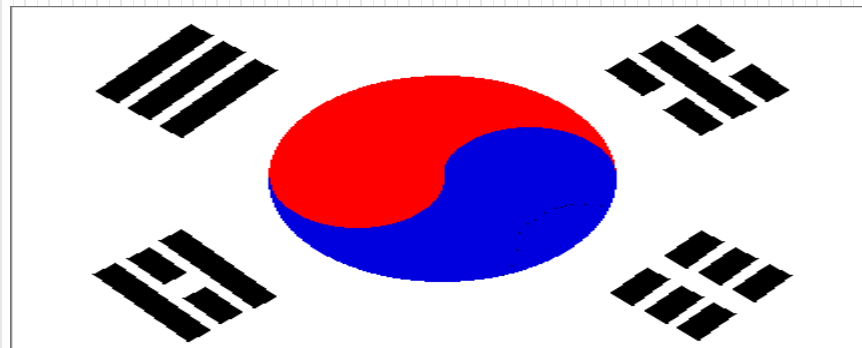


INTERNATIONAL MARKETING

COUNTRY ANALYSIS SOUTH KOREA



PRESENTATION ON COUNTRY SOUTH KOREA

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MBA 3RD SEM

SOUTH KOREA



Republic of Korea

대한민국

Daehan Minguk

- **Motto:**
"홍익인간" (unofficial)
(English: "Benefit broadly the human world")
- **Anthem:**
애국가
"Aegukga"
(English: "Patriotic Song")



Republic of Korea

대한민국

Capital (& largest city)	Seoul
Official Language	Korean
Official Script	Hangul
Ethnic Group	97.25% Korean, rest others
Demonym	South Korean, Korean
Government	Unitary President Constitutional Republic
President	Park Geun-hye-nim
Prime Minister	Jung Hong-won-ssi

Republic of Korea

대한민국

<u>Establishment</u>	
National Foundation Day	October 3, 2333 BC
Independence declared	March 1, 1919
Liberation	August 15, 1945
Constitution	July 17, 1948
Government proclaimed	August 15, 1948

Republic of Korea

대한민국

	S. Korean	Indian
▲ GDP (PPP)	2012 estimate	
Total	\$1.622 trillion (12th)	\$ 4.7 trillion (3 rd)
Per capita	\$32,431 (25th)	\$3,851 (129th)
GDP (nominal)	2012 estimate	
Total	\$1.151 trillion (15th)	\$1.95 trillion (10th)
Per capita	\$23,020 (32nd)	\$1,592 (140th)
Gini (2010)	31.0 medium	36.8 medium
HDI (2013)	0.909 very high • 12th	0.554 medium • 136th (medium)
Currency	South Korean won(₩) (KRW)	Indian rupee (₹) (INR)

Republic of Korea

대한민국

	South Korea	India
Date format	<ul style="list-style-type: none"> •yyyy년 mm월 dd일 •yyyy/mm/dd (CE) 	<ul style="list-style-type: none"> •dd-mm-yyyy (CE)
Drives on the	right	left
Calling code	+82	+91
ISO 3166 code	KR	IN
Internet TLD	<ul style="list-style-type: none"> •.kr •.한국 	<ul style="list-style-type: none"> •.in
	<ul style="list-style-type: none"> •Mobile phone system CDMA, WCDMA, HSDPA, WiBro and LTE. Domestic power supply 220V/60 Hz, CEE 7/7 sockets. 	<ul style="list-style-type: none"> •CDMA, GSM, WiFi •In India domestic power supply is 220V, 50Hz; while in USA it is 110V, 50Hz

Republic of Korea

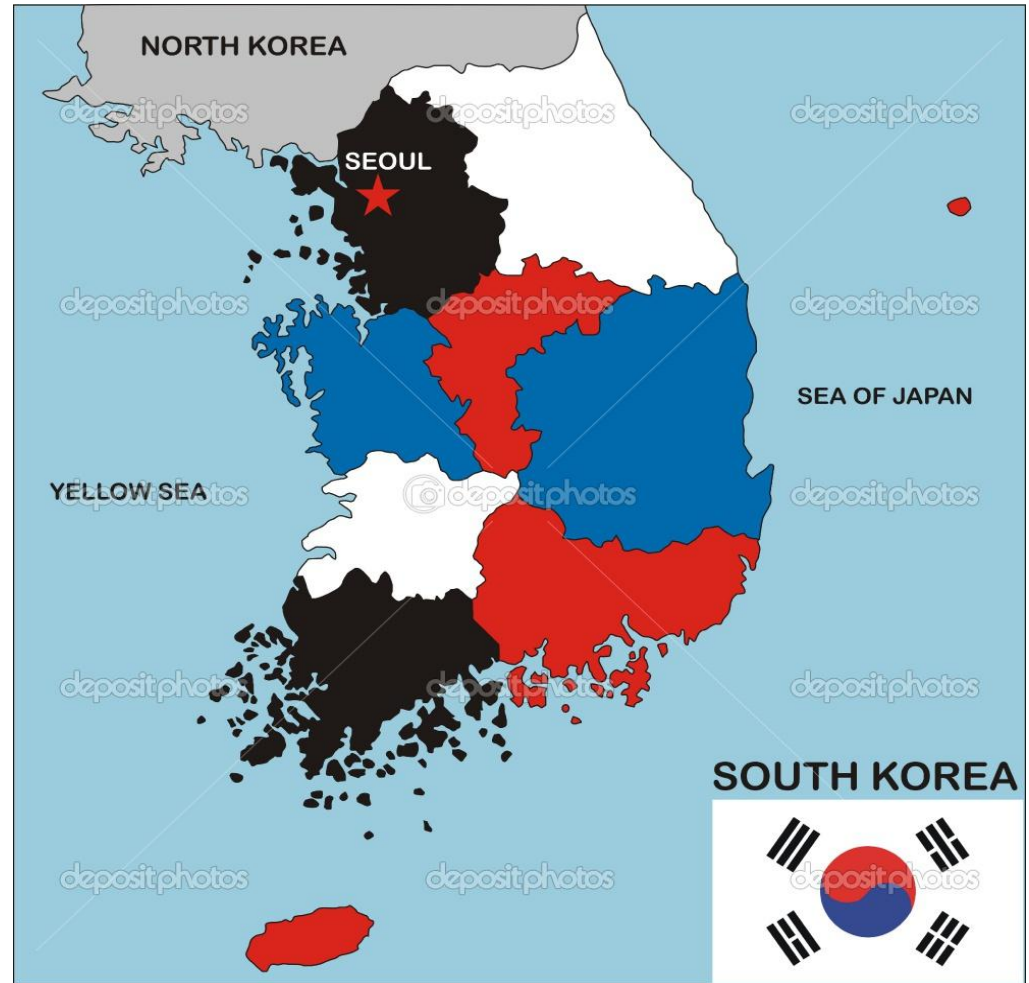
대한민국

Time zone	Korea Standard Time(UTC+9)	IST (UTC+05:30)
Summer (DST)	not observed (UTC+9)	not observed (UTC+05:30)
Co-ordinates	36° N, 127° E	21°N, 78°E

South Korean Geography

Republic of Korea 대한민국

South Korea is a country in Eastern Asia occupying the southern half of the Korean Peninsula. It borders the Sea of Japan, the Yellow Sea and North Korea. South Korea's terrain is mostly mountainous.



Political Conditions Of South Korea

- South Korea has developed into one of Asia's most affluent countries since partition in 1948.
- The Communist North has slipped into totalitarianism and poverty.
- The Republic of Korea was proclaimed in August 1948 and received UN-backed support from the US after it was invaded by the North two years later.
- The Korean War ended in 1953 without a peace agreement, leaving South Korea technically at war for more than fifty years.
- The following four decades were marked by authoritarian rule.

POLITICAL CONDITIONS

- Government-sponsored schemes encouraged the growth of family-owned industrial conglomerates, known as "chaebol".
- Foremost among them were the Hyundai and Samsung groups.
- They helped transform South Korea into one of the world's major economies and a leading exporter of cars and electronic goods.

POLITICAL CONDITIONS

- Relations with its northern neighbour remain a major concern in Seoul, particularly over the North's fragile economy and its nuclear ambitions. South Korea generally resisted international calls for sanctions against the North over its nuclear programme and pursued a "sunshine" policy of engagement in the late 1990s.

POLITICAL CONDITIONS

- This has involved aid - including shipments of fertilizer and rice - reunions between North and South Koreans, tourist projects and economic cooperation. South Korean companies employed thousands of North Korean workers at the Kaesong industrial complex near the border.
- The "sunshine" ended with the election in 2008 of conservative President Lee Myung-bak, who adopted a tougher tone towards the North in response to its failure to move on the nuclear issue.

POLITICAL CONDITIONS

- The demilitarised zone (DMZ) between South and North Korea is the world's most heavily-fortified frontier. But the US, which maintains tens of thousands of soldiers in South Korea, is pulling its forces away from the front line and plans to hand over wartime operational control to the South Korean military in April 2012.

South Korea: Culture

Appointment Alert!

- When entering a group meeting, the senior member of your party should enter the conference room first, then the next highest ranking person, and so on. Moreover, the **Koreans will be seated according to their rank**. If you aren't sure how to seat Korean guests or where to sit yourself, ask your Korean counterparts.

Punctuality is expected at social events.

Topics of Conversation

- South Korea's cultural heritage
- South Korea's economic success, especially in telecommunication
- South Korean companies' international accomplishments
- Fashion and design
- Sports [especially accomplishment in golf, baseball, and the Winter Olympics, just general well-being of a family, such as 'Is your family well?']
- personal hobbies

First Name or Title?

- Mr. → -ssi, Mrs./Ms. → -nim,
- Usually addressed by the profession (doctor-ssi)
- Abbreviated Names are very common
- <Family Name> <First Name>
- Kim/Lee/Park – very popular Family Names
- Kim constitutes 1/4th of the Family Names
- Family names tend to be one-syllabled
- Married women retain their maiden names

- Contacts and personal relations are important here, since South Koreans tend to be suspicious of people they do not know or those with whom they do not have mutual contact. Try to obtain a personal introduction through a mutual friend or acquaintance.
- A respectful rapport is the basis for a successful business relationship in South Korea.

South Korean international trade - Import and Export (2011-12)

- Import – South Korea imports mainly mineral fuels, electric and mechanical equipment, iron and steel.
- South Korea's main trade partners for imports are China, Japan, the European Union and the USA.
- Export –the products that South Korea exports are: electric and electronic goods, machinery, vehicles, ship and boats.
- South Korea's most important export partners are again China, Japan, the European Union and the USA,

South Korea: Statistics

Economy

Budget Expenditures

\$247.00 billion (2011 est.)

Budget revenues

\$263.80 billion (2011)

Debt - external

\$449.60 billion (2011 est.)

Distribution Of Family Income - GINI Index

31% (2010)

Unemployment Rate

3.4%

South Korea: Statistics

Exports	\$552.80 billion (2011 est.)
GDP - purchasing power parity	\$1.55 trillion (2011 est.) Note: data are in 2011 US dollars
GDP - real growth rate	3.6% (2011 est.)
Imports	\$521.60 billion (2011 est.)
Industrial production growth rate	3.8% (2011 est.)
Inflation rate (consumer prices)	4% (2011 est.)

SOUTH KOREAN CLIMATE



- South Korea tends to have a [humid continental climate](#) and a [humid subtropical climate](#), and is affected by the [East Asian monsoon](#), with [precipitation](#) heavier in summer during a short rainy season called [jangma](#) ([장마](#)), which begins end of June through the end of July. Winters can be extremely cold with the minimum temperature dropping below $-20\text{ }^{\circ}\text{C}$ ($-4\text{ }^{\circ}\text{F}$) in the inland region of the country: in Seoul, the average January temperature range is -7 to $1\text{ }^{\circ}\text{C}$ (19 to $34\text{ }^{\circ}\text{F}$), and the average August temperature range is 22 to $30\text{ }^{\circ}\text{C}$ (72 to $86\text{ }^{\circ}\text{F}$). Winter temperatures are higher along the southern coast and considerably lower in the mountainous interior.^[73] Summer can be uncomfortably hot and humid, with temperatures exceeding $30\text{ }^{\circ}\text{C}$ ($86\text{ }^{\circ}\text{F}$) in most parts of the country. South Korea has four distinct seasons; spring, summer, autumn and winter. Spring usually lasts from late-March to early- May, summer from mid-May to early-September, autumn from mid-September to early-November, and winter from mid-November to mid-March.. Rainfall is concentrated in the summer months of June through September. The southern coast is subject to late summer [typhoons](#) that bring strong winds and heavy rains. The average annual precipitation varies from 1,370 millimetres (54 in) in Seoul to 1,470 millimetres (58 in) in [Busan](#). There are occasional typhoons that bring high winds and floods

Business Negotiation



- **Bring a plentiful supply of business cards, since the people you encounter in your dealings will be keen to exchange them.** In fact, many business travellers to South Korea have found that they can never have too many. If you forgot, you can have them printed locally on the same day. Or you can promise your counterparts that you will send them later.
- **Depending on your counterpart's English competency, have the reverse side of your card translated into Korean.**

- Since you will be judged according to your status, your title should be emphasized on your business card. Most importantly, knowing your title assists your contact in matching you with a person who is of similar rank.
- **Present your business card with both hands.**
- **When you receive another person's card, read it for a few moments before putting it in your card case or pocket.** Immediately stuffing it into your back pocket will be perceived as disrespectful, because it gives an impression that you are not interested in the person.

- Some perceive writing on a business card as disrespectful.
- Contacts and personal relations are important here, since South Koreans tend to be suspicious of people they do not know or those with whom they do not have mutual contact.
Try to obtain a personal introduction through a mutual friend or acquaintance.
- Before your visit, it can be a good idea to send your proposals for your contact to preview.

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- When selecting your negotiating team, make the effort to find out who will be the participants in the South Korean delegation. Then, ensure that the people you choose to represent your side **match the rank of the South Korean members**, since status is very important, and a mismatch may prove embarrassing to both sides. Sending a senior representative can be perceived as a sign of serious interest and commitment

- During negotiations, some Koreans will jump from one topic to another, rather than following the agenda. Similar questions may be asked on numerous occasions by different negotiators. Be patient. If you are confused about their priority in negotiation terms, you can gently ask them.

- Be aware that personal relationships generally take precedence over business. Often the first meeting is used to get to know your counterpart and establish rapport. When you are served tea or coffee at the beginning of the meeting, accept this offering of hospitality even if you have had several cups already. You don't have to drink it all. Keep a formal demeanour as long as your counterpart does, and refrain from appearing overly friendly.

- It may take several trips to South Korea to reach an agreement or to close a deal.
- Meetings often begin with some preliminary 'small talk.' Allow the person with whom you are meeting to initiate the business discussion.
- **A respectful rapport is the basis for a successful business relationship in South Korea.** To solidify this rapport, it's important that you remain sincere and honest in your business dealings. Keep in touch after your trip by e-mail and telephone.

- **Strengths**

- Diversified industrial base

- Leader in quality electronics

- Effective educational system

- High public spending on R&D

- Increased South Korean investment in China, Vietnam and India

- **Weaknesses**

- Iron, steel and textile industries affected by Chinese competition
- Scale of raw materials imports
- Over-indebtedness of households and small companies
- Aging of the population
- Transparency problems of chaebols characterised by family control and hereditary succession
- Unpredictability of the North Korean regime

THANK YOU