



INFLUENCE OF SUSTAINABLE MARKETING STRATEGIES OF TRADE PROMOTION ORGANIZATIONS (TPOS) ON INTERNATIONAL COMPETITIVENESS: COMPARATIVE STUDY OF REPUBLIC OF KOREA AND INDIA

Aakriti Jain, Ph.D. Scholar, Bharati Vidyapeeth (Deemed to be University) Institute of Management & Research, New Delhi

Prof. (Dr.) Broto Rauth Bhardwaj, Professor, Bharati Vidyapeeth (Deemed to be University) Institute of Management & Research, New Delhi

ABSTRACT

Purpose: The purpose of the case study is to understand the role of TPO on entrepreneurial performance of Korean companies, a country competitiveness perspective. South Korea officially known as the Republic of Korea and commonly referred to as Korea is a sovereign state in East Asia, constituting the southern part of the Korean Peninsula. Its total area is 100,284 square kilometer. The total population in South Korea was last recorded at 50.42 Million people in 2014. The study focuses on cooperative science and technology in national and international markets for strategic technology transfer and cooperative marketing strategies for franchising and licensing of the products and services and also methodology for new market entry strategies in global markets.

Methodology: The case methodology includes SAP-LAP methodology (Sushil, 2000) and APP Model (Momaya, 1999) and PPTCR Model (Bhardwaj, 2016) of analysis. Seoul (the national capital of South) is known as one of the largest cities in the world. It is located in the country's northwestern part at the Han River, about 30 km east off the coast of the Yellow Sea. Korean is the official language of South Korea (Republic of Korea). On February 25, 2013, Ms. Park Geun-hye became the eleventh and current president. She is also the country's first woman to assume this post.

Findings: The case study findings suggest that Gross domestic product (GDP) measures of national income and output for a given country's economy. It is equal to the total expenditures for all final goods and services produced within the country in a stipulated period of time.

Implications: The model developed through this case study would help to guide the TPO organizations to plan for their promotional and marketing activities attracts the various companies to use their services for enhancing the competitiveness of their firms.

Originality: South Korea has a market economy that ranks 13th in the world by nominal GDP and also 13th by purchasing power parity (PPP). Economic indicators shown by World Bank are 3.3% GDP growth rate, USD1.41 trillion GDP and \$27,090 as GNI per capita(Current US\$)in 2014.

Keywords: Korea, India, TPO, Trade promotion organization, marketing strategies

I. Introduction

According to Central Intelligence Agency-US, South Korea been an export oriented economy recorded around 572.7 Billion USD in 2014 which mainly included commodities like Semiconductors, Petrochemicals, Automobile/Auto Parts, Ships, Wireless Communication Equipment, Flat Displays, Steel, Electronics, Plastics, Computers. Korea is the world's leading producer of displays and memory semiconductors. Also, it is the second-largest shipbuilding nation in the world taking corporate entrepreneurship and continuous innovation methodologies (Bhardwaj and Jain, 2024; Bhardwaj, Sushil, Momaya, 2006).

A Trade Promotion Organization (TPO) is defined by the International Trade Center, UNCTAD/WTO from Geneva like a private or public institution with the main task to facilitate foreign trade (Olaru 2012). More over, Bhardwaj et. al. (2023) also proposed that entrepreneurial recommendation system can be used for designing animes to increase customer satisfaction and revenue generation using



artificial intelligence and social media marketing, especially by the semiconductor industry, where there are more entrepreneurs and small businesses.

Global Marketing in the current era requires comprehensive outlook & promoter factors like needs & wants, market resources, technology transport improvement, costs, quality, global peace, global economic growth and opportunities identification for expanding advantages through global activities (Afrachali 2013). Also, Bhardwaj et. al. (2023) proposed that the applications of neural networks, decision sciences and artificial intelligence, ICT and intelligent based mobile systems in enhancing e-governance in sustainable education in semiconductor industry would be very helpful in skilling the manpower and continuous innovation and improvements in manufacturing processes (.

Trade Promotion Organization (TPO), governmental and non-governmental, are representing the main institutional link to strengthen the international competitiveness of enterprises. (Olaru 2013)

To promote economic Interest & explore competitive advantage, government have commercial 'eyes', 'ear' and 'voice' facilitated by TPOs.

South Korean economy is dependent on international trade. Central Intelligence Agency-US claimed that South Korea imports were 528.6 Billion USD in 2014 which include major import commodities like Crude Oil/Petroleum Products (23 percent of total imports), semiconductors (6 percent) and natural gas (5 percent). Some other items are Coal, Steel, Computers, Wireless Communication Equipment, Automobiles, Fine Chemical and Textiles.

II. Literature

The study on TPO and its influence on performance of entrepreneurial ventures are scarce. On the basis of the detailed literature review the following research gaps have been identified. Are the benefits of any trade creation sufficient to justify any reasonable fraction of the costs of the Foreign Services? (Rose, 2007). Further research is needed to refine the role & activities effectiveness of TPOs using quantitative methods as well as qualitative case-study data. (Naray, 2011). Commercial diplomacy is a significant factor in the ongoing process of globalization, yet there is shortage of empirical research on this activity. (Kostecki and Naray, 2007). Further research is required to measure the CDs' effectiveness & performance & to what extent government objectives and beneficiary (business) satisfaction have been reached (Naray, 2008). Research is needed for identifying various export services required by exporters in a particular commodity group (Afrachali, 2013). Few studies have been done from point of view of India.

In order to enhance bilateral business relations in between countries, the government sets up regulatory bodies called Trade Promotion organizations. These organizations play a vital role in promoting international business of a country & act as a catalyst in the promotion of industry, trade & entrepreneurship.

Cooperative Science and technology

Using the cooperative science and technological methods, the suppliers can find, collaborate for strategic technology transfer for better and cost effective methods of production and implementation for more affordable products and services for the national and international markets.

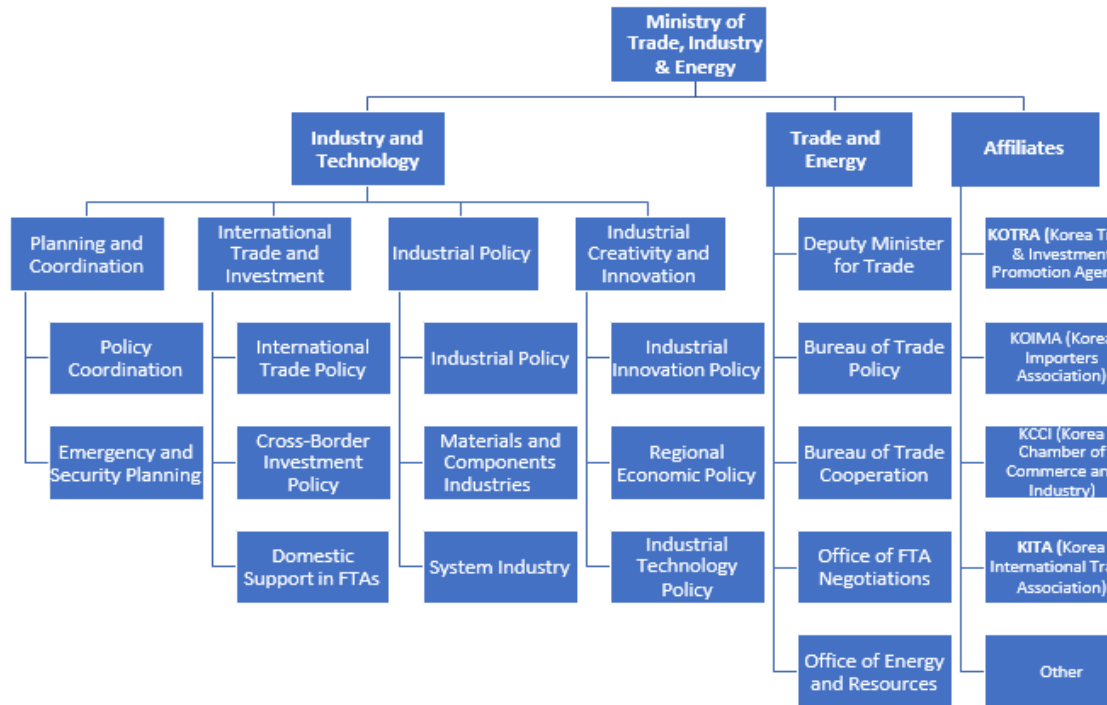
In line with Gordon Moore's 1965 observation (known as Moore's law), the number of transistors on an integrated circuit has doubled roughly every two years for more than fifty years. This constant technological innovation development has facilitated the creation of a seemingly endless stream of new devices that have become central to daily life in the twenty-first century. While it may be easy to take change in the field of technology for granted, recent industry transformations tied to new semiconductor technologies and applications deserve recognition.

The semiconductor industry appears to be at or near an inflection point within its history. It is facing two discontinuities simultaneously. The semiconductor industry is having to face the physical limits of existing semiconductor raw materials and the market potential end of Moore's law. At the same time, new applications are driving demand for even smaller, lighter, and more powerful



semiconductors. While these changes could certainly threaten the industry's steady rate of performance, the semiconductor industry is adapting to meet new challenges and opportunities. New semiconductor applications are now driving technological innovation development and spurring problem-solving and innovation.

2.1.South Korean TPO Structure



Affiliates funded by ministry such are KOTRA (Korea Trade & Investment Promotion Agency), KITA (Korea International Trade Association), KCCI (Korea Chamber of Commerce and Industry), KOIMA (Korea Importers Association), SMBA (Small and Medium Business Administration) with other 33 similar associations in South Korea are playing a major role in promoting trade & investment in home country.

III. CASE STUDY METHODOLOGY

Population: Business Sector dealing in Foreign Trade (Delhi NCR) was collected. Sample size was 350 Korean companies (Hair et. al., 2010). Sampling techniques included random sampling from the list of directories of various TPOs followed by Snowball Sampling. Data collection method: empirical (questionnaire method) & case study method. The case methodology includes PPTCR Model (Bhardwaj, 2016) of analysis.

In this case study model, we use the following framework for the study of cases in detail as follows: P: People (employees, top management, stakeholders, and others) Bhardwaj et. al., (2022) proposed that determinants of behavioural decision making of entrepreneurial investors can improve their abilities to make critical decisions. Moreover, Bhardwaj (2018) studied the role of education in empowering women employed in semiconductor businesses in various roles and responsibilities. The author proposed a model for upliftment through community services and resulting in sustainable enterprising communities and people. Bhardwaj (2018) studied if education can empower women to enhance the lives of people through community services. Bhardwaj (2014) also studied the various methods for educating for values and ethics: impact of education on social sustainability.

P: Policy and Process (Processes of the semiconductor industry using which the companies, suppliers and vendors manufacture the various products and innovation. Similarly, Bhardwaj (2012) studied the impact of green policy on ecologically sustainable organization by studying in the emerging country context of India. Moreover, Bhardwaj (2021) also proposed that the role of knowledge management

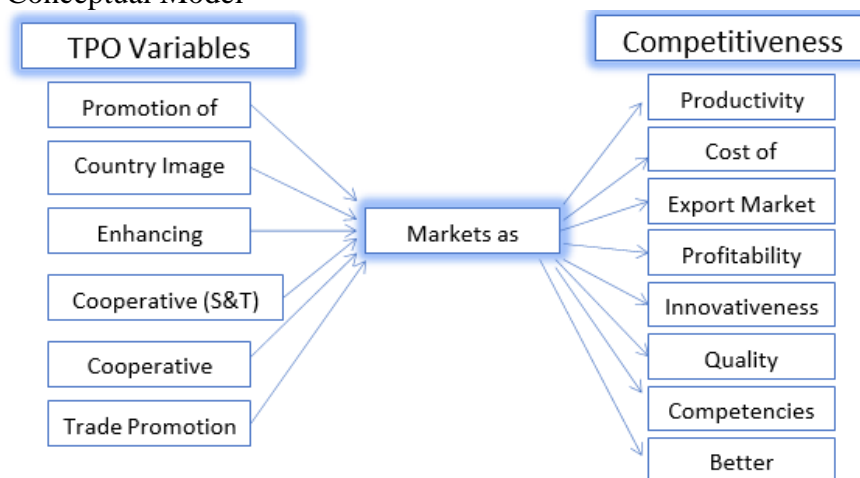


in product innovation is very critical. Also, Bhardwaj (2016) studied the role of green policy on sustainable supply chain management A model for implementing corporate social responsibility (CSR).

T: Technology (various semiconductor production technologies used by the vendors, companies and suppliers). Bhardwaj (2019) studied the various factors of adoption and diffusion of technology entrepreneurship and its Implications of knowledge management in sustainable product innovation in Technology Entrepreneurship in South Asia and found that cooperative science and technological collaboration would prove to be very helpful in strategic technology transfer for small firms. In turn, these SMEs can also mass produce their patented products and market them in regional and local markets.

C: Capability and culture of Innovation (This includes the time for innovation culture, capabilities and skills for managing and producing innovations and working on continuous innovation methods including Kaizen, Pokayoke and quality circles for improvement). Bhardwaj et. al. (2023) proposed that by enhancing sustainable dynamic digital capability using strategic intelligence through artificial intelligence in techno-preneurship can enhance the skills of the entrepreneurs and employees at the same time. Moreover, Bhardwaj, BR (2020) Influence of knowledge management on product innovation by intrapreneurial firms. Bhardwaj (2020) also proposed that the role of knowledge management in enhancing the entrepreneurial ecosystems through corporate entrepreneurship and strategic intent in high-tech firms including semiconductor industry. R: Resources that are being used during the production process and various other techniques of semiconductor production methodologies.

3.1. Proposed Conceptual Model



IV. Data analysis

4.1 Case study analysis (PPTCR Methodology)

People: After examine 22 large exporters & 200 import destinations; it was found that presence of foreign missions is positively correlated with exports. Bilateral exports rise by approximately 6-10% for each additional consulate abroad (Rose 2007).

Process of TPO: There is a need to study the framework for understanding and developing a firm's competitiveness and in developing trade promotion policy, the markets as networks perspective (Johanson and Mattsson 1994).

Technology: There is an immense need for using technology using social media marketing techniques by these companies for enhancing trade in international domains.

Culture: The culture of marketing and promotional activities needs to be promoted among the entrepreneurial companies. There needs to be top management support for using these promotional tools offered by TPO organizations.



Resources: The proper allocation of resources is to be done in the adoption of TPO organizations and their facilities. There is a need to study the gap between services provided by the Trade Promotion Organizations and need of the market.

As per the data collected, the analysis and data interpretations are given as follows. These questions were asked during the case study data collection. The respondent profile includes small entrepreneurs in Korea.

The study also measured the degree of awareness towards the services & functions of TPO. The study shows that there is not enough awareness about the TPOs and about the services & functions among the Korean entrepreneurs.

Table 1: Awareness about the services & functions of TPO among the Korean entrepreneurs

Ratings	Frequency	Percentage
Strongly Disagree	9	13%
Disagree	32	46%
Neutral	22	31%
Agree	6	9%
Strongly Agree	1	1%
Did Not Respond	0	0%
Total	70	100%

This implies that TPOs should adopt some promotional activities to make their services known to the small entrepreneurs.

The study further measured the frequency in contact with TPO to avail their services

Table 2: Frequent contact with TPO to avail their services

Ratings	Frequency	Percentage
Strongly Disagree	13	19%
Disagree	33	47%
Neutral	21	30%
Agree	2	3%
Strongly Agree	1	1%
Did Not Respond	0	0%
Total	70	100%

Table 2 shows that only 1 per cent of the entrepreneurs are constantly in touch with the TPO. However, it is interesting to find that almost 47 per cent are in touch with the TPO through some or the other reasons. But they are still not aware about their services. This implies that there is enough scope of TPOs to adopt the marketing strategies to promote their services to the entrepreneurs.

The study further also measured the TPO and how it has helped their organizations in acknowledging the benefits of exporting.

Table 3: TPO has helped your organization in acknowledging the benefits of exporting

Ratings	Frequency	Percentage
Strongly Disagree	10	14%



Disagree	24	34%
Neutral	30	43%
Agree	5	7%
Strongly Agree	1	1%
Did Not Respond	0	0%
Total	70	100%

Table 3 shows that 34 per cent entrepreneurs acknowledge that TPOS have not helped their organization in acknowledging the benefits of exporting. This implies that TPO organizations have huge scope in promoting the benefits of the exports to the entrepreneurs thereby helping them to become more internationally competitive.

The study further measured the experience with TPO has enhanced their businesses. In turn, the respondents gave the following responses.

Table 4: Experience with TPO has enhanced your business competitiveness

Ratings	Frequency	Percentage
Strongly Disagree	4	6%
Disagree	24	34%
Neutral	27	39%
Agree	12	17%
Strongly Agree	2	3%
Did Not Respond	1	1%
Total	70	100%

Table 4 shows that about 57 per cent of the entrepreneurs have experienced with TPO have enhanced their entrepreneurial business competitiveness.

V. Conclusion

The study aims to find the drivers of domestic competitiveness through the implementation and usage of TPO. The study also aims to find how TPO can facilitate international trade and what are variables and areas where TPO can add value through their services. The study findings are encouraging to study this aspect of promotional activities on TPO performance. However, there is huge scope to understand the present structure & working of TPOs in India and to understand the present strategies used by TPOs to reach to Indian companies. There is also a need to evaluate the perceived usefulness of TPOs for enhancing competitiveness by business sector (Bhardwaj et al., 2006; Admin, 2022; Arruda et al., 2021; Agrawal et al, 2021).

The present case study has studied the promotion of trade in goods & services and its influence on the competitiveness of the firm. The future study can identify the role of Country Image on the competitiveness of the firm. Thus, the study contributes by enhancing the role of cooperative science and technology and marketing strategies for improving the business dynamics and reachability of the semiconductor firms nationally and in international markets.



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