

## South Korea

### Design

South Korea is an export oriented economy and a number of Korean manufacturing companies are currently competing to gain a larger share of the global marketplace. To succeed in the world market, Korean companies are making investments to develop new design concepts.

Korean companies are working at establishing closer partnerships with overseas companies with a strong track record in innovation. Many UK design companies such as Seymourpowell, Tangerine, and Kinneir Dufort already work with well-established Korean clients from various sectors such as ICT, retail, advanced engineering and medical devices in order to provide a wide range of services from product packaging and brand identity to corporative visibility and design research.

UK design firms have a high profile in South Korea and local companies appreciate the strong creativity they offer.

#### Influence of the EU-Korea FTA

The European Union and South Korea have concluded a Free Trade Agreement (FTA) which will gradually result in the removal of 97 per cent of all tariffs (around EUR 1.6bn of duties) for UK exporters from July 2011. Some tariffs have already fallen away. The FTA contains provisions on services, public procurement, intellectual property and sustainable development as well as the liberalisation of goods tariffs.

The FTA has ushered in enhanced protection for Intellectual Property Rights and extended copyright regulation. This has improved opportunities for UK companies in service industries where the UK is traditionally strong and South Korea weak.

# Opportunities for UK companies

### Product/packaging design and Brand Identity (BI)

International collaboration is seen as essential in these areas. Korean consumers have rapidly changing tastes and a strong desire for products with innovative designs. In addition, South Korean exporters are also required to provide goods and services with high quality and innovative designs to compete and differentiate themselves in the global marketplace. There is an increasing demand for creative designs in electronics, food & drink, medical devices, and other consumer goods.

To respond to these growing demands, South Korean companies, including ICT giants (i.e. Samsung and LG) and large retailers (i.e. Shinsegae, CJ, and Amore Pacific), work with UK design agencies on their product/packaging design and

branding. This has resulted in the fastest-growing sub-sector for UK design and brand management agencies.

#### Design Consulting

More Korean companies are seeking professional advice and design solutions in both the local and global market compared to the past; however, very few local design consultants have the necessary skills. This demand is generating significant opportunities for UK design agencies particularly with those with a proven record in design research and design strategy for corporate design guidance.

#### Public Design

The Seoul City has shown a strong drive to redesign the City since it was designated as 2010 World Design Capital by the International Council of Societies of Industrial Design (ICSID). It has already introduced some design projects for public spaces in Seoul. For example, Dongdaemoon Design Park & Plaza (one of the City's major design projects) was designed by a famous UK architect Zaha Hadid and is scheduled to open at the end of 2013. Further opportunities are available.





### **Opportunity Korea**

There is a wide range of business opportunities for UK design agencies with expertise in areas such as architecture/landscape design, interior design, public design and design consulting.

### Market Entry – Factors for Success

To compete in South Korea UK companies are advised to have a local representative, with an established network in the market, who can act as a strategic communication channel.

Cultural and language barriers can sometimes hinder UK

companies as the majority of local companies, except global players like Samsung and LG, often prefer to work with a local representative or a Korean speaking staff member. A long-term perspective and reliable partnership with a local agent is one

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