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The Korea Brand: The Cultural Dimension of South Korea's Branding Project in 2008



By Li-Chih Cheng

I. INTRODUCTION

Since President Lee Myung-Bak raised concerns about Korea's overseas image after taking office in 2008, nation branding has been a hot topic. In a speech to commemorate the 60th anniversary of the Republic of Korea, President Lee mentioned that "if the nation wants to be labeled an advanced country, it will be necessary to significantly improve its image and reputation." He added, "The value of brand Korea only accounts for approximately 30 percent of the nation's economic power, and the proportion is no more than a small fraction of that of the United States and Japan." President Lee's recognition of the importance of better delivering Korea's brand resulted in his making the rebranding of Korea one of the cornerstones of his administration.

In order to jump-start nation branding efforts, the Korean government invited world-class nation branding experts to Korea to offer advice and host conferences. Furthermore, the government made plans to create various government-funded bodies to focus specifically on nation branding efforts and concerns. In response to this series of actions, the *Korea Times* ran a series of articles on Korea's national brand, interviewing a number of specialists in cultural exchange, business branding, tourism and advertising to comment on Korea's perception overseas

and give further recommendations to the Korean government. The rise of nation branding efforts in Korea suggested that diplomatic representation has evolved and that cultural exchange and export should be considered an integral part of South Korea's political change.

So what exactly is "nation branding" and what prompted Korea's sudden interest in its image abroad? This paper defines nation branding as a concept and its relationship with cultural exchange and "soft power." Second, it examines past nation branding efforts by the Korean government and evaluates the effectiveness of these past policies. Third, it highlights the cultural aspects of current nation branding efforts, focusing on three major cultural export policies formulated by the Lee administration. Finally, this analysis concludes that Korea is still in the infant stage of promoting its culture, and will need clear direction from the government in order to formulate effective country or region specific strategies for improving its global image.

II. SOFT POWER, CULTURAL EXCHANGE AND NATION BRANDING

In February 2008, the Korea Foundation and the East Asia Institute invited Harvard Professor Joseph Nye, developer of the "soft power" theory, to lecture and participate in seminars and meetings on increasing Korea's soft power. According to the *Korea Times*, Yim Sung-Joon, president of the Korea Foundation, explained, "The 21st century is an era of soft power, which emphasizes culture, knowledge, technology, value sharing and international exchanges." This invitation, in a sense, served as a first step for the Korean government to seek ways of improving Korea's image through soft power.

In his book, *Soft Power: The Means to Success in World Politics*, Joseph Nye defined soft power as a more indirect power to influence the behavior of other nations through cultural or ideological means. While "hard power" can rest on direct ways to get what a country wants, such as using military force or economic sanctions to coerce and command, soft power relies on values or culture to attract and elicit cooperation from others. According to Nye, much of the existing literature on soft power maintains that a nation can increase its influence over

others by disseminating its culture. In addition, exposure of that culture enhances the nation's ability to attract others and therefore aids its government's ability to achieve specific or general goals. Along with hard power, such as economic and military capabilities, Nye suggests that soft power, such as cultural influences, is an important tool for promoting national interests. Nation branding is actually a process of combining all of a nation's resources that can contribute to national interests. Here, public diplomacy and cultural diplomacy both serve as a part of nation branding. A successful nation branding campaign helps create a more favorable image among international audiences by spreading its values, thus further strengthening a country's soft power, as both concepts are concerned with a nation's influence on the world stage.

Then what is nation branding? In 1996, British consultant Simon Anholt coined the term "nation brand" or "nation branding" to refer to how countries are perceived by others. The process of nation branding is a multi-phase project that involves both internally- and externally-focused efforts. The first phase of nation branding involves gaining a better understanding of a country's strengths and weakness in order to identify the country's core essence and to be able to better utilize national assets. This discovery phase then serves to inform what the new image and identity of the country should be, bringing to light the country's attributes that can help it stand out from others. The second phase involves communicating this new identity and image to the world to help reshape external perceptions of the country in a controlled and systematic way. Nation branding as a whole is a nation's efforts to actively shape or control international opinions of the country's "brand" so that they are reflective of the country's core assets and attributes politically, economically, and culturally.

Past Exploration on Branding

The first government-level attempt to create Korea's national brand began only six years ago. In preparation for the Korea-Japan World Cup 2002, the Kim Dae-jung administration created the slogan "Dynamic Korea" as a large-scale image promotion campaign. At that time, the term "dynamic" renewed Korea's image as a nation full of passion for sports and activism, and was effective among other Asian countries. Thus, after the World Cup, a national image promotion committee was set up under the prime minister's office, and in 2003, President

Roh Moo-hyun established the Government Information Agency, within which, an ad-hoc committee supervised the development of Korea's national brand. The Roh administration believed that "the best things about Korea can also be the best things for the world." As a part of the campaign, images such as the Bulguk Temple, the Sukgulam Grotto, the Jongmyo Shrine, and a smiling couple wearing the traditional Korean *hanbok* were put forth.

In addition to the branding campaign, Korea's image in Asia was helped along by "*hallyu*" or "the Korean wave." *Hallyu* consisted of an almost viral popularity of Korean popular culture throughout Asia. Korean pop music (K-pop) and Korean television dramas and movies dazzled audiences from Tokyo to Taipei, and quickly spread throughout Southeast Asia. Statistics show that the Korean Wave first began in the early 1990s, and grew stronger after 2003 despite expert predictions that it would lose popularity after 2000. The success of exporting Korean dramas, such as "The Jewel in the Palace" and "Winter Sonata," was soon matched by Korean food, language and other cultural industries. *Hallyu* may have been partially attributed to the deep and sensitive portrayal of attractive Korean men and women, but more importantly, the themes of Korean dramas dealt with family and love issues that were culturally-transcendent and universally accepted. Moreover, unlike Japan which garnered strong anti-Japanese sentiments throughout Asia due to its colonial past, South Korea did not carry the same political baggage and was seen in a much more positive light among Asian countries.

Despite the success of *hallyu*, Korea's cultural industry began to slow down in 2006, especially in the export of dramas, films and music. According to the Ministry of Culture, Sports, and Tourism, exports in the music industry reached \$22.2 million in 2005 but soon fell to \$16.6 million in 2006. Similarly, Korea sold films worth \$75.9 million in 2005, but dropped to \$24.5 million in 2006. The overall waning of the Korean Wave in Asia can be partially attributed to all-too-familiar storylines and a growing cultural hostility toward *hallyu* among Asian countries due to the massive exposure of Korean popular culture, especially in China. It is said that Korea saw a decline in drama exports to China from \$9.7 million in 2006 to \$6.5 million in 2007.

Although Korea's nation branding efforts worked well among many Asian

countries, it did not arouse the same level of interest from big western countries. This differing reaction is often attributed to the mismanagement and misuse of various strategies and slogans. For example, while "Dynamic Korea" resonated positively among Asians, it was perceived differently by European and Third World nations. Kim You-kyung, president of the Korea Advertising Society and a communications professor at the Hankuk University of Foreign Studies, explains, "The term 'dynamic' implies activism but it also projects the feeling that Korea is still trapped in industrialization and has a long way to go before placing its name on the list of advanced countries. I met some Europeans who even imagined North Korea when they read the slogan." As reported in the *Korea Times*, Korea is only perceived positively by international opinion leaders such as diplomats, investors and scholars; when it comes to public opinions worldwide, Korea's cultural wealth has simply not been noticed. Ordinary people do not see Korea as a very attractive or admirable country, nor do they regard it to be very relevant to their daily lives.

According to the Anholt-Gfk Roper Nation Brand Index Ranking, Korea ranked 32 out of 38 contenders for 2007, down from 27 in 2006 and 25 in 2005. The Anholt-Gfk Nation Brand Index (NBI) is an opinion poll that measures the power and quality of each country's brand across six dimensions of national competence: exports, governance, culture, people, tourism, immigration and investment. In 2008, out of 50 countries, South Korea's rankings were 18 in exports, 30 in immigration and investment, 31 in governance, 33 in culture, 39 in people, and 43 in tourism. Based on these rankings, it appears that Korea's economic strength has registered highly with people around the world, while its cultural heritage and people have little resonance with foreigners. Worse yet, there seemed to have been some confusion between North and South Korea in the minds of some respondents, especially in Europe and the Americas.

Despite efforts made during the Roh administration, Korea's ranking has fallen year by year. Korea's poor NBI rankings surprised President Lee Myung-Bak, the country's first president with a business background. Once known as "the Bulldozer," Lee built his fame as the hard leader of Hyundai Construction & Engineering, South Korea's best-known builder and icon of its breakneck economic growth. Lee was counseled by many foreign advisors on how to foster Korea's national brand and image. Nation branding was posed as an especially

urgent matter, with experts pointing to the coming five-year period as Korea's last chance to join the ranks of advanced countries due to its rapidly aging society and the aggressive rise of the BRIC (Brazil, Russia, India and China) economies. As a result, the Lee administration became obsessed with Korea's international image, and thus the grand nation branding project officially began in 2008.

III. BRANDING KOREA: A CULTURAL EXCHANGE PERSPECTIVE

Lee Myung-bak's Initiative

In his Liberation Day speech on August 15, 2008, President Lee Myung-Bak attributed Korea's low NBI ranking to the idea that militant unions and violent protests were the "very first images that come to foreigners' minds" when they think of Korea. In an effort to change that perception, Lee announced that Korea would establish a national brand committee in early 2009 to raise the nation's brand status to the same level of other advanced countries during his term in office. According to Blue House officials, the new committee will consist of experts in marketing, media, design, culture and the arts; and that world-class public relations companies would be hired to focus on image promotion. Lee vowed to pay particular attention to promoting Korean culture, which is not well-known relative to its economic development. He also emphasized the importance of cultural diplomacy, saying, "Our traditional culture, when coupled together with our technological prowess, will no doubt transmit to the world an image of a more attractive Korea."

In a presentation at the inaugural meeting of the Future Planning Commission, commission advisor, French intellectual Guy Sorman, was called on to create a globally viable "public brand" based on traditional Korean culture with a goal of attaining stronger economic growth. He suggested that Korea foster its tourism industry, mark Korean historic sites on international maps and globalize Korean college faculty and curriculum. More importantly, he emphasized that the president should pay more attention to the export of Korean culture and its cultural products. President Lee presided over the first meeting of the Future Planning Commission, which was later divided into five subpanels to focus on

specific areas of nation branding, such as smart power.

Under the Lee administration, the Ministry of Culture, Sports, and Tourism announced on September 3, 2008, that upgrading Korea's national brand would be the key focus of its culture policy so as to make the country a more open, inclusive one in the future. Under the proposed plan, the ministry would specifically support art and culture sectors in order to win greater international recognition. Culture Minister Yu In-chon was a prominent actor before moving into politics, and starred in various movies, dramas and musicals during his 30-year career. His friendship with President Lee began when he portrayed Lee in the TV drama, "Years of Ambition" in 1990. "Letting our culture be known to other countries is the top priority for the government. It is time that not only the economy but also our culture be known to other countries," Yu said.

Another ministry that is involved with nation branding efforts is the Ministry of Foreign Affairs and Trade (MOFAT). MOFAT has three affiliates. The Korea International Cooperation Agency (KOICA) is the largest, specializing in Official Development Assistance (ODA). The second is the Korea Foundation. The Korea Foundation promotes cultural exchange and is heavily involved in Korea's nation branding project. For instance, on November 28, 2008, the Korea Foundation held the first annual large-scale conference in Seoul on national branding, during which, strategies of branding Korea to western countries were explored. The third is the Overseas Korean Foundation which provides Korean cultural activities for overseas Koreans. The Korea Foundation and the Overseas Korean Foundation play similar functions, however target different audiences.

Formulating Long-Term Programs

As reported by the *Korea Times* in 2008, Culture Minister Yu mentioned that he would start formulating a long-term overseas promotional strategy to create a global boom of Korean culture. "We will campaign for overseas cultural promotion as a long-term project. In the past, we've held just one-year or one-time events abroad. But now we are preparing for at least a three-year or longer project like other countries," Yu said. In order to better communicate Korean culture, designing bigger and longer projects and preparing everything in advance will be the trend. Yu gave the annual Korea Festival in Brussels, Belgium as an example of

the type of major, long-term events that will be planned. The 2008 Korea Festival, themed, "Made in Korea," is a big-budget four-month exhibition of Korea's arts. Featured at Belgium's Centre of Fine Arts (*Palais des Beaux-Arts*), the largest art center in the country, the festival uniquely combines some of Korea's ancient treasures with more contemporary visual and performing arts. The event runs from October to the end of February, and offers participants the opportunity to see the exhibit multiple times, unlike previous festivals which were only one-time cultural exchanges.

Despite the current economic crisis, a bigger budget has been allocated for long-term planning and promotion of Korean culture. According to Minister Yu, the plan, which is now on the drawing board, is expected to be ready in early 2009. Yu's mandate is for the Ministry to come up with more long-term projects to effectively transmit Korean culture and arts and to develop approaches differentiated by region and country. For the Americas and Europe in which Korea is relatively unknown, the government will need more aggressive promotion strategies. For Asian countries, Seoul will seek more frequent and regular cultural exchanges with Japan and Taiwan, and sports games with China. It aims to boost cultural relations and foster closer ties with its neighboring countries by finalizing a regional policy by the end of 2009. The comprehensive Korean cultural promotion policies are to be completed by 2012.

Culture as an Industry

Nation branding and cultural exchange have the potential for more than just improving Korea's external perceptions. There is an economic side to the culture industry as well. Increased promotion of cultural products, such as cartoon characters, dramas, movies and K-pop, increases revenues in those industries as well, helping to foster sustainable economic growth while enhancing artistic and cultural experiences for foreign audiences. The culture ministry also plans to introduce measures to protect copyright for overseas exports of the country's cultural contents, helping them to generate positive returns both culturally and economically. In this aspect, the culture industry is one of the core industries for the government's "low carbon, green growth" policy focus. The concept of using culture to bring handsome economic rewards is not new. The United States dominates global popular culture through Hollywood; France has wines and

cheese; the United Kingdom is renowned for Shakespeare; Italy for fashion and design.

The Korea Culture & Contents Agency (KOCCA) was set up in 2001 to foster the growth of Korea's culture content business domestically and abroad under the Ministry of Culture, Sports and Tourism. Through the KOCCA, Seoul is now mounting a systematic exploration of how to develop Korea's culture industry which includes animation, music, comics, mobile and Internet contents and edutainment. The KOCCA considers the relationship between power and culture to be a powerful force. In its brochure, it states, "In the information era, IT was considered as the leading world technology. However, Korea and the global community have seen shifts from IT to CT (culture technology). As such, the KOCCA believes that CT is the final stop in value-added technology that will continue to influence global markets in the years to come." KOCCA executive, Kim Joon-han, explains, "When we were a developing country, we made our living through manufacture. Now we have to move on and live by the culture industry."

The development of the Korean culture industry overseas is just catching on. The KOCCA, for instance, now has four overseas offices: Beijing, Tokyo, London and Los Angeles. KOCCA in Los Angeles is located in the Korea Center, along with two other organizations - the Korean Cultural Center and the Korea Tourism Organization. Operated by the Ministry of Culture, Sports, and Tourism, the Korea Center has been working to promote Korean cultural content companies and host cultural exchange programs. Its location near Hollywood offers an additional opportunity for helping develop movie and game industries. In New York City, the Korean government recently became aware of the lack of business development for Korea's culture industry. Under the Korean Consulate General in New York City, New York's Korean Cultural Service has been solely focused on cultural and academic activities in recent years. In 2008, however, after the new government placed greater emphasis on the culture industry, the Korean Cultural Service began the process of collecting information about market trends and exchanging ideas with the private sector, with hopes for greater cooperation and collaboration in the future.

A Second Wave of *Hallyu*

As *hallyu* has been in decline since 2006, the Ministry of Culture, Sports, and Tourism expressed its intent to help extend *hallyu* beyond its traditional form of K-pop and dramas, to include Korean food, fashion and publications. To achieve this goal, the ministry is mobilizing Korean embassies to serve as marketing outposts for cultural exchange, and to turn every Korean person, institution and company into an ambassador for the Korean brand. Efforts to produce a “second wave” of *hallyu* actually started during the Roh administration. During the Roh years, the culture ministry started the “Han Style” project, a campaign designed to transform traditional Korean culture into a global lifestyle brand through the commercialization of various aspects of traditional Korean culture. “Han Style” refers to six major aspects of Korean traditional culture: *Hangul* (Korean writing), *Hansik* (Korean food), *Hanbok* (Korean clothing), *Hanok* (Korean houses), *Hanji* (Korean mulberry paper) and *Hanguk Eumak* (Korean music). Highlighting these cultural contents encourages people around the world to integrate them into their everyday lives. The Roh administration invested over \$216 million in the “Han Style” project through 2011 in an effort to raise the national brand value of Korea. Meanwhile, well-known Korean actors Choi Su-Jong and Yang Mi-Kyung were selected as the spokespersons for this project. Jeollabuk-do, a province rich in historical value, also vowed to transform this southwestern province into a *mecca* of “Han Style,” and the local government invested over \$52 million over the next 10 years.

Hallyu enables people across the world to familiarize themselves with Korea and Korean culture in nontraditional ways. To convey the essence of Korea, Choi Jung-wha, president of the Core Image Communication Institute (CICI) and professor of interpretation and translation at the Hankuk University of Foreign Studies, explained, “[W]e should not rely on appealing to reason but rather get people to ‘feel’ Korea.” For example, in commemoration of Lee Myung-bak’s trip to the APEC meeting in November 2008 and later trip to South America, CICI hosted a food festival. The festival was designed to engage all five senses. The festival began with the five-minute video, “Korea is It,” and was followed by traditional Korean performances and Korean food. Choi explained, “People’s eyes and ears would be pleased by the video material and the performance and then their palate will be satisfied by Korean food.”

The Korean government's ultimate hope is the emergence of a Korean Wave in the Western Hemisphere, especially in the United States where the government has recently invested great efforts on developing cultural relations. Jung Jong-chul, Consul of Korean Cultural Service in New York, said that in North America, Korea still conjures up images of the Korean War and Korea's militant labor unions, and thus the service is struggling to change these perceptions. In fact, the cultural contents included in Roh's "Han Style," such as Korean food, traditional Korean music, and classic Korean movies, have been the focus of major Korea-related organizations in the United States since no more than five years ago. The traditionally public relations and public policy oriented Cultural Service in New York City, is now more of an art and cultural exchange center. Moreover, its previous focus on one-way propaganda has recently shifted away towards two-way mutual exchanges. Similarly, in Washington, D.C., the function of KORUS House has changed dramatically since 2005. KORUS House used to be the main Korean embassy, but then became the Korean embassy's public affairs office. However, about three years ago, this entity was transformed into KORUS House and started doing regular cultural events, along with some policy discussions with think tank groups and public luncheons. The emergence of a Korean Wave in the United States still has a long way to go but the general promotion strategies of these organizations have changed from public diplomacy to cultural diplomacy in order to foster the main aims of the "Han Style."

IV. CONCLUSION

Nation branding is the molding and management of a country's image. It should be recognized that Korea's inability to build a positive national brand and identity in the past has been attributed to policies lacking in unity and consistency. Kim You-kyung explains, "Korea's national image is summed up in three phrases overseas: not unique, not familiar and not strong. It means that our national identity lacks the three core elements for building a good national brand and identity." To be unique and attractive, Korea must distinguish itself from its neighboring countries. For instance, common perceptions of Japan include refined handicrafts and other small and exquisite cultural heritages; travelers to China are fascinated by the Great Wall and other historic spots. To many foreigners, Korea's cultural attractions look similar to those better known in China and Japan, and

thus, do not register as unique. Therefore, the task before the Korean government to differentiate itself from its regional and culturally-similar neighbors in order to improve its national brand is a daunting one, and one that will require proactive and concerted efforts.

The first step in rebuilding Korea's national brand is to discover the fundamental characteristics of Korean society, culture and industry. Although the Korean government has spent billions of dollars on various promotions, advertising campaigns, Korean language institutes, and a network of embassies around the world, these actions have not thrust Korea into the ranks of other global leaders, nor have they helped Korea to become particularly popular among other countries. Instead, Korea's brand value has gone down year by year. While similar-functioned government ministries and agencies produced stationery, brochures, books, movies, websites and more to promote positive images of Korea's national brand, unfortunately, the concepts and messages were more often than not, confusing and ineffective. Going forward, better-coordinated efforts must be implemented if Korea is to succeed in changing its global appeal.

As for the second step of nation branding - communicating this new vision of Korea to the outside world - Korea is now taking an unprecedented move in the area of overseas public relations. For instance, the Blue House now holds director-level monthly meetings to review, specifically, overseas public relations efforts. And every two months, the same meeting, according to the same agenda, is conducted at the managerial level. Participants in the meetings represent 14 different government bodies. Although similar meetings occurred under the Roh administration, the passion, attention and effort are much higher under the Lee administration.

In order to effectively communicate Korea's national brand campaign, the Lee administration must also realize that efforts must be region or country specific. No one strategy will be effective in capturing the public imagination everywhere. For instance, Korea's image in Asia, where Korea is well-known, is completely different from its image in Europe and Latin America, where people hardly know about Korea. More importantly, if Korea wants to influence world politics, a practical and feasible method should be used to target the United States. From a long-term perspective, Korea should also develop separate strategies for opinion

leaders and for the general public in each region as well.

In the end, increased emphasis on better managing Korea's brand will only be effective if backed by first-class cultural contents and well-coordinated government policies. After all, nation branding is an enormous communications task that can only succeed when viewed as a policy task as well.

CHRONOLOGY

- Early 1990s* *Hallyu*, "the Korean Wave," sweeps through East and Southeast Asia.
- 2002 President Kim Dae-jung initiates the first government-level nation branding effort. The "Dynamic Korea" campaign is constructed around World Cup 2002.
- 2006 Popularity of the Korean Wave begins to wane.
- 2008 Lee Myung-bak initiates new nation branding efforts.
- January 2009* A National Brand Committee is established.