

SET UP YOUR BUSINESS IN ASEAN

*A Practical Guide of Strategic Models
for Your Market Entry Success*



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General Introduction

This publication is one of Source of Asia's products, designed to provide business leaders with a structured reference for evaluating market entry strategies in Vietnam and ASEAN. Drawing on in-house expert interviews and consolidated research, it distills our practical experience into clear, evidence-based insights. The objective is to equip decision-makers with the knowledge to compare Employer of Record (EOR) and Legal Entity Setup models, while demonstrating how Source of Asia's proven solutions support sustainable, compliant, and efficient international expansion.



Entering a new market like Vietnam is an exciting opportunity, but it also comes with important decisions. One of the first choices you'll face is whether to start by working with an Employer of Record (EOR) or to establish your own local entity. This decision will shape how quickly you can begin operations, the level of compliance and risk you'll need to manage, and how you build the foundation for sustainable growth.

This guide is designed to help you make that choice with confidence. It distills **Source of Asia's** practical experience in supporting market entry across Southeast Asia into a clear, actionable resource that you can use to evaluate your readiness, select the right model, and execute your strategy efficiently.



What you will find inside

A clear breakdown of the EOR and Legal Entity Setup models, including mechanics, benefits, limitations, and best-fit scenarios.

Comparative insights on timelines, costs, compliance requirements, and operational control.

A decision framework to assess which model fits your business goals in Vietnam and across ASEAN.

By the end of this guide, you will have a practical roadmap to choose the most suitable entry model for your business and the confidence to move forward quickly and strategically in Vietnam's dynamic market.

Who should read this

This publication is for business leaders and decision-makers responsible for **international expansion**.

- CEOs, COOs, HR Directors, and CFOs evaluating Southeast Asia as a growth market.
- Strategy and market development teams assessing entry models and compliance requirements.
- Advisors and consultants supporting clients with global mobility, HR compliance, and market entry.

Whether you are taking your first step into Vietnam or scaling across multiple ASEAN markets, this guide will help you choose a suitable entry model that delivers speed, compliance, and long-term advantage for your business.

Understanding the Two Models

When entering ASEAN markets, businesses typically weigh

TWO OPTIONS:

- 1 *Partnering with an Employer of Record (EOR) – enabling rapid, compliant hiring through a third party.*
- 2 *Establishing a Local Legal Entity – incorporating your own subsidiary for full autonomy and long-term presence.*

At first glance, the difference seems simple – speed versus control. In practice, the choice is more nuanced, shaped by factors such as growth strategy, compliance appetite, financial commitments, and workforce needs.

Besides, we break down the mechanics, key services, key benefits, along with the conditions under which they deliver maximum value.

Model 1

Employer of Record (EOR)

Employer of Record (EOR) refers to a third-party organization that formally becomes the legal employer of a company's workforce on its behalf. The EOR assumes responsibility for legal and administrative employment tasks such as payroll, tax withholding, benefits administration, and compliance with local labor laws. Meanwhile, the client company retains control over the employees' day-to-day work and operations.

Key Services

Payroll processing

Salary payments, tax withholdings, and statutory contributions.

Tax filing and compliance

Employment-related tax reporting to meet local regulations.

Benefits administration

Health insurance, paid leave, retirement plans, and other statutory or voluntary benefits.

Employment contract management

Drafting and maintaining contracts that comply with local laws.

Legal and regulatory compliance

Adherence to labor laws, wage regulations, and worker protection.

HR and administrative support

Onboarding, employee records, and day-to-day HR assistance.

Risk mitigation in global hiring

Enables compliant employment without setting up a local entity.

Key Benefits

Faster market entry

Setting up a legal entity in a new country can take months and involve significant administrative complexity. An EOR arrangement allows businesses to start hiring and operating in a matter of days, giving them the agility to respond to market opportunities without unnecessary delays.

Reduced compliance risks

Labor laws and tax regulations vary widely between countries and can change frequently. An EOR assumes responsibility for adhering to these rules, helping businesses avoid costly missteps and ensuring employment contracts, payroll, and benefits meet local requirements.

Key Benefits

Operational efficiency

Managing payroll, benefits, and employee documentation across borders is resource intensive. By outsourcing these functions to an EOR, companies can reduce their administrative workload and allow internal teams to focus on strategic initiatives that drive growth.

Lower upfront costs

Establishing a foreign subsidiary can require considerable investment in legal, accounting, and ongoing operational costs. For many organizations, working with an EOR offers a more cost-effective approach to entering a market, particularly when testing its potential or hiring a small number of employees.

Access to global talent

An EOR opens the door to hiring skilled professionals anywhere in the world. This flexibility allows businesses to recruit based on skills and cultural fit rather than location, creating stronger and more diverse teams.

WHEN AN EOR IS THE IDEAL CHOICE FOR STRATEGIC MARKET ENTRY

Through our work with companies at different stages of international growth, we've observed that the Employer of Record (EOR) model can be a particularly effective tool in specific scenarios. While it is not a one-size-fits-all solution, there are three common situations where it offers clear advantages:

Pilot operations

Testing a product, building initial client relationships, or exploring supply chains before committing capital.

Early-stage expansion

Small teams, limited resources, need for focus.

Low headcount

Country manager, sales rep, or technical specialist where entity setup would be disproportionate.

Model 2

Legal Entity Setup

Legal Entity Setup refers to the process of formally establishing a business or organization as a distinct legal entity through registration or incorporation under applicable laws. This process grants the organization's rights and responsibilities under the law, such as the ability to enter contracts, hold assets, incur liabilities, conduct business, and be held legally accountable in its own name.

Common entity types

Sole proprietorship

Owned by one individual; simple to set up but no separation of personal and business liabilities.

Partnership

Shared ownership between two or more individuals with defined roles and profit-sharing agreements.

Limited Liability Company (LLC)

Combines flexible management with liability protection for owners.

Corporation

A fully separate legal structure that can issue shares and attract investment.

Key Benefits

Full operational control

Allows a business to operate independently in the local market, with full authority over employment terms, operational decisions, and internal processes. This autonomy enables leadership to implement company-wide policies and systems without the constraints that may come with third-party arrangements.

Strong local market positioning

Having a locally registered business often strengthens credibility with customers, partners, and government agencies. It signals a commitment to the market, which can be an important factor when competing for contracts, negotiating partnerships, or hiring senior talent who value stability.

Flexibility in workforce management

A legal entity gives businesses complete flexibility in hiring, from permanent staff to short-term contractors, and the ability to design compensation and benefits packages without relying on an intermediary. This is particularly valuable when building large teams or tailoring employment terms to specific operational needs.

Long-term cost efficiency

While the initial setup and compliance costs can be higher, maintaining a legal entity can be more cost-effective over time, especially for organizations with significant headcount or high transaction volumes in the market. The ability to consolidate operations and avoid ongoing third-party service fees often offsets the upfront investment.

Key steps in setting up a legal entity

- **Business registration:** Includes selecting and registering the business name, preparing and filing incorporation or organization documents, and appointing a registered agent where required.
- **Licensing and tax registration:** Covers obtaining necessary business licenses and permits, as well as registering for tax identification numbers to ensure compliance with local regulations.
- **Banking and financial setup:** Involves opening corporate bank accounts and establishing the financial infrastructure needed for operations.
- **Governance and compliance framework:** Establishes bylaws, shareholder or operating agreements, and sets up processes for meeting ongoing compliance obligations such as annual filings and renewals.

WHEN A LEGAL ENTITY SETUP MAKES THE MOST SENSE

In our work with businesses expanding internationally, we often see a clear point in their growth journey where moving from a flexible entry model to a fully established legal entity becomes the right step. It is not about speed or short-term presence anymore, it is about ownership, permanence, and scale.

Mature market strategy

Once the market is tested, setting up a local entity allows direct contracts, asset ownership, compliant invoicing (not possible with a Representative Office), full operational control, and shows long-term commitment

Long-term investment

For major projects, facilities, or regional hubs, a legal entity provides independence in decision-making, the ability to reinvest profits, and stronger protection of assets.

High-growth operations

When expansion requires larger teams and complex structures, a legal entity unlocks opportunities reserved for local businesses, including government incentives and funding options.

EOR vs. Legal Entity Setup

A Side-by-side Comparison

Choosing between EOR and a legal entity is not simply a matter of speed versus control. It is about aligning your market entry structure with your strategic goals, resource capacity, and operational risk profile. This section presents a clear comparison between the two models, outlining differences to help you evaluate which approach best fits your market entry strategy.



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	Market entry speed	Compliance responsibility	Control over employment	Perception in local market	Scalability	Cost	Jurisdictional limitations	Exit process
Employer of Record (EOR)	Enables hiring and operational launch within days, bypassing the need for entity incorporation.	EOR handles payroll, taxes, benefits with local labor laws on your behalf, so your team can save time and energy and focus on growing the business.	Limited ability to customize contracts and HR policies as they are managed through the EOR.	Often viewed as a flexible or interim solution for market testing or remote hiring.	Best suited for small to mid-sized teams or temporary/remote roles may be less efficient for large-scale growth.	Lower initial costs and no entity maintenance fees; service fees apply per employee or contract.	Not available or restricted in certain countries; may not cover all types of work. For example, Brazil, Croatia and Spain.	Easy to end; the EOR manages contract terminations and final compliance steps.
Legal Entity Setup	Requires weeks or months to complete incorporation, licensing, tax registration, and banking before operations can start.	Company is fully responsible for legal, tax, HR, and operational compliance.	Full control over contracts, HR policies, compensation structures, and employment terms.	Recognized as a permanent, credible market presence, strengthening trust with clients, partners, and authorities.	Supports significant, long-term expansion, including large teams, multiple functions, and complex operations.	Higher upfront and ongoing costs for setup, compliance, administration, and initial capital contribution (for FDI entity in Vietnam, not applicable to Representative Office); may be more cost-efficient over time for large-scale operations.	Can operate freely in line with local business regulations once established.	More complex and costly; involving deregistration, legal filings, and settlement of all local obligations

How to read this table

Each criterion in the table reflects a real-world decision factor that SOA's clients have faced during ASEAN expansions. When reviewing these differences, ask yourself three key questions:

- 1 Which factors are critical for my market success in the next 12–24 months?
- 2 Where am I willing to accept trade-offs for speed or flexibility?
- 3 How might my needs change over the next three years?

Our tips

Many successful market entries are not a strict “either/or” choice. A phased strategy, starting with EOR to launch quickly, then transitioning to a legal entity once demand and operational requirements are proven, often delivers the best balance between agility and long-term stability.

Deep dive: Pros and Cons of Each Model

The side-by-side comparison in Section 3 shows the high-level trade-offs. But to make a sound decision, leaders need to understand how these differences play out in practice. This section goes beyond the high-level trade-offs and explains how the differences between EOR and Legal Entity setup play out in practice, helping leaders make informed decisions.

The tables below outline the primary advantages and challenges of each model. Use them not only as a checklist, but as a reality check for how each choice will impact your operations, compliance workload, and competitive positioning.

Employer of Record (EOR)	
Pros	Cons
<p>Fast market entry Hire and start operations within days, avoiding delays in registration.</p> <p>Simplified compliance EOR assumes responsibility for payroll, taxes, and labor law obligations.</p> <p>Flexible for market testing Ideal for pilot projects, early-stage exploration, or hiring remote talent.</p> <p>Lower admin workload Outsources payroll, benefits, and HR admin.</p> <p>Lower upfront costs No incorporation or entity maintenance required.</p>	<p>Reduced control Limited ability to customize contracts, policies, and benefits.</p> <p>Jurisdictional restrictions Not recognized in some countries or industries.</p> <p>Short-term perception Some stakeholders may see EOR as temporary or less committed.</p>

Legal Entity Setup	
Pros	Cons
<p>Permanent presence and credibility Signals commitment to clients, partners, and government bodies.</p> <p>Full operational control Direct authority over contracts, HR, and management decisions.</p> <p>Scalability Supports large teams, multi-function operations, and complex projects.</p> <p>Access to local incentives Some government programs, tax incentives, and grants are available only to local entities.</p> <p>Better talent positioning Stronger employer brand helps attract senior talent.</p>	<p>Higher costs Setup, compliance, and ongoing admin can be significant.</p> <p>Longer timelines Incorporation and licensing may take months.</p> <p>Challenging exit Deregistration and closure can be costly and time intensive.</p>

Our insights

Employer of Record (EOR) works best when agility is the priority, whether you're testing the waters, hiring a few key employees, or building presence while waiting for an entity to be established. The challenge is credibility: while efficient for launching, some clients, partners, or senior hires may prefer dealing with a registered local entity.

Our insights

Entity setup makes sense when the target market is more than a test market. It is a commitment: higher costs and compliance burdens upfront, but critical for credibility, scale, and long-term growth. It's also often the only way to access certain government incentives, funding, and large-scale contracts.

Going beyond Vietnam, EOR across ASEAN-5 countries

While the Employer of Record model can unlock rapid entry across Southeast Asia, its effectiveness depends heavily on local regulations, onboarding timelines, and labor law environments. ASEAN is not a uniform market: each country's compliance framework shapes how fast and cost-efficient an EOR arrangement will be.

CRITERIA		VIETNAM	THAILAND	INDONESIA	MALAYSIA	PHILIPPINES
Cost consideration	Compulsory benefit	Employer contributions total about 21.5% of gross salary (Social Insurance: 17.5%, Health Insurance: 3%, Unemployment Insurance: 1%).	Employers must contribute 5% of gross salary to the Social Security Fund. From October 2025, contribution of 0.2%-1.0% to Workmen's Compensation Fund is required.	Employers are required to contribute to various insurances with a total rate of 10.24%-11.74%.	Employer contributions in Malaysia total a maximum of 15.45% including: Employees Provident Fund, Social Security, Employment Insurance System, HRDF.	Employer contributions total about 12-14%, including Social Security System, PhilHealth, Pag-IBIG Fund.
	Recommended benefit	A 13th-month salary is a common practice but not legally required.	A 13th-month salary is a common practice but not legally required.	14th-month or performance bonus. It is mandatory to pay 13th-month salary (THR) at least 7 days before the employee's respective religious holiday	A 13th-month salary is a common practice but not legally required.	13th-month salary is mandatory under the law and must be paid in two installments - one in June or earlier, and the second on or before December 24.
	Currency	Non-convertible internationally but remains relatively stable with average 3%.	Relatively stable, with average rate 1,6%	Can fluctuate significantly; average rate 2,7%.	Moderately stable; average 1,8%	Moderately volatile; average 4,3%.
Legal & Regulatory compliance	Local Labor Law's General notes	<ul style="list-style-type: none"> Vietnam's Labor Code is detailed, with recent updates to the Trade Union Law (July 2025) and Social Insurance Law. Laws are fairly stable. 	Thailand has a clear and structured labor law framework (Labour Protection Act).	<ul style="list-style-type: none"> Labor laws are governed by Manpower Law (2003), Omnibus Law (2020), and regular presidential regulations. Legal changes are frequent and sometimes ambiguous, especially post-Omnibus Law. 	<ul style="list-style-type: none"> Clear labor laws, including the Employment Act 1955 and Industrial Relations Act 1967. Legal changes are occasional, such as the 2023 amendment reducing the maximum weekly hours to 45. 	<ul style="list-style-type: none"> Labor Code (1974) of the Philippines governs employment law. Frequent updates and strict enforcement by the DOLE (Department of Labor and Employment).
	Ease of compliance	EOR helps reduce complexity (especially for foreign firms).	EOR helps foreign companies navigate labor registration, tax, and social security.	EORs help reduce risk by managing BPJS registration, payroll tax, and labor contract requirements.	EORs ensure proper contract format, EPF/SOCSO registration, tax deductions, etc.	EOR providers are experienced in handling mandatory benefits, contract registration and monthly filings.
	Level of risk	Moderate risk of government audits—more frequent in major cities.	Audit risks are low, but requirements must be followed strictly.	Audit risks are moderate & penalties for non-compliance can be high.	Audit risk is moderate, with active enforcement in urban areas.	High risk of audit/non-compliance penalties, especially for BPO & foreign firms.
Speed of onboarding	Local onboarding	5-7 working days for local hires via EOR (depends on document readiness).	5-7 working days for local hires via EOR (depends on document readiness).	5-7 working days for local hires via EOR (depends on document readiness).	5-7 working days for local hires via EOR (depends on document readiness).	5-7 working days for local hires via EOR (depends on document readiness).
	Expatriate hires	Working permit (up to 2 years, renewable) and Temporary Residence Card (same validity with WP)/Business Visa (up to 90 days, renewable) are required. The whole process takes around 3-3,5 months.	For expats, the process for work permits (up to 12 months, renewable) and Non-immigrant B visas (same validity with WP) usually takes 4-6 weeks.	Require a work permit (IMTA, up to 12 months, renewable), telex VITAS to entry, and work KITAS (same validity with IMTA), which can take 6-8 weeks.	Employment pass (up to 5 years) application may take 4-8 weeks depending on Expatriate Position Approval (EPA) & Visa With Reference (VDR).	Expat onboarding is rare and complex; requires Alien Employment Permit (AEP, up to 3 years, renewable) and 9(g) work visa (up to 12 months, renewable), taking 5-8 weeks.
	Employment restriction	No fixed ratio	4 local : 1 foreigner	Minimum 1 local : 1 foreigner		4 local : 1 foreigner
	General notes	Most local EORs are experienced and can manage administrative hurdles efficiently.	EOR providers assist with full visa processing and employer representation.	EORs are highly recommended for expat hiring due to complexity.	EORs are efficient, particularly for payroll and immigration compliance.	EOR is essential for staying compliant across tax & employment regulations.
Talent availability and Labor market fit	Workforce	Large, young workforce, especially in HCMC, Hanoi, and Da Nang.	Diverse labor market, strong in manufacturing, logistics, and sales.	Large and young workforce, especially in Jakarta, Surabaya, and Bandung.	Skilled and diverse workforce, especially in finance, tech, and shared services.	Strong talent pool, especially in customer service, accounting, IT, and healthcare.
	Labor cost	Labor costs for entry/mid-level roles: ~\$500-\$700/month (admin, operations)	Typically \$400-\$800/month for general administrative/support roles.	Around \$300-\$700/month for entry-level for general roles; higher in Jakarta and for experienced hires.	\$500-\$800/month for entry-level for general roles.	Around \$400-\$600/month for entry-level for general roles in Metro Manila; lower in provincial cities.
	English proficiency	Moderate; higher in MNC-facing roles.	Moderate; better in Bangkok and among younger professionals.	Lower than in Malaysia or the Philippines; often limited to urban professionals.	High English proficiency, especially among university graduates.	High English proficiency - One of the most English-fluent countries in Asia.
	Competitive sector	IT, logistics, and engineering.	IT, healthcare, and digital marketing.	Digital, fintech, and logistics sectors.	IT and engineering roles.	BPO and tech-related roles.

Our insights

An EOR can accelerate entry across ASEAN, but it is not a “plug-and-play” model. The competitive advantage lies in adapting your approach to each jurisdiction, ensuring compliance without losing momentum.



At **Source of Asia**, we advise clients to view EOR as a regional enabler rather than a universal solution. A single EOR partner across multiple ASEAN markets helps avoid fragmented compliance risks while giving you the agility to scale, adapt, or transition into legal entities when the time is right.

Which Model is Right for Your Business?

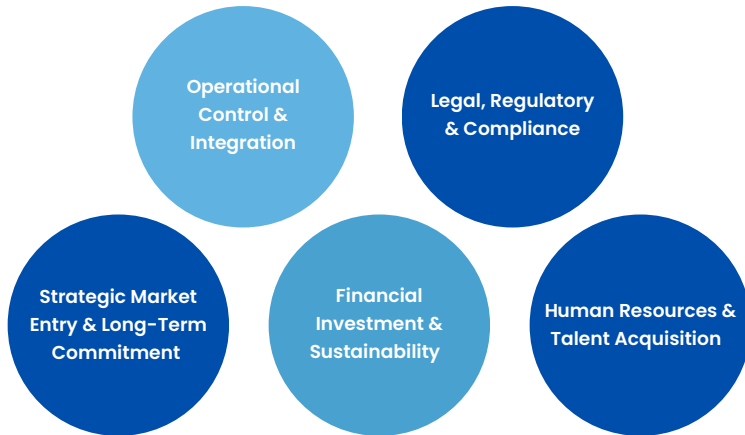
This section helps you determine which entry model fits your priorities, control needs, speed, and investment readiness. It introduces a 22-point self-assessment across five areas, guiding you to evaluate your readiness and decide when to start with EOR or move toward a full legal entity.

You've now seen how EOR services and local entity setups differ in terms of availability, costs, and compliance. But here's the real question:

What makes sense for your business?

There's no one-size-fits-all answer. The right choice depends on your priorities, how much control you want, how fast you need to move, and how ready you are to invest and manage compliance locally.

Instead of prescribing a model, we'd like to help you explore your own readiness. That's why we've created a 22-point self-assessment across five areas:



As you go through the questions, don't just tick boxes. Think about how each "Yes" or "No" reflects your business today, and where you want it to be tomorrow. Your answers won't just tell you which model works best now. They'll also show when it might be time to shift gears: starting to lean with EOR or scaling up into a full legal entity when the market proves its value.

How to Interpret Your Results

- 15+ "Yes"** Your strategy, resources, and operational needs point strongly toward **establishing a local legal entity** from the outset. This will give you full control, credibility, and scalability in Vietnam.
- 11 - 14 "Yes"** A legal entity is likely to be beneficial, but you may still consider **phasing in via EOR** to start operations quickly while your entity setup progresses.
- 7 - 10 "Yes"** You have some indicators for an entity setup, but **EOR is likely the more practical initial model**, especially for testing and refining your approach.
- 4 - 6 "Yes"** EOR is your most suitable starting point; you can defer the higher commitments of an entity until the market proves its potential.
- 3 or fewer "Yes"** Strongly recommend starting with **EOR** to minimize risk and maintain agility.

22-POINT SELF-ASSESSMENT

No.	Question	Yes/No	Notes
A. Strategic Market Entry & Long-Term Commitment			
1	Do you have a clearly defined and documented long-term strategy for your presence and growth in the Vietnamese market (beyond the next 3 years)?		
2	Are your revenue projections for the ASEAN market substantial enough to justify the investment and ongoing costs of a legal entity?		
3	Do you view ASEAN as a core market for your company's future growth and expansion, necessitating a deep and direct presence?		
4	Will your services or products require significant localization or adaptation to the ASEAN market, potentially benefiting from a direct operational presence?		
5	Do you believe that having a local legal entity will provide a significant competitive advantage in the Vietnamese market (e.g., trust, local partnerships)?		
6	Are you targeting client enterprises in ASEAN that may prefer or require dealing with locally registered entities?		
B. Operational Control & Integration			
7	Is it critical for your core team to have direct labor contract signed with your legal entity?		
8	Will your operations require establishing local procurement channels or a local supply chain that benefits from a direct legal presence?		
9	Are there specific service delivery standards or quality control measures that you believe can only be effectively managed through a direct operational setup?		
10	Will your ASEAN operations generate significant intellectual property that requires direct ownership and control through a local legal entity?		
C. Financial Investment & Sustainability			
11	Have you allocated a specific and sufficient budget for the initial setup and ongoing operational costs of a legal entity in Vietnam?		
12	Have you conducted a detailed ROI analysis that justifies the investment in a legal entity compared to alternative approaches?		
13	Are there specific local funding opportunities or government grants that are only accessible to locally registered companies?		
14	Are you comfortable with the minimum capital requirements and regulations for foreign-invested companies in your chosen legal structure?		

No.	Question	Yes/No	Notes
D. Legal, Regulatory & Compliance			
16	Are you prepared to navigate the complexities of the Vietnamese tax system, including corporate income tax, PIT, VAT, FCT and other local taxes?		
17	Do you have a thorough understanding of Vietnamese labor laws regarding employment contracts, termination, social insurance, and other requirements?		
18	Do you have a thorough understanding of Vietnamese labor laws regarding employment contracts, termination, social insurance, and other requirements?		
19	Will your services or products require significant localization or adaptation to the ASEAN market, potentially benefiting from a direct operational presence?		
E. Human Resources & Talent Acquisition			
20	Do you anticipate hiring a significant number of local employees across various departments and levels?		
21	Is it important for you to build a strong employer brand locally to attract and retain top talent?		
22	If you plan to deploy expatriate staff, are you prepared to handle the complexities of work permits, visas, and related regulations under your own entity?		
TOTAL "YES" =			

Our advisory note

Your answers reflect today's priorities. Markets evolve, regulations shift, and your own capabilities will grow over time. We recommend revisiting this framework periodically, ideally every 12 to 18 months, to ensure your entry model still aligns with your commercial objectives.

In fact, many companies find success in blending both models: launching with EOR to move fast, while laying the groundwork for a legal entity that supports long-term growth.

Take the self-assessment, reflect on your results, and let them guide your next step.

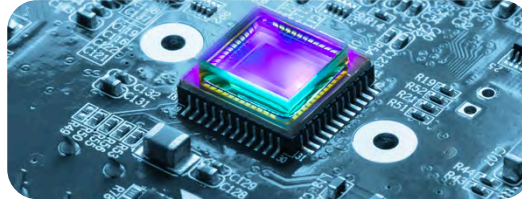
Source of Asia's End-to-end Support

07

How We Support Our Clients: Two Clients, Two Paths to Market Entry

CASE 1

Combining EOR with legal entity Setup for speed and stability



THE CHALLENGE

Xintec, a global electronics and sensor company, wanted to establish a strategic manufacturing base in Vietnam. Time was critical – the company needed to get closer to suppliers, reduce lead times, and build local capacity without waiting months for entity registration.

THE SOLUTIONS

We proposed a hybrid approach. While entity registration was underway, we enabled immediate recruitment through our EOR wage hosting service. This allowed Xintec to hire and pay local staff from day one. At the same time, we mapped industrial zones, identified factory sites, and prepared the company's long-term operational base.

THE RESULTS

Within months, Xintec transitioned smoothly into a fully incorporated entity with an operational factory and a recruited workforce. The phased approach allowed the company to:

- Preserve momentum with immediate hiring.
- Secure long-term stability with a legal entity.
- Maintain full compliance at every step.

Both clients achieved successful market entry, but their different priorities, timelines, and operational objectives led to two distinct approaches: one leveraging EOR exclusively, the other combining EOR with a phased transition to entity setup.

CASE 2

Multi-country expansion powered by EOR



THE CHALLENGE

A leading global agri-tech and animal nutrition company sought rapid expansion into five ASEAN markets (Vietnam, Indonesia, Malaysia, Thailand, Philippines). Setting up separate entities would have delayed market entry and stretched resources.

THE SOLUTIONS

We became their regional EOR partner, delivering a single, centralized HR management solution covering payroll, compliance, benefits, and onboarding in all five countries.

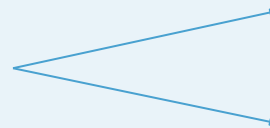
THE RESULTS

The client launched simultaneously across ASEAN with fully operational teams – without establishing local entities. The approach delivered:

- Preserve momentum with immediate hiring.
- Secure long-term stability with a legal entity.
- Maintain full compliance at every step.

WHAT STANDS OUT?

These two cases show that there is **no single "right" path for market entry**. The optimal approach depends on strategic priorities:



When rapid deployment across multiple markets is the goal, EOR can accelerate hiring, simplify compliance, and eliminate the delays of entity setup.

When building a long-term presence in a specific market, combining EOR for immediate operational capacity with a phased entity setup can provide both speed and lasting stability.

Source of Asia is an **International Business Accelerator** in Southeast Asia, South Korea, and broader Asia.

Over the past 20 years, we've been guiding global enterprises to successfully penetrate, operate, and flourish in this vibrant region through tailored solutions in **Market Expansion, Sourcing & Supply Chain, Corporate & HR Solutions, and M&A Services.**

- +20** years of experience in Asia
- +85** passionate & multi-sectors experts
- +500** happy customers
- +20** networks and institutions that SOA is a member of or accredited by



WE ARE HERE TO GET YOU THERE

At Source of Asia, we work with each client to **assess needs, risks, and objectives** then design a **tailored entry strategy** that blends **compliance, efficiency and agility**, whether that means EOR, entity setup, or both in sequence.

OUR END-TO-END SUPPORT

Whether you choose EOR, a legal entity, or a phased combination, our role is to make your entry into Vietnam and ASEAN **faster, safer, and more effective.**



With our **local expertise, regional network, & hands-on approach** you can focus on building your business while we handle the complexity of market entry.

OUR SERVICES

Source of Asia, your unique **ONE-STOP SHOP** company that covers all your business needs in Southeast Asia, South Korea & broader Asia.

MARKET EXPANSION

Formulating and implementing tailored growth strategies to successfully transition into your targeted countries.

SOURCING & SUPPLY CHAIN

Optimizing your production, organization and outsourcing your whole supply chain management into experts' hands.

CORPORATE & HR SOLUTIONS

Helping you optimize your foothold in Southeast Asia & South Korea countries, and managing your setup on your behalf.

M&A SERVICES

Accompanying and advising in each step of your business expansion strategy through M&A transactions.

WE ARE HERE TO GET YOU THERE!



MEET OUR MANAGEMENT TEAM



Thierry MERMET
Managing Partner - CEO



Zacharie BLONDEAU
Managing Partner - COO



Aurelie TRAN NGOC
Country Manager



Tra LE
Market Expansion Director



Huong LE
Corporate services & HR Solutions Director



Anh VU
Head of Corporate Services



Ngan NGUYEN
Head of HR Solutions



Mai NGUYEN
Head of Workspace Solutions



Kiet DO
Head of Market Approach



Huong TRAN
Head of Sourcing & Supply Chain Consulting



Nhi NGUYEN
Head of Sourcing & Supply Chain Operations



Cong TRUONG
Head of Quality

References and Sources

The insights in this guide are based on Source of Asia's direct client experience across ASEAN markets, supported by current data from reputable international and local sources, including:

- *ASEAN Secretariat – ASEAN Economic Community Blueprint and Market Integration Updates*
- *General Statistics Office of Vietnam – Labor Market and Business Environment Data*
- *Vietnam Ministry of Planning and Investment – Foreign Investment Reports*
- *World Bank – Ease of Doing Business Index and Regulatory Framework Analysis*
- *International Labour Organization (ILO) – Labor Law Compliance in ASEAN Countries*
- *PwC, Deloitte, and KPMG – Country Tax and Employment Compliance Guides*
- *Official government portals for Vietnam, Thailand, Malaysia, Indonesia, and the Philippines – Company Registration and Licensing Procedures*
- *SOA's internal market intelligence and client case studies, compiled from projects executed between 2018 and 2025*



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Huong LE

Corporate Services & HR Solutions Director
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