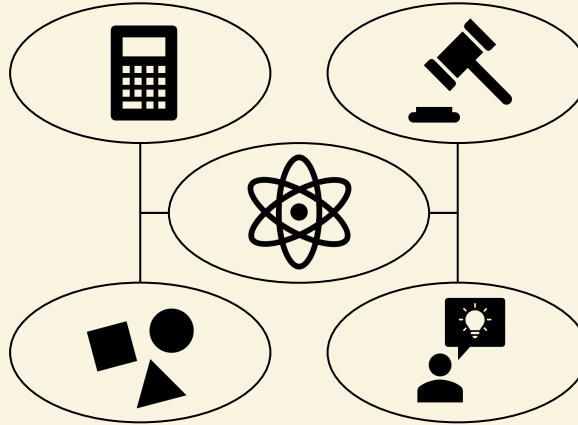
Risk management

Financial risk

Maintain a diverse customer base, closely monitor financial performance, and implement financial controls to ensure proper resource management and prepare for economic uncertainties.

Physical risk

Implement safety protocols, maintain equipment, and provide thorough safety training to employees to ensure compliance with safety regulations.



Legal risk

Retain legal counsel for compliance and contractual advice, maintain accurate transaction records, and adhere to applicable laws and regulations to minimize legal conflicts.

Compliance risk

Stay updated on laws and regulations, conduct compliance audits, establish transparent policies, and appoint a compliance officer to ensure adherence to regulatory mandates.

Future plan

**Introduction
phase (Year 1)**



**Growth phase
(Year 2, 3)**



**Maturity phase
(Year 4)**



**Extension phase
(Year 5)**

**Introduction phase
(Year 1)**



Promote marketing activities to expand HarmonyHut's brand coverage.



Develop and evaluate customer-oriented strategies, making adjustments as needed.



Offer holiday promotions to build customer loyalty.

Growth phase (Year 2, 3)

Year 2: Brand Development and Service Improvements

Brand Development Strategy

Consistent messaging on all social networks (facebook, tiktok)

Launching a new marketing campaign

Service Improvements

Customer Engagement

Introduce incentives for loyal customers

Karaoke contests and free singing sessions with friends.

Operational Efficiency

Streamlining the reservation process

Deploying a new customer feedback system

Training staff to improve customer service.

Growth phase (Year 2, 3)

Year 3: Growth

Strategic Growth

Expand its marketing efforts

Targeted digital marketing campaigns or sponsorship for events (including entertainment and charity events)

Combined with social media posts (facebook, tiktok).

Market Research and Trend Analysis for New Branch Opening

Expansion Planning

Introduce incentives for loyal customers

Karaoke contests and free singing sessions with friends.

Focus on sustaining and running the current karaoke company while continuously evaluating operations, service quality, offerings, accessibility, and customer satisfaction.



Identify areas and cities with a large market potential and demand for karaoke box services.



Branch expansion



Implement centralized management, standardize processes, and invest in infrastructure.

Maturity phase (Year 4)

**Extension phase
(Year 5)**

Open 3rd Branch



Planning To Franchise Its Brand

▼
THANKS

**FOR YOUR
ATTENTION !**

**HARMONY
HUT**

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