

master franchise dossier



 **ALOHA**<sup>®</sup>  
MENTAL ARITHMETIC

**MASTER FRANCHISE  
DOSSIER**



# ALOHA mental arithmetic

## Who We Are

ALOHA, acronym for Abacus Learning of Higher Arithmetic, is a mental development programme which enhances the brain development of students through the use and visualization of the abacus.

## Target

ALOHA Mental Arithmetic is directed to children aged between 5 and 13, since in this period the plasticity of the brain and, therefore, the learning capacity, are greater.

## ALOHA Mental Arithmetic Classes

The programme is taught as an extracurricular activity in public, private and concerted schools. In addition, there are ALOHA Centers in which the main activity is learning with abacus. At the same time, there are agreements to teach the programme in centers which develop sport, cultural and artistic activities with children.

## Structure

ALOHA Mental Arithmetic is divided into two independent cycles which children perform depending on the age they start the programme.

Both cycles offer the same formative content, the only difference being the adaptation of the pedagogical material to the student's age. At the end of any of the cycles, children will have developed the same abilities.



Children from 5 - 7



Children from 8 - 13



## Our History

ALOHA Mental Arithmetic uses the abacus as the base of its teaching programme; specifically, the Japanese or Soroban abacus, a millennial calculation tool whose usage is still widely spread over countries such as China, India and Japan.

In 1993, Mr. Loh Mun Sung decided to create a programme which, based on the use of the abacus, would go beyond and would enhance the coordination and development of both cerebral hemispheres. That is how ALOHA Mental Arithmetic was born, and is now taught in more than twenty countries.

*There are no secrets for success. It's the result of preparation, hard work and learning from mistakes.*

*Colin Powell*

# scientific base

Many scientific studies have shown that we only use 2-3% of our brain potential and that, normally, we only use the left hemisphere of the brain in our daily activity.

At the same time, ALOHA Mental Arithmetic has performed studies which confirm the difference in the development of cognitive ability among children who are learning mental arithmetic with abacus and those who are not. ALOHA Mental Arithmetic students simultaneously exercise both brain hemispheres (left and right) developing, in this way, the mental potential.

## How Does Our Brain Work?

The brain is divided into two hemispheres. Each half controls one side of the body, and has specific roles:

### The left hemisphere

coordinates the right side of our bodies, and in it reside verbal abilities (oral expression and linguistic comprehension), as well as the ability to analyze, make logical reasoning and abstractions, the ability to solve numeric problems, of learning theoretical information, of making deductions...

### The right hemisphere

coordinates the movement of the left side of our body, and in it are located the perception or space orientation, the emotional conduct, the faculty to control the non-verbal aspects of communication, the intuition...

## Programme Benefits

The main benefits from the participation in the programme are:

- Greater speed and precision performing arithmetic operations.
- Increase of the concentration and attention capacity.
- Increase of creativity and visualization capacity.
- Increase of the listening and observation capacity.
- Enhancement of photographic memory and space orientation.
- Reinforcement of self-confidence.
- Acquisition of analytic abilities.

In short, ALOHA Mental Arithmetic has been designed not only to improve children's arithmetic knowledge and the calculation speed with abacus, but also to develop the cognitive abilities and instill a positive attitude in the child.

*Any man can, if he desires, turn himself into the sculptor of his own brain.*

*Santiago Ramón y Cajal*



# a successful programme

**ALOHA Mental Arithmetic is a prestigious brand worldwide associated with an interactive system of education which potentiates the mental development of children. The programme has the support of millions of parents who have trusted ALOHA Mental Arithmetic to enhance their children's cognitive capabilities.**

Currently, ALOHA Mental Arithmetic has international presence in more than twenty countries of the five continents.

The Master Franchisees are part of a leader network in education, whose international expansion has been extraordinary in the past years due to the achievement of benefits in two areas:

- Satisfaction when contributing to the intellectual development of children population of a country.
- The economic viability of an easily marketable business model at franchise level due to the low investment needed to start the activity.

With ALOHA Mental Arithmetic, the Master Franchisees can easily market franchised units since, generically, these are benefited from a business model with:

- Great flexibility.
- Limited competence.
- Short term benefits.
- Limited risks.
- Stable and inelastic demand.
- Growing area.
- High proportion of variable expenses.



*If you want to improve the intelligence-gathering mechanism and analysis, then you have to internationalize the effort.*

**Bill Nelson**



# our commitment

The ALOHA Mental Arithmetic Central provides all its Master Franchisees with:

- **A success programme:** the ALOHA Mental Arithmetic brand, its teaching model, the educational activities, the pedagogical material being used... are at the Master Franchisee disposition to guarantee the success of the programme in the designated territory.
- **Training for the teaching of the programme:** one person from the central will exclusively train the instructor designated by the Master Franchisee. This will be the only person responsible for the preparation of the coordinator of each franchised unit who, at the same time, will be in charge of training the teachers.
- **Merchandising support:** the central places all the available commercial material and the manuals for a successful implementation of the business into the Master Franchisee's disposition.
- **Provision of materials:** the Master Franchisee receives both printed and digital copies of the educational material to be employed as well as the supporting pedagogical material.

*The secret of business is knowing something that nobody knows.*

*Aristotle Onassis*





# associate

The Master Franchisees are physical persons, groups or companies which acquire the right to exclusively market the brand in a territory. The Master Franchisee takes part of the ALOHA Mental Arithmetic group and receives information, supervision and continuous support from the central for the expansion of its business.

## a. Commitment

As a member of the Master Franchisee team, applicants must have the motivation to assume challenges and fulfill three fundamental functions:

**Business development:** market and sell franchised units in the zone of exclusivity to generate benefits through multiple channels.

**Brand promotion:** enhance the brand and the programme in the market.

**Regional leader:** act as a link in the region for the ALOHA Mental Arithmetic central in Europe, and also offer training and support for the franchised units in the territory.

## b. Investment

To acquire the ALOHA Mental Arithmetic Master Franchise, the applicant must have sufficient resources to cover expenses relative to:

- **Payment of the entrance fee:** The fee amount varies according to the requested country of exclusivity and ranges from 30,000€ to 80,000€.
- **Business start up:** The total of this amount is variable and depends on the level of involvement of the entrepreneurs and their already available resources. As an example, we can point out:
  - Rental of premises.
  - Decoration and furniture.
  - Equipment and educational material.
  - Personnel for Marketing, Management, Commercial, etc.



*It takes more than capital to swing business. You've got to have the A.I.D. degree - Advertising, Initiative and Dynamics.*

*Isaac Asimov*

## c. Structure

The Master Franchisee does not need to have a wide organizational structure to develop its business. However, there are certain functions which must be taken into account when configuring the organization:

- **Executive Director:** it can be the Master Franchisee itself or an employee.
- **Franchise Expansion Director:** having a Sales Director can contribute to increasing the business growth quickly. What's more, this person can speed up the reception and selection of applications.
- **Marketing Director:** starting up promotion and communication tools is vital for the business growth.
- **Franchised Support Service:** as the franchised network grows, qualified equipment is needed for operational and training support.
- **Management:** depending on the volume of management tasks, the Master Franchisee might consider necessary the creation of a specific department.
- **Quality Manager:** it is important to guarantee that the programme is being taught in the same way in all the franchises, and that they comply with the European quality standards.

# selection process

1

## Expression of Interest

The interested applicant must fill out an Expression of Interest Form in which resources, motivation and skills for the acquisition of the Master Franchisee will be specified. After completion of our online form, the applicant undergoes an exhaustive selection process.

2

## First Interview

After the expression of interest analysis has been performed, the adequate applicants will be contacted by ALOHA Europe to schedule a videoconference. This is an opportunity for all potential applicants to gather more information about the ALOHA Mental Arithmetic business.

3

## Business Plan

Once the confidentiality agreement has been received, the European Development Department will send a package to the applicant with the necessary information to develop a Business Plan, in which the economic viability of the area of interest must be shown.

4

## Orientation

The Business Plan will be analyzed and the data will be compared with the available information. The selected applicants will be contacted and will have the opportunity to visit the central in Europe for an interview with the ALOHA Mental Arithmetic management.

5

## Franchise Process

Once the application has the final approval, the Master Franchisee paperwork is initiated. This paperwork comprises the confirmation of capital availability, the agreement on the territory of exclusivity and the agreement disclosure.

7

## Technical Training

ALOHA Mental Arithmetic offers a complete technical training in which the applicants learn all the abilities to develop the business in its area of exclusivity.

6

## Signature

The applicant and ALOHA Europe will agree on a date for the signature, economic transaction and the exchange of information needed to become an ALOHA Mental Arithmetic Master Franchisee.





# applicant's profile

Being the owner of a Master Franchise means that an entrepreneur has the exclusive rights to operate in a limited geographical zone. Generically, a Master Franchisee is:

- **A meticulous professional:** the applicant must have the abilities for management of personnel and have experience in the business world.
- **Safe and centered:** the applicants must have a strong belief in their ability to grow and prosper with ALOHA Mental Arithmetic. The ability to communicate naturally and transfer trust to others is the key for the business growth.

- **Good Communicator:** the Master Franchisee's daily activity will imply competing with other brands, answering questions from potential franchisees and selecting the more adequate applicants.
- **Tireless Student:** the applicants must commit themselves to perform actions of continuous training with ALOHA Mental Arithmetic. The Master Franchisees must not only be trained in the programme, but they will have to support, guide and train the new franchisees in their territory.
- **Financial Stability:** ALOHA Europe looks for Master Franchisees who will compromise to operate and make the business grow substantially. The central will check if all the applicants have the financial stability needed to perform a minimum investment of 90,000€ in some countries (depending on the country analysis performed by our team).

The underlying requirement for all the Master Franchisees is the boost, passion, determination and focus on the success of an entrepreneur.



*To prosper you need to believe  
in yourself... be convinced  
of your ideas and have the  
confidence to put them into  
practice.*

*Adlin Sinclair*

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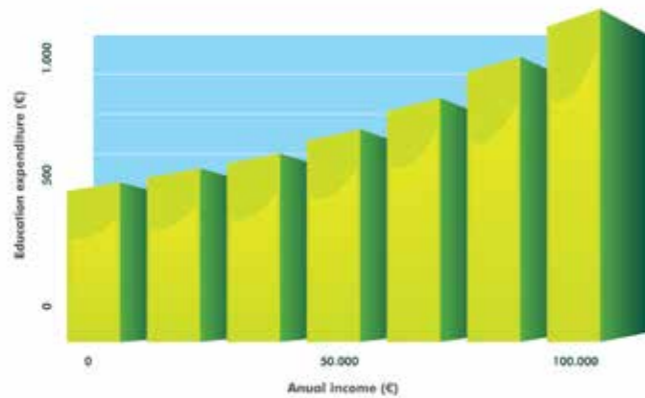
# educational area

ALOHA Mental Arithmetic develops its activity within the educational area; specifically, the extracurricular education subsector.

The last studies indicate that the people service area gathers the greater growth in expenses for the past years. Specifically, service to children and youth shows the best progression indexes due to, on one hand, the growth of this consumption group and, on the other hand, the increasingly global importance given to education.

## a. A growing market

The potential Master Franchisees must have a special consideration for the benefits of operating in an area of inelastic demand, in which the current economic landscape does not only maintain its position, but it experiences a sustained growth.



## b. Advantages of the educational industry

Currently, families from all around the world are giving great importance to the mental development of their children. This fact is exemplified by a greater implication in education and training for children, as well as by a better selection of the extracurricular activities in which the child spends his leisure time.

In this sense, many studies show that one of the few activities in which families maintain their expense levels are the ones related to children education and leisure. It is, clearly, a widely beneficial tendency for ALOHA Mental Arithmetic, since European families are reluctant to save money reducing the investment in children activities and prefer to reduce expenses in other activities.



## c. Programme flexibility

ALOHA Mental Arithmetic is a programme for mental development of children, conceived to be taught as an extracurricular activity. However, there are private educational centers where the activity has been requested to be part of the official training curricula.

On this basis, the way to get to the target public and generate benefits is diverse and obeys, mainly, to the introduction and marketing success of ALOHA Mental Arithmetic in the territory of exclusivity.

This flexibility of the programme supposes clear advantages when reaching the target public as well as in the manner and sources of economic benefit generation.

*I never teach my students, I only try to give them the tools for them to learn.*

*Albert Einstein*

# interest markets

In ALOHA Mental Arithmetic, we are working on expanding the programme to new countries.

If you are interested in taking part of the ALOHA Mental Arithmetic network, contact us and we will call you as soon as possible.

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[www.aloha-europe.com](http://www.aloha-europe.com)