

LEVEL 7 ASSESSMENT SPECIFICATION

Student name:		Student ID number:	
Programme:	MBA		
Module:	Leading and Managing Projects		
Module code:	HKBM7010	Contribution to Overall Module Assessment (%):	20%
Lecturer:	Dr. Joe Leung	Internal Verifier:	Dr. Poon Che Cheong
Assignment Title:	Assignment 1 • Project Initiation Document (PID)	Word count (or equivalent):	• 1,000 words (PID)
Submission deadline:	• 15 March 2021	Return date of provisional marks & written feedback:	• 6 April 2021
Submission method:	All written assessments, where practical and possible, must be submitted via Turnitin unless otherwise instructed by the Lecturer. (Please DO NOT put this assessment specification into Turnitin or it will match many similarities with other students' submissions.) Alternative submission method (if applicable): Late submission of the assessment will result in a late penalty mark. Penalties for late submission: Up to one week late, maximum mark of 50%. Over one week late, 0%. Only the Extenuating Circumstances Panel may approve a change to submission dates.		
Academic honesty / referencing:	Academic honesty is required. In the main body of your submission you must give credit to authors on whose research and ideas your work is based. Append to your submission a reference list that indicates the books, articles, etc. that you have used, cited or quoted in order to complete this assessment.		

Project Initiation Document on Ajisen Ramen

By Lai Wing Yi Adda (Student ID:2019399)

**HKBM 7010 Leading and Managing Projects
Lecturer: Dr. Joe Leung
University of Wales Trinity Saint David**

Table of Contents

	Page
1 Background of Ajisen Ramen	1
2 Project idea	1
3 Aim of project	1
4 Objectives of project	2
5. Project deliverables	2-4
6. Project Scope	4
7. Information sources	4
8. Research method	4
9. Work plan	4
References	5-6

1. Background of Ajisen Ramen

Ajisen Ramen is a fast food restaurants selling Japanese ramen soup noodles, a Japan-based chain founded by Takaharu Shigemitsu. Besides Japan, Ajisen Ramen has outlets globally including China, Hong Kong, Malaysia, South Korea, the United States, Italy and etc, 800 stores globally. Ajisen Ramen emphasized a special ingredients in Ajisen Ramen's soup which helps to avoid ageing.

The first outlet in Hong Kong was set up by CEO Ms. Poon Wai who acquired the license of Ajisen Ramen in 1996. Ms. Poon has made significant headway to Chinese market since its inception. Currently there are 590 Ajisen restaurant in the China region as of August 2011. The company was listed on the Hong Kong Stock Exchange in 2007, stock code 0538 HK.

2. Project idea

This report focuses on identifying the problem on Ajisen Ramen in Hong Kong. The biggest challenge that Ajisen Ramen is facing is derated brand popularity in Hong Kong. With the rise of competitors, low market share and wrongly positioning the business lead to a sharp decline of revenue in the past 4 years. This is a call to check the health of Ajisen Ramen to respond these challenges. Effective business strategies is a key to business success.

3. Aim of project

Provide solutions to increase the popularity of Ajisen Ramen and sustain the business in Hong Kong

4. Objectives of project

- To increase the popularity of Ajisen Ramen in Hong Kong
- To increase the sales growth of Ajisen Ramen Hong Kong
- To evaluate the growth of business in Hong Kong

5. Project deliverables

5.1 Increase the popularity of Ajisen Ramen in Hong Kong

Ajisen Ramen has been set up in Hong Kong for 25 years, it was very popular Ramen restaurant. However with the rise of competitors, Ajisen Ramen is being neglected. The menu and company structure haven't changed much in the past two decades. Therefor when thinking of Ramen in Hong Kong, usually Ajisen is not the first choice. Ajisen Ramen is a fast food restaurant and the price is affordable to every income group of people, the management can think of creative ideas to rebrand Ajisen Ramen.

For example, inviting celebrities and famous YouTuber to promote their restaurant in order to draw the public's attention. Besides, the company can apply marketing crossover strategy to combine Ajisen Ramen with other brands or products. According to research report on "Crossover" Marketing Strategy (Ji. X and Shen H, 2013), cooperation in different brands or fields, both companies can leverage the reputation and brand image of each other. Speed up the set up of new consumer groups, sharing partner brand's reputation as a foundation to develop its own brand.

5.2 Increase sales growth of Ajisen Ramen in Hong Kong

Based on the annual report of Ajisen Ramen Hong Kong, the restaurant sales growth has been negative since 2016, especially during the COVID-19 period Jan to June 2020 sales growth dropped -24% and previous year Jan to Dec 2019 sales growth dropped -27.9%. According to an article in SINA finance, the failure of Ajisen Ramen because of bone soup scandal in 2011. Customers lost confidence because they use bone concentrate to make noodle soup instead the freshly made bone soup which they emphasized. Also the boring food menu which hasn't been updated for a long time. The quality of food is extremely important for a restaurant.

Soup is the spirit of Ramen, Ajisen Ramen can consider soup flavour innovation. Create special flavour soup with chewy and dedicated noodles. Besides Ajisen Ramen can set up flag store to implement Japanese popular appetizer like skewers, Okonomiyaki (savory pancake), tempura and etc. This can act as a gimmick to attract more people.

5.3 Evaluate the sustainability of Ajisen Ramen in Hong Kong

Due to the impact of COVID-19, The value of total receipts of restaurant sector in 4th quarter of 2020 provisionally decreased by 25.1% over a year earlier. Ajisen Ramen Group's turnover decreased approximately 43.5% in the first half of 2020 for the corresponding period in 2019. As of 30 June 2020, 5 stores were closed compared with the same period in the previous year. With Hong Kong government's restriction on dining in restaurant, it is a hard time for restaurant to survive especially Ramen restaurants are very competitive. Ajisen Ramen is time to re-position itself, redefine the target customer to gain market share. Also put more effort on research and

development department. Not only focus on dine in menu, they can prepare tailored made takeaway menu for customers. Partnered with famous restaurant search engine like Open-Rice and CHOPE to promote Ajisen Ramen would be an advantages.

6. Project Scope

This report focus on Ajisen Ramen operational business in Hong Kong, in terms of their revenue sales in the last 4 years, company structure and background.

7. Information sources

Mainly from research report, news, company's published information and digital media.

8. Research method

Secondary data from company annual report in the past 4 years 2016 to 2020, government statistic data. SWOT and PASTEL analysis will be used to evaluate Ajisen Ramen

9. Work plan

A gantt chart will be used to illustrate the project schedule

Ajisen Ramen Project Overview						
	Week 1-2	Week 3-4	Week 5-6	Week 7-8	Week 9-10	
New Product ideas						Business /Marketing
Strategy Generation						Marketing / Development
Concept Implementation						Marketing
Business Analysis						Business /Marketing
Product Development						Business /Marketing
Market evaluation						Marketing
Advertising and promotion						Marketing / Business

References

Ajisen (China) Holdings Limited. (2016) Annual Report 2016. Hong Kong: HeterMedia Services Limited

Ajisen (China) Holdings Limited. (2017) Annual Report 2017. Hong Kong: HeterMedia Services Limited

Ajisen (China) Holdings Limited. (2018) Annual Report 2018. Hong Kong: HeterMedia Services Limited

Ajisen (China) Holdings Limited. (2019) Annual Report 2018. Hong Kong: HeterMedia Services Limited

Ajisen (China) Holdings Limited. (2020) Interim Report 2010. Hong Kong: HeterMedia Services Limited

China Retail News (2016) *Ajisen Reports 11.1% operating revenue drop in China*. Available at: <https://www.chinaretailnews.com/2016/08/29/8645-ajisen-reports-11-1-operating-revenue-drop-in-china/> (Accessed: 8 March 2021).

Chiu, S. and Yin, K. (2015) *Ajisen FY14 results in line; long-term restructuring continues*. Hong Kong: Credit Suisse Research.

Hong Kong Ajisen Co., Ltd (2014) *Company Background*. Available at: <http://www.ajisen.com.hk/company-background/> (Accessed on 8 March 2021) old.syntao.com/News/CSRNews_Show_EN.asp?ID=14250

Ji, X.F. and Shen, H. (2013) *The Research of “Crossover” Market Strategy*. China: Zhejiang Sci-Tech University

SINA Finance (2021) *Ajisen Ramen, the reason for the loss of RMB 100mio: The side effect of “bone soup” plus investment failure*. Available at: <https://finance.sina.com.cn/stock/s/2021-02-06/doc-ikftpny5411169.shtml> (Accessed on 9 March 2021).

SynTao Sustainability Solutions (2011) *Ajisen Apologizes for Soup Scandal*. Available at: http://old.syntao.com/News/CSRNews_Show_EN.asp?ID=14250 (Accessed on 8 March 2021).

The Government of the Hong Kong Special Administrative Region (2021) *Provisional Statistics of restaurant receipts and purchase for fourth quarter of 2020 and for whole year of 2020*. Available at: <https://www.info.gov.hk/gia/general/202102/04/P2021020400310.htm#:~:text=The%20value%20of%20total%20receipts,by%2024.5%25%20to%20%246.3%20billion.> (Accessed: 9 March 2021).

The Wall Street Journal (2020) *Noodle Affair Simmers*. Available at: <https://www.wsj.com/articles/SB10001424053111904253204576510232164041122> (Accessed: 8 March 2021).

Wikipedia (2021) *Ajisen Ramen*. Available at: https://www.wikizero.com/en/Ajisen_Ramen (Accessed: 9 March 2021).

Yicai (2021) *Will the Hong Kong restaurant industry has similar result to Hong Kong movie industry?* Available at: <https://www.yicai.com/news/100951600.html> (Accessed on 8 March 2021).