Section 1. Executive Summary

Introduction:

HackerNest is a non-profit Canadian business that unites local technology communities around the world through hackathons and tech meetups. The business hosts socially beneficial hackathons where developers create hardware and software that benefit the society. HackerNest also organizes tech meetups that draw entrepreneurs, developers, and students together to discuss about technology movements. HackerNest has been expanding globally throughout the years. To continue its expansion, HackerNest should open up a subsidiary in Seoul, South Korea.

General Information:

South Korea is a country in East Asia. Seoul is the capital as well as the cultural, economic, education, and political center of South Korea. Seoul is home to 10.29 million people and many technology firms. HackerNest will enjoy the tech atmosphere in Seoul and Seoul’s convenient transportation system and ubiquitous internet coverage.

Economic and Political Situation:

South Korea has a developed economy that is characterized by its moderate inflation, low unemployment, rapid economic growth, and export surplus. South Korea continues to maintain a global competitiveness, and has been opened to foreign direct investment. The Constitution of South Korea calls for a liberal democratic political system. Its principles are based on the sovereignty of the people. Recently, the political situation in South Korea is unstable. With the appointment of a new president in May 2017, there will be potential changes in government policy. HackerNest should be aware of any change towards trade and foreign investment.

International Information:

South Korea has a strong relationship with Canada. The Canada-Korea Free Trade Agreement will benefit HackerNest through eliminating tariff, locking in fair and predictable conditions, and ensuring non-discriminatory treatment. HackerNest can apply for tax reduction and cash grants. Government’s subsidies will cover some portion of HackerNest’s land purchase expense, lease expense, and employment expense. South Korea also promotes cooperative relations with other countries. The nation’s active involvement in international organizations will provide HackerNest with access to new markets.

Cultural Information:

Because South Korean culture is extremely different from Canadian culture, HackerNest must study Korean cultural norms in depth to gain insights into Korean customers and businesses. Koreans believe in Confucian values, so it is important for HackerNest to demonstrate Confucian values when conducting business in South Korea. Because not everyone in South Korean can communicate in English, HackerNest should hire employees who can speak both Korean and English fluently. The diversity of religion has impacted South Korea’s social development. HackerNest must understand the basic exercise and holiday celebrations of these religions, and give workers days off during holidays.

Employment Situation:

HackerNest will benefit from the talented individuals in South Korea. HackerNest can hire individuals with engineering or technology majors as hackathon organizers or mentors. Individuals with business degrees can be hired as consultants and managers. Meanwhile, HackerNest can consider accepting student volunteers to help organize tech socials and hackathons. South Korea has strict labour laws. HackerNest should be aware of the nation’s minimum wage and maximum work hours. HackerNest should also expect its employees taking paid vacations. To avoid any working condition violation, HackerNest needs to establish a management system for occupational safety and health, prepare preventative measures for harmful and dangerous equipment, and provide employees with safety and health education. If HackerNest will hire minors, HackerNest should only require minors to work a limited number of overtime hours. South Koreans also value gender equality. HackerNest should offer equal opportunities to both men and women.

Marketing Information—4Ps:

Market research must be conducted to solve marketing problems. HackerNest can ask Seoul National University to be its test market for hackathons. To test the effectiveness of tech socials, HackerNest can conduct a focus group research. Since HackerNest has experience with foreign expansion, it can use its internal information. In addition, HackerNest can gather data from Major League Hacking’s database. HackerNest’s first hackathon is titled Environment Hack. The hackathon will be hosted at Chung Mong-Koo Automotive Research Centre at Hanyang University. HackerNest will locate at Seoul’s Central Business District. The office space can accommodate 100 people for a tech meetup, and it has direct access to subway stations. The total rental price is $2050, which covers the use of conference rooms, business lounge, Wi-Fi, copying facilities, IT support, and videoconferencing equipment. Hackathons and tech meetups are free to public. Therefore, HackerNest needs to fundraise and negotiate with IT businesses to acquire sponsorship. 45,000 USD would be sufficient to host a hackathon, and 500 USD is needed to host a tech meetup. For promotion, HackerNest can reach out to student groups on campus and launch a social media campaign. HackerNest can also display ads on media poles and through Micro Software Magazine.

Marketing Information—2Cs:

Understanding potential consumers and competition is important for HackerNest’s success. HackerNest should target to the millennials, which consist of 1.4 million people. The millennials are well-educated and concerned with HackerNest’s brand name. To compete against its competitors, HackerNest should utilize social media and press to gain public attention, and should give everyone the opportunity to attend tech meetups and hackathons.

Conclusion:

For HackerNest, Seoul not only is a key market, but also serves as a gateway to expand to other cities in the Asia-Pacific region. HackerNest should read potential challenges outlined in the business plan and adopt advice suggested to overcome barriers and hardships.