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Case study for Holylight (H.K)

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Thesis abstract

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In this thesis the case company – Holylight (HK) was thoroughly studied. The company structure, business strategic management and Marketing mix (4ps) were analyzed using SWOT analysis. It was found that Holylight (HK) had huge potential in the business its stable supplies from the United States of America, Europe and Australia; Alliance partnership company ensure the steady sales channel in potential market – China that further development and expansion are highly feasible.

However there are issues, both internal and external. T prudent strategies and lack of manpower that might hinder a smooth growth of the business. Advises and recommendations were given to tackle the issues mentioned, such as bring up a successor and entering to a new market which related to Marine industry. Hopefully the applications of them would help Holylight (HK) in the future.

Author used interview as the main researching Method. Author collected the Information which needed in this case study from the CEO directly. Observational research also apply in this case study, author worked for the case company for a not short period and it provided the information in more objective way.

Keywords: Company structure, Strategic management, Marketing Mix, SWOT analysis

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1 INTRODUCTION

1.1 Background

Holylight (HK) is an international trading company in marine industry located and based in Hong Kong. I have been working in Holylight (HK) as a summer job from July to August, two months per year for around six years from 2007 to 2012. I worked as an assistant and I had chance to partake in a diverse variety of duties like accounting, sales, and even the inventory management in the company. This is the reason why I got to know pretty well of this company and the issues and challenges it faces.

In this thesis, I attempted to study, to analyse and to provide advices and suggestions for the development of Holylight (HK) in the future. Interviewing the owners of the company was one of the best ways to obtain the essential information and data for the thesis, and of course my own experience of working there as a summer helper also accounted for a vital part of the study. With the aid of the SWOT analysis methodology, the current situation of the company was analysed thoroughly and recommendations and suggestions were given in the conclusion.

This topic for my thesis originated from my idea of attempting to develop this company and provide suggestions to the owners, since it has good potential to become bigger in size and more successful. In view of the rapidly growing market of marine business in China, Holylight (HK) should be more aggressive and improve the management in the company.

The topic is very interesting to me and that is why I decided to choose it as the case study for this thesis. Moreover, it is highly likely that I will be working in this company after I graduate, therefore I look forward to put these ideas and suggestions into practice.

Holylight (H.K) is a two person's run family business located in Hong Kong. Founded in 1992, Holylight (H.K) is the factory-direct export representative for a number of marine equipment and marine accessories.

The target trade customers are boat builders, marine retailers, and mass merchants involved in marine business. The markets serviced are in Asia and mainly in China. Holylight (H.K) 's role overseas is virtually the same as the role of the "Manufacturers Representative", which in other words, it is an independent company appointed by the manufacturers in the United States of America, Europe, and Australia that handles the factory sales and product distributions to the boat builders in Asia.

1.2 History

It was in 1992 when Mr C.O Ha and Mr C.Y Ha had given up their current jobs and created a new career path in their lives. They jumped into the new business, which they did not know so well, and they started a trading company call "C.Y & C.O co-operation (O & Y Marine Equipment)". In the beginning, it was only selling some small accessories for the boat and the engines under 100-horse power, as a retailer in the local Hong Kong market but there was not so much profits and they went into a financial crisis.

A year later, it received a contract of a Marina project in Dongshan Island in China, which was dealing with the engines and accessories installations and technical supports for the boats. They worked there for 3 months and achieved the first success in their career. However, nothing lasts forever, the whole project stopped in Dongshan Island because of the Chinese government's policy for limitation of luxury in China in 1994.

In that time, they had to find some other ways to keep the business running. After the project in China, they started to have more business connections in China and their networks in this business were built up. The two brothers found the opportunity of selling high-quality and luxurious parts of boats to China. In the beginning,

they focused on the suppliers in the United States of America. Meanwhile, they co-operated with a person, Mr Li who has the connection in the marine industry in China. He was in charge of the sales part in the China market and this is the prototype of Holylight (HK).

Nevertheless, a small-sized trading company is not easy to get the dealership from the suppliers or the manufacturers before 1997. Hence they only had dealership for some small brands of marine boat parts and could not archive transaction of big amount of orders. The major market for the company was still in Hong Kong. But luckily, that time was still a good time for the boat builders in Hong Kong and they had enough business to keep the company running. In 1996, most of the boat builders and marine maintenance businesses started to move to China for lower costs such as cheaper rents and labors. Next happened the Asian financial crisis, which was a big impact for most of the businesses in Hong Kong and it affected Holylight (HK) as well. In this case, Holylight (HK) was facing two big challenging issues at the same time but they managed to turn the crisis into an opportunity.

Because of the Asian financial crisis, most of the manufacturers sought for more orders to keep their business. This facilitated Holylight (HK) to successfully acquire the dealership in Asia from Teleflex® Marine (Australia), which is a famous brand of the steering system of boats. Nowadays it is still the major merchandise sold in Holylight (HK). Since they got this dealership, they started to receive more and more dealership from different well-known suppliers and manufacturers as the acquisition of Teleflex® dealership had an iconic effect. Meanwhile, the sales part in China had become the main market of Holylight (HK).

In 2013, 80% of the profit is from the China Market and the rest is from Hong Kong and other Asian countries.

1.3 Company structure

Holylight (H.K) is a two persons run family's business and owned by two brothers Mr C.O Ha and Mr C.Y Ha. The role of C.O is mainly in charge of the China market. He fully handles the accounting, business relationship and supplies part. Mr C.Y HA's role is mostly focused on the sales part in the local market and the technical support of the products. Holylight (H.K) provides the official technical support service for more than 80% of the goods it sells and C.Y is the one who is in charge of this service. In the Figure.1 Structure of Holylight (HK) explains the division of work specifically in the company.

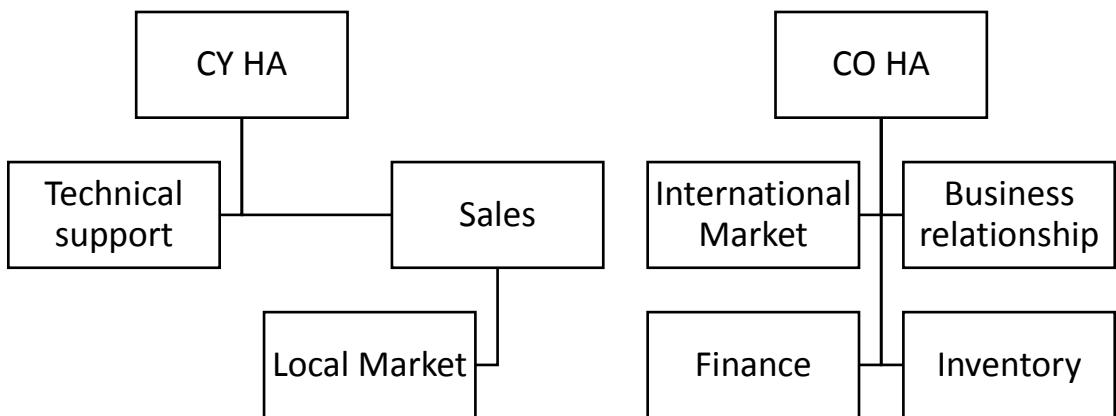


Figure 1 Structure of Holylight (HK)

1.4 Current market view

In view of the increasing cost in manufacturing in China in recent time and the rise of keen competitors in marine business worldwide, it is necessary to review the current market of marine business in China in 2013 to evaluate and develop the company strategy for the future.

'As for the current industrial layout of the international marine engineering equipment, in terms of the general contracting and design, at present, the large marine engineering companies and design companies from the US, Norway, France, Australia etc., still occupy the leading position; in terms of total construction capability, by virtue of their own advantages in shipbuilding and ship repair, South Korea and Singapore have occupied large market shares in the jack-up platform, semi-submersible platform, drilling ship, floating production system and other mainstream marine engineering equipment fields; Brazil, Russia and other countries with rich resources begin to cultivate their own marine engineering equipment building enterprises, becoming the new competitors of the world marine engineering equipment.' (Market report China, Oct 10th 2013)

China is one of the fastest growing markets in the world. After years of development, the market had become mature. In the same time, the costs of labors and raw materials are increasing and it is a major threat for the manufacturers in China.

Nevertheless, China is still a robust and potential market for marine business. China is getting wealthier and people are willing to spend more on luxurious items like yachts and boats. The demand of yachts and boats is still increasing. The boat, yacht and ship builders are still based in China because the buyers are mostly in China. If they do the manufacturing and sales in China, the freight costs can be reduced.

2 STRATEGIES

2.1 Selecting the products

In the marine business there are thousands of products Holylight (HK) can select from the market. Indeed the company has the dealerships of around 50 brands in marine industry and covers a wide range of products from the specific marine deck brushes to huge engines. Mr C.Y Ha is fully in charge of the product selection. According to the interview, Mr C.Y Ha chooses the potential products for Holylight (HK) depending on his 30-years' experience in marine industry and his professional marine engineering knowledge. As a universal phenomenon in every field of businesses, understanding the market's needs and changes are the key factors to success. More than that, communication with customers is also an important factor. Holylight (HK) is not only selling what the customers need, they also looks for what they may need. Mr. C.Y Ha's role is not only an engineer but also a professional advisor to the customers. Once Holylight (HK) receives the order from the customer, they will deliver the goods to them if there is stock in Holylight (HK)'s own warehouse or it will place the order directly to the manufacturer. In Firgure.2 Suppliers' locations of Holylight (HK) showed the main suppliers of Holylight (HK) from the United States, Australia, Europe and Asia.



Figure 2 Suppliers location of Holylight (HK)

2.2 Alliances and Cooperative Strategies

“Firms participating in effective alliances can improve their competitive position and gain competitive advantage. The one alternative to an alliance is a purchase contract. However, there are significant limits as to what can and cannot be contracted, particularly in dynamic contexts. Put bluntly, contracts alone are not always sufficient to coordinate and control partners behaviors. The use of alliances is related to competitive advantage and how the motivation for using alliances has evolved over time. Alliances can help firms to achieve their active in several ways. Alliances not only spread the risk of business ventures by sharing that risk with other firms, they also give firm access to knowledge, resources and capabilities that firms might otherwise lack. The firms are developing alliances with key suppliers. These can take on the form of sole sourcing and just in time arrangement or in include more complex forms.” (Mason A. & WM 2007, 332)

“Strategic alliance failure rates range from 50 percent to 70 percent. Choosing the right partner is an important success factor. Partners should have common intentions and compatible visions of the business. During negotiations, common goals are set and the alliance setup is decided. Corporate cultures are analyzed to map learning opportunities and to avert communication problems. A strategic alliance is not a static entity. Partners should continuously assess and redefine objectives.”(Horizontal vs. Vertical Strategic Alliances)

Amalthea International Inc. is one of the important alliances of Holylight (HK). It is the same type of trading company as Holylight (HK) but it is based in the United States. In the beginning, Amalthea International was just a supplier of Holylight (HK) but as time goes by their relationship had built up solidly and they became alliances.

This type of alliance between Holylight (HK) and Amalthea International can be classified as **Horizontal Alliances**. Horizontal Alliances are partnerships between firms in the same industry. These types of alliances enable competitors, or potential competitors to gain a presence in multiple segments of an industry. As a component of a firm's value net, Horizontal Alliances give a company access to multiple segments of an industry that can create value in a number of ways (Mason A. & WM 2007, 330). Horizontal Alliances can also help partners to achieve greater efficiency. For instance when Holylight (HK) looks for a new supplier or vendor in the United State of America or in Europe, the alliance with Amalthea International provides an advantage for Holylight (HK) to get the dealership successfully because Amalthea International is more well-known in the United States of America and European markets.

Another important partner and alliance of Holylight (HK) is Holylight (Shenzhen). Holylight (Shenzhen) is a retail trader in marine business based in China. Holylight (Shenzhen) has the same name as Holylight (HK) but it is an individual company that totally separates from the latter. They have shared company visions and in-

tentions, thus adopted a strategy of using the same company name to improve the company image internationally. Holylight (Shenzhen) is the business partner in the sales part of Holylight (HK) and it is the main customer of the case company. 80% of the sales (Figure 3) of Holylight (HK) are dealing with Holylight (Shenzhen) and it is the vertical alliance with the case company. “Vertical alliance is a partnership between a firm and its supplies or distributors. Some firms utilize vertical alliances to produce their products and services. Vertical alliances deepen the relationship of the firm with suppliers through the exchange of know-how and commercial intelligence. They extend the firm’s network and benefit customers by lower prices. Suppliers become actively involved in product design and distribution arrangements. The close bond between an auto manufacturer and its suppliers is an example. A complementary vertical alliance is formed when the supplier agrees to work exclusively for the other.”(Horizontal vs. Vertical Strategic Alliances 2013)

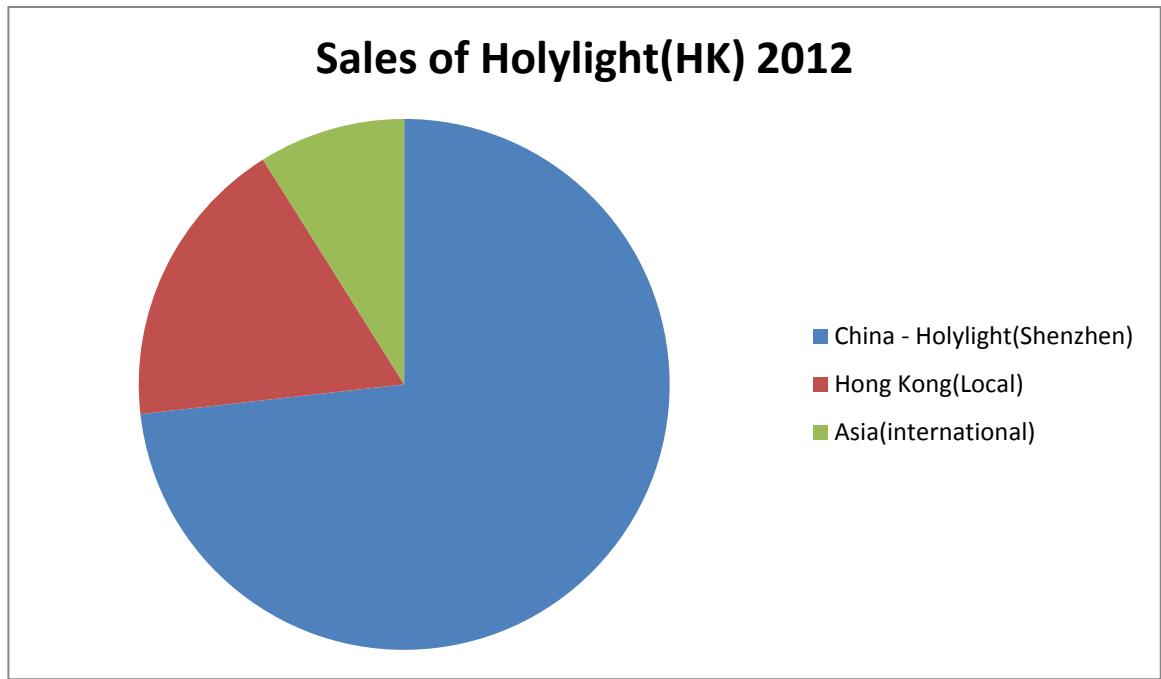


Figure 3 Sales of Holylight (HK) 2012

In the following section, more will be described about the relationship and the international strategies between Holylight (HK) and these two important partners and alliance.

2.3 Marketing

2.3.1 Positioning

“Market positioning is the manipulation of a brand or family of brands to create a positive perception in the eyes of the public. If a company is well positioned, it will have strong sales, and it may become the go-to brand for people who need that particular product. Poor positioning, on the other hand, can lead to bad sales and a dubious reputation. A number of things are involved in market positioning, with entire firms specializing in this activity and working with clients to position their products effectively”. (What is Market Positioning 2012)

Holylight (HK) is a distributor of marine parts. It positions themselves as a high quality and luxury brand. The products of Holylight (HK) are mostly from the United States of America and Europe which are highly trusted and popular in the China market. High quality products, always in-stock and famous brands with professional technical support are the Holylight (HK)'s vantage points in this industry of China market.

2.3.2 Pricing and Product

Pricing decisions is a particularly important part of Holylight (HK) strategy. Their pricing strategy is mostly using the Exclusive and Quality Leadership Pricing strategy. Quality Leadership Pricing strategy is defined as: ‘company that produces

exceptionally high quality products may price its products slightly higher than the competition. Companies that use quality leadership pricing usually keep close tabs on their customers, conducting marketing research to better understand the consumers' needs and wants. These companies know customers rate their products high because they use quality measurements within their market surveys'. (Rick Suttle, Market Pricing Strategy)

Also, Holylight (HK) has the exclusive dealerships in Asian market of several brands from the United States and European vendors. They have the lowest import cost of the products from those vendors and they can sell them in the lowest price in the Asian market.

2.3.3 Promotion

As Chapter 2.2 mentioned, Holylight (Shenzhen) is the biggest customer and partner in sales of Holylight (HK). The promotion part mostly involves cooperation with Holylight (Shenzhen). There are two important promoting events in Amsterdam (Europe) and Shanghai (China) annually. Holylight (HK) attends these trade shows of marine parts every year. The Marine Equipment Trade Show in Amsterdam is one of the largest and most prestigious shows on the marine leisure industry where more than 1,250 exhibitors from all parts of the world gather with the intention to form new contacts and close business deals with preferred business partners. The show attracts yacht dealers, naval architects, wholesalers and retailers of marine leisure equipment who attend the event to keep track of the latest technological advancements made in this field and also to purchase those products that have the potential to offer them customized solutions along with a guarantee of superior performance. (METS official website 4.6 2012)

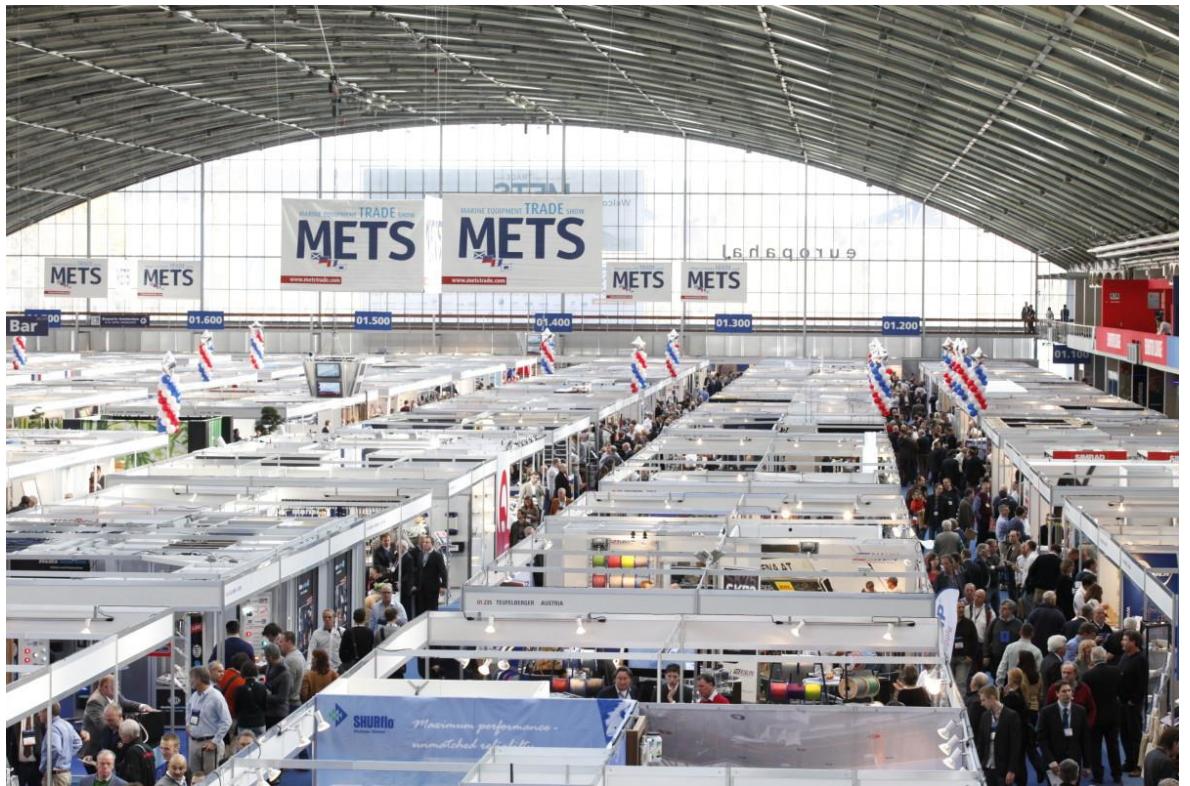


Figure 4 METS Marine equipment Trade show in Amsterdam 2013

The boat show in Shanghai is another major promotion event for Holylight (HK) in China. China (Shanghai) International Boat Show is one of the most popular boat and yacht sector trade shows in China. The show offers valuable opportunities to all participants to learn more about the latest trends and happenings from this industry. More than 400 exhibiting companies, from as many as 20 different countries, take part in the event and an impressive collection of sailboats, motorboats, luxury yachts, kayaks, canoes, propulsion units, water sports equipment and marine lifestyle supplies are displayed there.(Shanghai boat show official website2012)

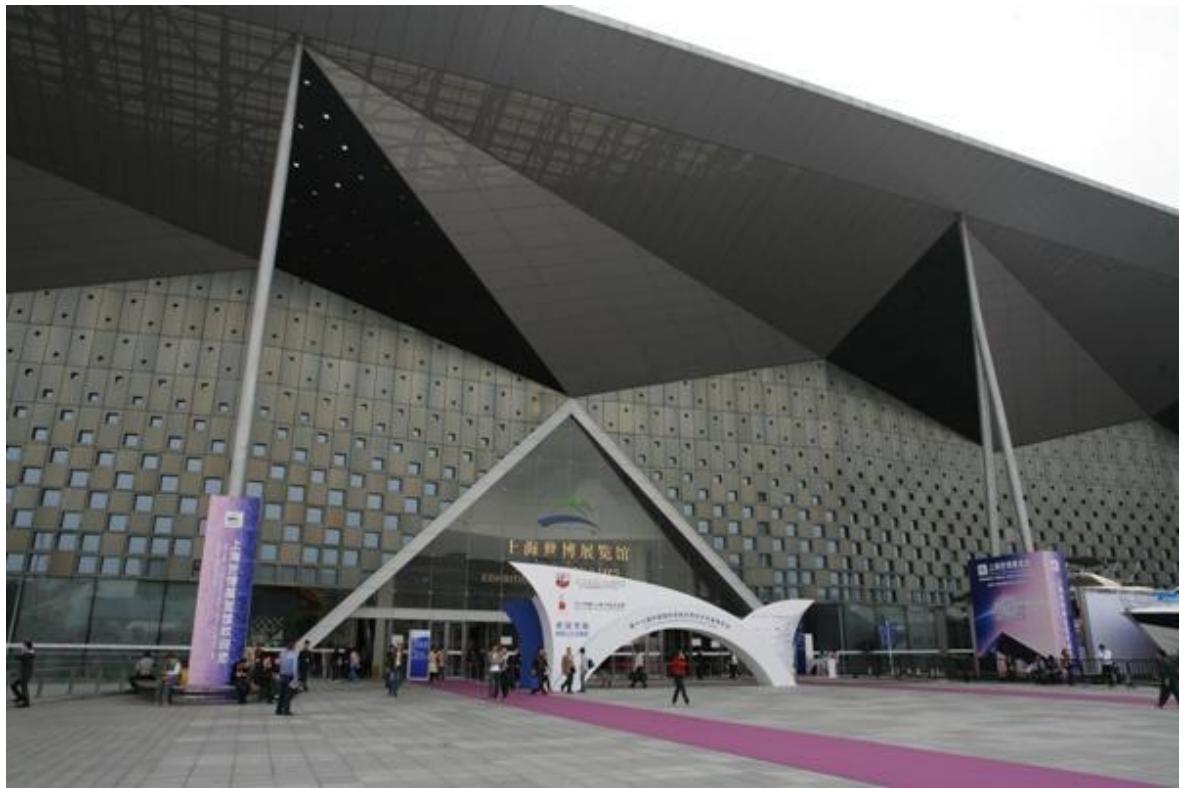


Figure 5 Shanghai Boat show 2013

2.4 Advantage

Holylight (HK) has two key advantages to success. They are the exclusive dealership of popular brands and the company location, respectively.

2.4.1 Exclusive distribution

Exclusive distribution is used in marketing to refer to a situation where only certain dealers are sanctioned to sell a specific product within a given region. This type of marketing strategy is mainly done by manufacturers of high-end and luxury products and it benefits them in that it gives them greater control over the way the product is merchandised and greater sales commitment on the part of the retailer.

It also benefits the retailers of the products as there is lack of competition from other businesses. A producer using exclusive distribution generally expects dealers to carry a complete inventory, send personal for sales and service training, participate in promotional programs and provide excellent customer service. (William M. Pride · O. C. Ferrell 2012, 443) In Holylight(HK), two of the best-selling brands is in form of exclusive distribution and they take up to 50% of the total sales. Besides that, Holylight (HK) is required to be responsible for the warranty and ensure of enough amount of the inventory.

2.4.2 Location

Holylight (HK) is located in Hong Kong and Holylight (HK) gains the benefits of both the excellent geographical location and the taxes policy of the city. Hong Kong is renowned for being a uniquely global business city, strategically located in the heart of Asia. With a population of almost 7 million, and a per capita GDP of US\$43,700 (CIA World Fact Book 2008), it is clear that Hong Kong's business environment is thriving. Hong Kong has a stable economy and a Chinese perspective, and consistently plays a key role for international entrepreneurs accessing the Chinese economy. Taking a look at key areas of consideration for international business entrepreneurs, demonstrates why Hong Kong is and will remain a popular and invaluable jurisdiction. As two thirds of the global middle class will soon be from Asia, entrepreneurs from all over the world are taking interest in the continent, and being in the heart of Asia, Hong Kong is often a first choice. Hong Kong is within four hours flight from all of Asia's key regional markets.

Strategically-located in close proximity to China, Hong Kong also plays a vital role in accessing the Chinese market. Indeed, Hong Kong has taken various measures to position itself as a gateway to China with developments like the Shenzhen-Hong Kong Innovation Circle that encourages Chinese enterprises to undertake scientific research in Hong Kong. More obviously, Hong Kong's location being one

hour's drive from the Pearl River Delta, the world's largest manufacturing region, gives Hong Kong access to the 450 million people consumer market in Southern China alone. In light of the fore stated business culture prevalent in Hong Kong

Hong Kong is ranked as the world's freest economy by the Heritage Organization's 2009 Index of Economic Freedom and is also the 12th least corrupt country in the world (Transparency International- Corruption Perceptions Index 2008). A Companies that incorporate in Hong Kong also benefit from its low and simple tax system. With corporate taxes limited to a maximum of 16.5% and income tax peaking at 15%, despite having few established double tax treaties, Hong Kong has the 3rd lowest tax misery in the world, as rated by Forbes' Tax Misery Index. Furthermore, in spite of Hong Kong's recent agreements to commit to OECD tax principles, their client confidentiality guidelines remain strong. Hong Kong people also benefit from having no sales tax, capital gains tax or dividends tax and ultimately, despite providing such significant tax benefits, Hong Kong is not perceived to be an international tax haven. (Advantages of Hong Kong, 4.6.2013)

3 RESEARCH METHODS

3.1 Methodology

The selection process for a research method is supposed to rely on three main criteria. One of the main criteria is the level of control the researcher has on the actual happenings and the behavior during the research process. The selection of the research method is also significantly influenced by the type of research questions which are defined for a study. The third factor or criteria influencing the selection of the research method is the question how much the research is supposed to focus on current or future events opposed to research which not only draws from past events, but also make a main subject out of them. (Yin 2003, 1)

The research methods used in this study are qualitative due to the objective of the Study. Since the information and data gathered in order to answer the research questions cannot be quantified (Ghauri & Gronhaug 2002, 90-91), the research was done as a case study and the most prominent data collection methods were by participant observation, live on the job action research as well as semi-structured interviews.

3.1.1 Case study

A case study is a form of empirical research which focuses on an existing phenomenon within its real-life environment, and further the boundaries between this phenomenon and its environment that are not plainly visible. It concentrates on the phenomenon under study, analyzing it in detail and not trying to (or not being able to) generalize from the results. The case study usually tries to answer the questions “how” and “why”. It has procedural characteristics which include various elements and features, for example, a high number of variables, numerous sources of evidence and theoretical propositions to guide the data collection and analysis procedure. (Yin 2003, 1-18; Thomas 2011, 3-4, 23)

Case studies have often been criticized for many reasons and their validity has been questioned. It has been argued that the case studies are arbitrary and subjective, rely too much on practical knowledge and cannot contribute to scientific development. However, a case study is as scientific as any other form of study as long as it is executed properly and the methods and research questions are valid. Also, it should be remembered that a case study is not a method in itself as such but more a focus on a certain topic which is studied using certain methods. (Flyvbjerg 2006, Thomas 2011 7-9).

Case study used in this thesis because it is the most direct and effective way to analyze the case company. It can bring out the issues and advantage of the company easily by the researching methods like interview and on job observation. In the following paragraphs more detail about the researching method for this case study will be explained.

3.2 Data Collecting

One of the mostly used data collection method for qualitative and case studies is an interview which was also the most important data collection method in this study. (Ghauri & Gronhaug 2002, 171-173)



Figure 6 Researching Timeline

4 RESEARCH ANALYSIS

4.1 SWOT analyses

SWOT-analysis can be used as a support tool for competitor analysis, as well as any analysis conducted about companies' internal or external environments. SWOT-analysis gives a good overall picture of the company's internal situation, but it also takes into consideration the competitive environment. SWOT stands for strengths, weaknesses, opportunities and threats, of which strengths and weaknesses refer to the internal analysis of the company and opportunities and threats analyze only the external environment. The idea of the analysis is to identify the weaknesses and minimize the risk of them and also to optimize the strengths of the company. (Lynch 2000, 562)

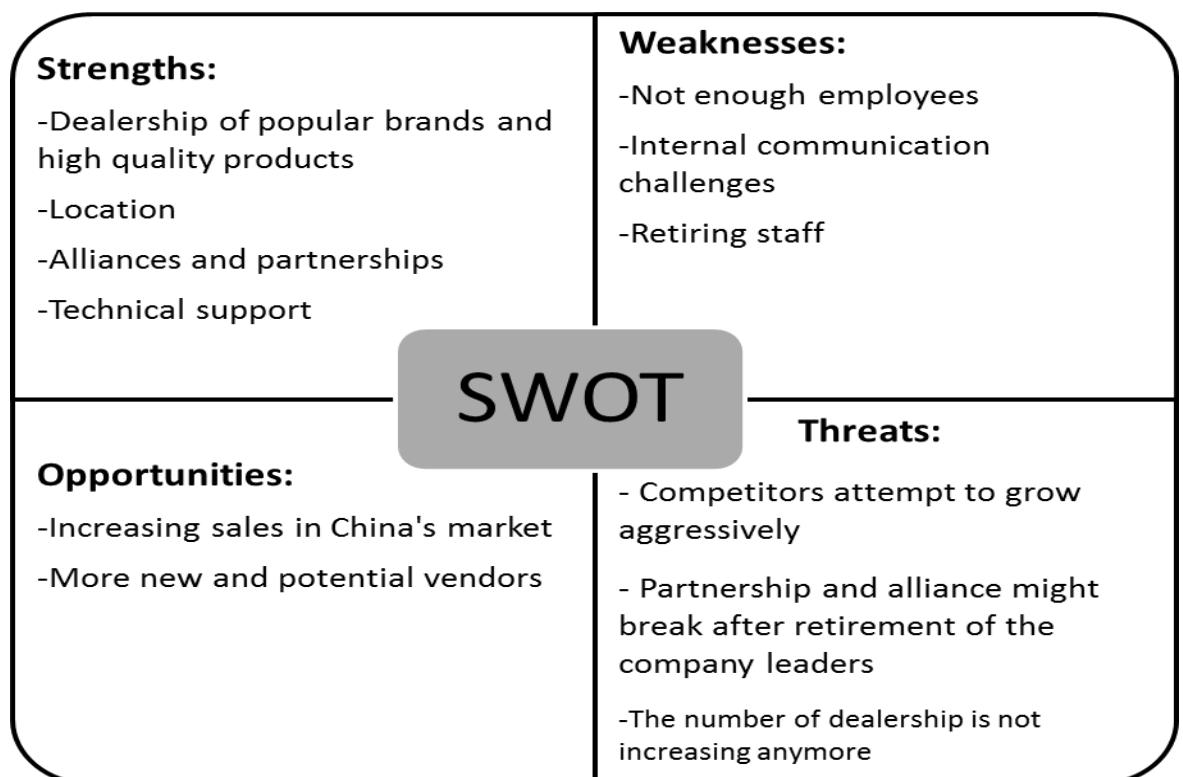


Figure 7 SWOT analyses of Holylight (HK)

4.2 Advices and recommendation

According the Figure 3 SWOT analysis of Holylight(HK), Holylight(HK) is still a strong and potencialed company but it is facing the changes of the market and their sales strategies have become prudent. In this research, I noticed that Holylight(HK) has a decrease in the number of new suppliers or vendors. The reason could be the lack of manpower as Holylight(HK) has only two persons working there and it may not be enough for further development. In this case, to bring up a new generation is needed in this company. When Holylight(HK) is ready for develop more, they can use the strengths of the company to gain more dealerships in a more diverse spectrum of products. It is because Holylight(HK) is located in Hong Kong and have the benefit on policy. Hong Kong has a robust legal system, a leading capital market and financial center. The proximity to China and and a logistic center with efficient transportation. Beside that , Hong kong has the lowest among of taxes in the world. The actual tax bill is often even less after various deductions and depreciation allowances. Alliances and partnerships ensured they have stable supplies and sales channels. Those can increase the bargaining power either in looking for potential suppliers and customers.

In the whole study, the biggest threat I find is the part of alliances and partnership. As chapter 2.2 mentioned, Holylight(Shenzhen) is the biggest customer and sales partner with Holylight(HK). If Holylight(Shenzhen) break the alliance, Holylight(HK) will lose most of the sales and it will become the biggest competitor in China. The alliance is built by the relationship of the CEOs in these two company, when the CEO of Holylight(HK) retired and it might have chance that Holylight(Shenzhen) will cancel the alliance because of the profit. In the another hand, Holylight(HK) can also start to set up a sales point themselfe in China and of course it is base on the manpower and the financial condition. Nevertheless, setting up a sales point can guarantee the sales but it mean they have to cancel the partnership with Holylight(Shenzhen). International trading became easier nowaday in China market because of the policy of trading became opener. Holylight(Shenzhen) can

somewhat look for the supplier themselves which mean Holylight(HK) is replacetable for them.

Blue Oceans strategy may apply in Holylight(HK). “**Blue oceans**”, in contrast, denote all the industries not in existence today – the unknown market space, untainted by competition. In blue oceans, demand is created rather than fought over. There is ample opportunity for growth that is both profitable and rapid. In blue oceans, competition is irrelevant because the rules of the game are waiting to be set. Blue ocean is an analogy to describe the wider, deeper potential of market space that is not yet explored.(Kim, W. Chan; M.R 2005) Entering a new market is sustainable plan for Holylight(HK). Recreational road vehicle is new trend in China. A recreational vehicle normally includes kitchen, bathroom, and sleeping facilities and those equipment used in recreational vehicle are similar to or the same as those in the marine industry. According to an informal interview with an experienced trader in the marine industry in USA, this is a potential plan for Holylight (HK). The marine parts and equipment can mostly apply in Recreational road vehicle manufacturing. In this case, Holylight (HK) can get the advantage to get in this Recreational road vehicle market by the dealership of suppliers and experience. The number of sales is continuously increasing in last five year and the manufacturers of recreational vehicle started to set up the factories in China. Holylight(HK) should change, improve and develop.

5 CONCLUSION

Holylight (HK) is a potential company. After the research and analysis, I believe that there are a lot of possible developments. In the external environment, the Marine business is blooming in Holylight (HK)'s major market – China. Being Located in Hong Kong confers Holylight (HK) to get the advantage in the international trades because of the clear and simple export and import policies. Moreover, as a logistic center with efficient transportation, exporting and importing can be swift and flexible especially to or from China. The market demands high quality products and this is exactly what Holylight (HK) is providing. Holylight (HK) has stable supplies from their alliance suppliers and a steady sales channel by Holylight (Shenzhen). Holylight (HK) position itself as a high quality, trustable and luxury brand in marine industry with the dealerships from the suppliers. The exclusive dealerships bring the most profit and market share to Holylight (HK). To be the exclusive distributor, it is required to be responsible for the warranty and Holylight (HK) has the professional support for that.

Holylight (HK) will face different kinds of challenges in the near future like out of successor. Holylight (HK) should bring up successors as soon as possible. In marine industry, practical experience and professional knowledge are highly required. It will take time to learn and experience by working in this industry. Also, the trend of marine equipment is changing rapidly in a short period of time and the vision to product selection is also a key factor. Same as every other businesses, the successor should start building up relationships with business partners and alliances.

The limitation of Holylight (HK) is not enough manpower. Even they have the capacity and opportunities, there are still not enough staff to handle the development. Holylight (HK) should consider to recruit new employees or bring up new family members to be the successors. After all, there are possibilities to take the recommendations in practice.

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APPENDIX 1

Memo of the first interview with CEO of Holylight(HK)

Date: 11 December 2011

Interviewee: C O HA (CEO of holylight (HK))

Topic: Case study for Holylight (HK)

Aim: Analysis the case company condition, analysis it and use in practice

Target fields to research:

- Marketing strategies
- Alliances and partnership in international trading
- The company type of family business advantages in international trading

Estimate result:

Find out the threats and opportunities by the case study research to provide advises to Holylight (HK). According to this, Holylight (HK) can use the information as reference.

APPENDIX 2

Sets of interview questions for Holylight(HK)

Date: 23 July 2012

Interviewee: C O HA, CEO of holylight (HK)

- When did you found your company?
- How was the beginning of the business look like?
- Any partner in the beginning?
- What made the company change in 1994?
- Why the main market changed to China?
- Partnership and alliances
- Where and how to get the dealership
- What are your company's position and the view of future?
- What is the percentage of profit of China Hong Kong nowadays?
- The logistic?